



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT

Australia's New International Development Policy

OVERVIEW AND ANALYSIS
10 AUGUST 2023

Mangilal and Sewa Bai and their four children live in a part of northern India where unpredictable rainfall and harsh conditions can make farming difficult. Tearfund's partner EFICOR has been working in the area for the last few years, training local people in ways of farming that better suit the conditions here.
Photo: Lambard Regulus, EFICOR/Tearfund

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Remote islands in Solomon Islands are already experiencing the effects of climate change in their daily lives. Once living in a location with an abundance of fish, the islanders are struggling to maintain their livelihoods. World Vision is working with local young people on these islands to empower them with information, education and leadership skills so they can have a chance to prosper economically and have more choices for their future. Photo: Kelzer/World Vision

Headlines

We applaud:

The announcement of a new Civil Society Partnerships Fund, which will be co-designed by the Government and partners including civil society organisations. Shrinking civic space is one of the key threats to regional stability and resilience, and we are pleased to see the Government prioritising civil society strengthening through this policy.

Humanitarian strategy: a standalone public-facing strategy on Australia's humanitarian program acknowledges the growing need for a robust humanitarian sector that is well-placed to respond to disasters and crises.

Introduction of a new target for programs over \$3 million to achieve a **climate change** objective. This will ensure that Australia's development program effectively addresses one of the most pressing challenges facing our region and world.

We welcome the renewed **emphasis on the Sustainable Development Goals**, which Australia agreed to in 2015. The SDGs commit countries to eliminate extreme poverty by 2030.

What needs more work:

Acknowledging the unique needs of children, young people and LGBTQIA+ people. These are groups with unique vulnerabilities and strengths, strengths, and the policy should do more to emphasise how the development program will address these. With reference to LGBTQIA+, the the Government's prior commitments to a fund and and strategy for rights and inclusion are not mentioned in the policy but will still be progressed progressed this year.

The lack of a whole-of-world approach. The policy focuses on the Indo-Pacific, with its countries remaining the predominant beneficiaries of Australia's development efforts. However, the greatest need for humanitarian assistance and human development lies outside the region. We strongly advocate for a position that prioritises need over geography.

Tangible commitments on how the development program will lift people out of poverty. The policy describes how achieving a *stable, peaceful and prosperous* region will require addressing poverty, but there is little detail on how this will happen. We look forward to receiving more information on programs and concrete steps that will ensure our aid reaches people and communities who need it most.

We look forward to:

Actions that deliver on the Government's commitments to increasing transparency: reinstatement of the annual Performance of Australian Development Cooperation (PADC) reports; a new publicly-accessible online portal; and a new biennial perceptions survey, including local actors, to track reputation of DFAT and its partners.

The creation of new Development Partnership Plans (DPPs). We anticipate that these plans will do the heavy lifting in turning this policy into action. We look forward to supporting an inclusive engagement process for these plans, which prioritises vulnerable and marginalised groups.

Increased capability within DFAT and dedicated Senior Responsible Officers (SROs) at overseas posts. With much development expertise lost from Government over the past decade, rebuilding capability requires resolve. The Government announced dedicated SROs at overseas missions to monitor development programs in their patch. We look forward to seeing how these positions will be resourced.

OVERALL DIRECTION: ACFID'S VIEW

New Development Policy reframes Australia's development program

The policy sets the stage for Australia's development cooperation agenda and priorities for the years to come and is the first substantive development policy setting for a decade. It comes as a welcome reprieve from the focus on shoring up defence capabilities over the past year.

ACFID, the aid sector's peak body, warmly welcomes the release of the new development policy. In particular, the policy is noteworthy for its repeated focus on climate as a major driver of instability and a challenge for our times.

The development sector welcomes the new policy's explicit references to poverty alleviation, as it believes human development must remain the overarching priority of Australia's development program.

The policy is also noteworthy for being the first time a development policy has recognised the need to incorporate First Nations input, leadership and traditions.

ACFID and its member organisations note that the new policy is just the beginning, and marks the start of rebuilding the international development program. The development sector has a long and strong track record and relationships in the Indo-Pacific, and is eager to work with the Government to ensure the document is converted into action.

International development is a vital lever of Australia's global outreach. This new policy brings coherence and a centre to Australia's aid program. ACFID will be conducting an assessment of progress against the policy on its one-year anniversary.

Marc Purcell, Chief Executive Officer

This policy makes it abundantly clear that the time has come for development to gain the prominence it deserves. We've all seen the world's refugee flows, the pandemic outbreaks, our rising temperatures and sea levels.

None of these critical challenges that we face today will be solved by military hardware. The best tool we have is a responsive, high-quality development program that invests in common solutions.

Jessica Mackenzie, Chief of Policy and Advocacy

[Read the full media release on ACFID's website here](#)



Min and friends planting trees at their school garden. They are learning about natural disasters and why more disasters are happening. They are learning how to prepare individually for climate change, through planting trees and cleaning environment activities such as garbage collection. Photo: Kathy Htoo, Khaing Min Htoo / World Vision



1. The International Development Policy

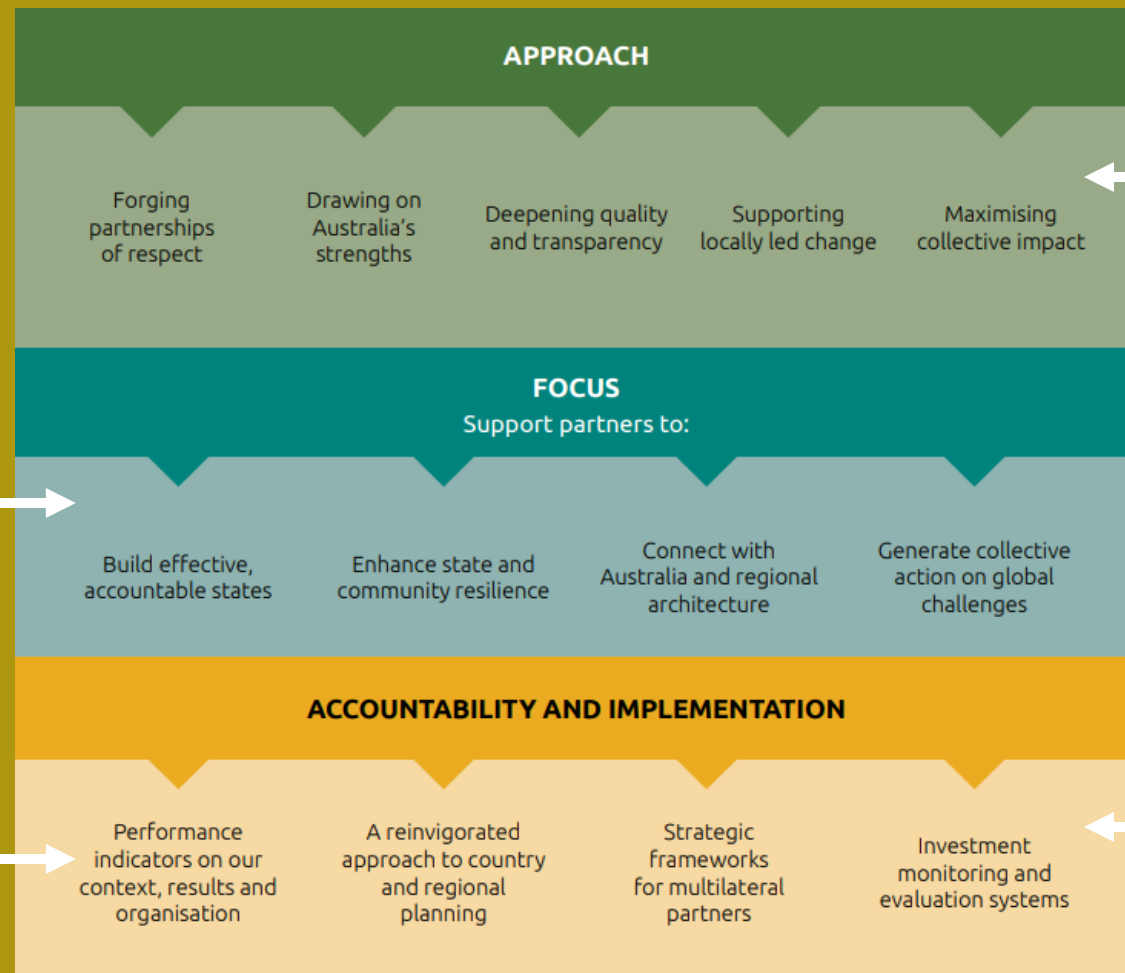


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Key elements of the policy

- Consists of 5 chapters and 14 'key commitments' which vary in their level of specificity
 - Chapters 1 and 2 are mostly descriptive of the challenges and environment we face
 - Chapter 3 outlines “our **approach**” with an emphasis on Australia’s strengths
 - Chapter 4 highlights “what our development program will **focus** on” (the four key areas outlined in the TOR)
 - Chapter 5 talks about **systems** for accountability and implementation
- A strong focus on climate change is woven through the policy, including through a new target and a commitment to specific analysis of climate risk at the country level
- The policy is not organised by sectoral areas meaning the DPPs will be a critical engagement point
- Puts a strong focus on partnership and ways of working – “We seek relationships based on respect and partnerships that create economic and social value for us all”
- Recognises the role of civil society organisations and the importance of civic space, commits to a new Civil Society Partnerships Fund
- Commits to “supporting locally led change” - Minister Conroy states that Australia will offer a program that “is not transactional in nature” and “prioritises local leadership, job opportunities and procurement”
- Strong statements on capability and transparency – including commitments to create new Senior Responsible Officer roles, develop a new online portal, undertake biennial Perceptions Surveys and reinstate annual Performance of Australian Development Cooperation reports

Their Framework: Policy on a page



CHAPTER 3

These are the subheadings of Chapter 3. Some but not all of these areas are reflected in Tier 3 performance indicators.

CHAPTER 4

These are the 4 focus areas outlined in the Terms of Reference. The Tier 2 indicators in the Performance Framework align to these focus areas.

3 Tiers of Performance Indicators:

1. Indo-Pacific development context
2. Australia's contribution
3. How we work

CHAPTER 5

These are the 4 elements of the Performance and Delivery Framework.

Objectives & Scope

What's in the policy



Objective – a “peaceful, stable, prosperous Indo-Pacific” (p. 3)

- Largely consistent with the vision of *Partnerships for Recovery*: “A stable, prosperous, resilient Indo-Pacific in the wake of COVID-19”
- The new policy explicitly notes that achieving this objective “**requires sustainable development and lifting people out of poverty**” (p. 7)
- The policy also describes an effective development program as “one of our tools of statecraft” and “in Australia’s national interest” (p. 7)



Long-term focus

- The policy “presents a long-term vision” but does not specify a timespan (Ministers point out the last notable policy was **one decade ago**)



Geographic vs. regional focus

- The title of the policy clearly states that it applies to the Indo-Pacific (the Pacific, Southeast Asia and South Asia are specified)
- The policy explains this ring-fencing: “it is the region we know best, where we can make the most difference, and where our interests are most directly affected”
- The policy frames global challenges as driven by crises and poverty, but the solutions discussed are focused on technology and trade. This seems to be a disconnect



Connection to the SDGs

- The policy outlines Australia’s **strong commitment to the SDGs** (p. 13), including a “ramp up and reset...to accelerate implementation of the 2030 Agenda”
- Tier 2 Indicators in the Performance Framework refer to the to the SDGs, but the measures don’t always align SDG indicators as [set out by the UN](#)



Things to watch

What incentives will ensure that “lifting people out of poverty” is made a more explicit objective of Australia’s development cooperation?

How will new and existing programs be required to change their approach to deliver on this objective?

Partnership

What's in the policy



The policy mentions partner/partnership over 130 times

- The first “commitment” of the new policy is to “**build more genuine and respectful partnerships**”
- The framing of partnership is often “partner-led” or responsive in nature



Regional architecture

- Supporting partners to connect with Australia and regional architecture is one of the four focus areas of the new policy
- The policy showcases the **2050 Strategy for the Blue Pacific** (p. 21) and the ASEAN outlook on the Indo-Pacific (p. 23)



How will priorities and trade-offs be determined?

- The development program will “meet the critical needs” of partners, “while also supporting” Australia’s national interests and shared interests
- This does imply prioritisation of partner priorities, but the **emphasis is on shared interests** - Australia will seek “partnerships that create economic and social value for us all” (p. 7)
- There are several references to the Government’s perceived **constraints**: “we will need to engage with uncertainty and reduce transaction costs to drive efficiency” (p. 31); “our goals must be matched with our means” (p. 37); “Balancing these demands will at times require difficult decisions about where and how to allocate our resources...” (p. 37)



Things to watch

How will Australia support local organisations and development actors (beyond governments and elites) to participate in decision-making as equals in influencing program design and partnership policies?

How will the sentiment on First Nations Foreign Policy be implemented?

Humanitarian

What's in the policy



A new humanitarian strategy

- A commitment to a new humanitarian strategy to “ensure delivery of results for people affected by crises, help reduce need, and build resilience” (p. 8)
- The strategy will be “adaptable, responsive, and effective”, include focus on international humanitarian law and compliment development investments in disaster and climate risks (p. 45)
- **Public facing, whole of government and will be consulted with the sector** – hope to commence in September 2023.
- A global focus – but a clear indication that Indo-Pacific is priority
- Will be captured in the Performance and Delivery Framework



High-level commitment to addressing root causes

- Acknowledgement that alleviating humanitarian suffering and durable solutions require alignment across humanitarian, development, peacebuilding and diplomatic and security efforts
 - Focus on climate and disaster risk throughout policy but largely confined to Pacific. “We will prioritise prevention and risk reduction across Australia’s development investments and humanitarian assistance” (p. 39)
 - **Clear gaps on conflict prevention, displacement and peace.** Especially as these relate to the Performance Framework
- Commitment to providing long-term support to governments and communities hosting displaced populations (p. 45)
- Where partnership efforts are mentioned, the emphasis lies on multilateral efforts. We look forward to reaffirming the role of civil society as key partners in humanitarian action



Things to watch

ACFID will advocate for a revitalisation of humanitarian action based on global need and of peacebuilding efforts in the new strategy.

ACFID looks forward to robust public consultations on the humanitarian strategy and seeing how humanitarian and development initiatives are brought together (perhaps through DPPs?)

Climate Change

What's in the policy



Climate change as a development priority

- Includes climate change as a development priority and cross-cutting theme across all chapters (mentioned 27 times)
- Climate change is described as “a foremost concern” of our region, and “the single greatest threat to the livelihoods, security and wellbeing of Pacific peoples” (p. 26)



New climate target

- Half of all new bilateral and regional investments valued at more than \$3 million to have a **climate change objective** from 2024-25, with a goal of reaching 80 per cent by 2029
- How “climate change objective” will be defined remains to be clarified. DFAT does report on climate adaptation and mitigation in line with OECD DAC guidelines

Promises ‘more’ on climate action – but not necessarily for Australia?

- Climate is clearly a **priority for policy design**, future investment and program implementation. But it is unclear if resourcing will flow for these
- The policy states that Australia “will do more to *help partners*” achieve Paris commitments and “accelerate global ambition” – but there is no clear roadmap for lifting our own commitments/ambition on emissions reduction or overall climate finance



Climate risk integration, environmental protection & biodiversity

- Advises building climate risk into foreign policy and programmatic considerations such as bilateral and regional DPPs and to build resilience against humanitarian crises
- Commits to “expand support for environmental protection and biodiversity conservation” (p.39) (this is a first to our knowledge)



Things to watch

The Government must move beyond the previous government’s \$2 billion commitment. Australia’s climate finance fair share is \$4 billion per year by 2025 and \$11.5 by 2030. This is important as Australia bids to host COP 31 in 2026.

ACFID will advocate to translate the policy’s climate ambition into reality, through locally-led climate mitigation and adaptation investments as well as loss and damage funding.

Sectors

What's in the policy



Health

- Acknowledges that COVID highlighted the vulnerability of many health systems and cites disease prevention and management, non-communicable diseases, and mental illness as areas of work (a first in an overarching policy to our knowledge!)
- Specific mentions of sexual and reproductive health rights and access to water, sanitation and hygiene services are very welcome



Education

- The policy describes that “facilitating greater linkages between education systems will help achieve better outcomes and new pathways” which suggests a whole-of-government non-ODA approach
- The policy stipulates that Australia will invest in “partner-led initiatives” to improve schooling, vocational training and employment services. We affirm the importance of Australia upholding the right to education and working to create access to educational opportunities for all children and people



Social Protection

- The provision of social protection is cited as a key measure of Australia’s contribution to SDG 1 – eradicate poverty



Infrastructure

- Curiously, Infrastructure is described as the “backbone of every economy and society”
- Australia must prioritise social infrastructure and the basic facilities and services that people and communities have a right to access (education, healthcare, sanitation and hygiene), as well as locally-led infrastructure maintenance and plans for sustainability



Things to watch

This policy is not structured around sectors. Consultation to determine priority sectors in each country (via DPPs) must prioritise the voices of civil society and marginalised groups.

ACFID will advocate for prioritisation of sectors that are most likely to lift people out of poverty.

Locally-led development

What's in the policy



Supporting local leadership and participation at all stages

- We welcome the Government's acknowledgement of feedback from partners on the need to adopt locally-led development
- The policy clearly commits to adopting "a more **flexible and innovative approach**" to increase the participation of local actors/organisations across all stages of programming from design to MEL.
- This commitment could be strengthened with clear targets towards this end (ACFID Recommendation 14) and making this a formal requirement in the Aid Programming Guide
- Future guidance on locally-led development should clearly step through **how DFAT plans to meet its partners halfway**, by adjusting their own expectations and requirements (where possible) to enable local actors to meet donor requirements
- We understand that DFAT is developing guidance to support locally-led approaches across the program, and an external reference group to guide this work, which will include country representatives



Multi-year funding for local organisations

- The policy states that Australia will provide **multi-year funding** to local organisations and offer support to meet requirements



Direct-financing to partner governments

- The policy describes that DFAT will take "risk-informed opportunities" to provide direct budget support



Things to watch

ACFID will advocate that direct budget support is matched with dedicated funding to local civil society organisations to enable them to play a role in accountability and transparency on public spending (ACFID Recommendation 13b).

DFAT's guidance should commit to co-creating, with local actors, reporting requirements and performance measurement indicators that reflect both local and international actors requirements and expectations on outcomes, risk management, learning and two-way accountability.

Civil Society Partnerships Fund

The Government will design a new Civil Society Partnerships Fund to support Australian and local civil society organisations. As the policy acknowledges, civil society organisations have relationships, networks and knowledge that helps achieve development impact.

The Government has expressed the intention to co-design this fund with civil society organisations in Australia and the Indo-Pacific. As such, the initial value and specific purpose and scope of the fund have not yet been determined. The intention is to provide direct and multi-year funding.

We welcome the policy's strong affirmation of the important role of civil society:

Australia recognises that the value of civil society, and that civic space is shrinking in many parts of the world. Direct support for, and engagement with, civil society organisations will continue to be an integral part of how Australia implements its development program. (p. 33)

Civil society strengthening and governance

What's in the policy



Importance of vibrant civil society

- The policy recognises the value of having and **strengthening vibrant civil society** in the region, as well as the important work of diaspora, labour, youth and faith-based groups across Australia in partnership with the region which support development outcomes
- This is the first step in the realisation of strong civil society becoming a key objective of the development program (ACFID Recommendation 11)



Protecting civic space

- In discussion of supporting effective and accountable states, the policy states that “**Australia will respect and promote civic space**, recognising the distinct nature and value of civil society in each country” (p. 38)
 - This could go further if Australia actively raises civic space protection with its partners



Governance, state fragility and resilience

- The policy specifically calls out 22 out of 26 of Australia's near neighbours are developing countries and that many of them are fragile, but does not set out any specific efforts targeting issues of governance or fragility
- We understand there is no reestablishment of a team specifically focused on helping deliver programs directed at governance and fragile states (ACFID Recommendation 13a)



Things to watch

ACFID looks forward to engaging in co-design for the new Civil Society Partnerships Fund.

Australia should deliver on its commitment to full implementation of the OECD DAC Recommendation on Enabling Civil Society and include civic space analysis in all DPPs.

Will references to democracy as a value translate to conversations with bilateral partners about civic space?

Gender, Disability, Children & Young People

What's in the policy



Gender equality and disability as “core issues for action”

- Both forewords by Ministers Wong and Conroy elevate a focus on gender equality and disability inclusion
- We welcome strong language that “we must tackle the unequal power systems and structures that stifle economic growth and human development” (p. 33), which echoes ACFID’s call for an intersectional, rights-based approach (Recommendation 8)



Gender equality strategy and target

- The policy confirms the new international gender equality strategy is underway. It will cover Australia’s international engagement as a whole, including development
- The policy also confirms two targets: (i) 80% of all investments will address gender equality (measured against DFAT’s IMR criteria), and (ii) all new investments >\$3m must include a gender equality objective (measured against the OECD DAC policy markers). Note, these are not new announcements



Disability strategy

- The policy confirms that the Government is developing new disability equity and rights strategy, consultations will start shortly
- Australia commits “to be led by the experiences and expertise of people with disability” in program design and implementation and Australia will continue advocating internationally for disability equity and rights



No mention of LGBTQIA+ and minimal focus on children and young people

- The policy references the lack of access to education for children and some of the challenges facing young people. However there are no specific commitments to support their rights and wellbeing



Things to watch

Australia’s international advocacy on LGBTQIA+ human rights is important. We look forward to engaging in a strategy for LGBTQIA+ human rights and implementation of the fund for CSOs and human rights defenders.

How will the Government prioritise the rights of children and young people through this the policy?

There are **no explicit goals or targets** are mentioned in the disability space – despite both Ministers citing this as a priority area. We hope to see more concrete commitments in the new disability equity and rights strategy.

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What's in the policy



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DFAT's guidance should commit to co-creating, with local actors, reporting requirements and performance measurement indicators that reflect both local and international actors requirements and expectations on outcomes, risk management, learning and two-way accountability.

Eastern Highlands, Papua New Guinea:
Eriko Fuferefa, Director of Oxfam
partner Kafe Urban Settlers Women's
Association (KUSWA) and a survivor of
gender-based violence pictured at her
office. Photo: Patrick
Moran/OxfamAUS

2. Performance and Delivery Framework



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Performance and Delivery Framework

The policy document commits Australia to delivering “a high quality, effective development program that responds to partner needs by fostering a strong, performance-based culture that generates robust data on performance, drives improvement in the quality and effectiveness of investments, and promotes accountability.” (p. 47)

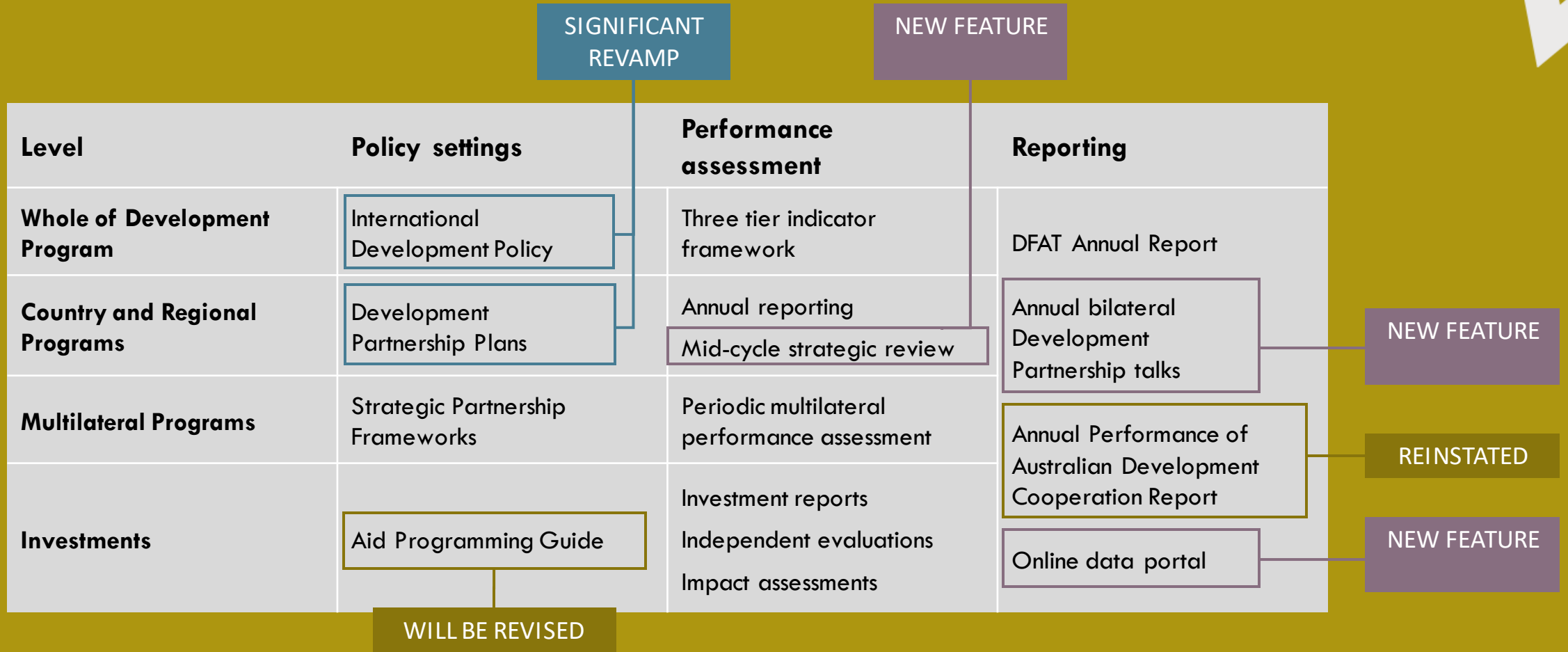
DFAT produced a framework to deliver on the policy’s commitments. The *Performance and Delivery Framework* sets out four elements:

1. Country and regional Development Partnership Plans (DPPs)
2. Three tiers of performance indicators
3. Ongoing use of Strategic Partnership Frameworks with multilateral organisations and implementation frameworks for global programs (such as the ANCP)
4. Investment level monitoring and evaluation systems

The two mandatory requirements for programs of a particular size are:

- All investments of \$3 million and over must include a **gender equality** objective
- From 2024-5 at least half of all new bilateral and regional investments valued at more than \$3 million will have a **climate change** objective, with the goal of increasing this to 80 per cent in 2028-29

Performance Framework on a page



Development Partnership Plans

What's in the framework



Whole-of-government country and regional “Development Partnership Plans”

- These are the **new country strategies**
- ACFID’s submission recommended 10-year development cooperation agreements. We welcome the new DPPs.
- *“DPPs will be based on strong partnerships, support existing bilateral and regional architecture, and reflect context-specific analysis, including on climate change, gender equality, disability and social inclusion as well as barriers to economic growth.”* (p. 6, Performance and Delivery Framework)

Process



- These will take place over 18 months, in stages mostly **throughout 2024**. Timeframes will be informed by local context including election cycles etc.
- The process will be **led by posts**, coordinated through the Development Effectiveness and Enabling Division
- Each country with an annual ODA spend >\$15m is required to have a DPP (most countries are in the Pacific, SEA and South Asia, also likely one for Africa regional program and Palestinian Territories)
- Each DPP will be accompanied by a performance assessment framework (PAF) and progress under these will be published



Things to watch

ACFID will advocate that the DPPs:

- include political economy and civic space analysis
- bring together humanitarian and development to address root causes of crises
- reflect long-term trends that will impact development (such as demographic changes and increasing climate and disaster risk).

Performance Indicators

What's in the framework



Tier 1: Indo-Pacific Development context

- Reflects overall development **landscape**, not directly attributable to Australia's work



Tier 2: Australia's contribution to development

- This speaks to the **contributions** of Australia's development program and is mapped against the four focus areas of the policy
- There are 18 indicators in total, and 32 measures. Baselines will be provided in the first PADC report (2024)
- It includes both ODA and non-ODA measures
- Note, this tier tracks our contributions – not necessarily our impact



Tier 3: How we work

- Outlines DFAT's operational results on **how it delivers** the development program
- A welcome inclusion is specific measures to track the use of local actors in design, delivery and evaluation (a first to our knowledge)
- Specific measures to ensure the effectiveness of the program (i.e. at least 85% of investments are rated satisfactory for both effectiveness and efficiency on IMRs)
- Includes results from new Perceptions Survey as a measure of whether "partnerships underpin our development cooperation"

Tier 1	Tier 2	Tier 3
Indo-Pacific development context <ul style="list-style-type: none"> • Fragility • Gender equality • Political rights and civil liberties • Fiscal sustainability • Governance • Poverty • Economic growth • Health • Impact of disasters • Climate change adaptation • Climate change mitigation • Regional economic integration 	Australia's contribution to development <ul style="list-style-type: none"> • Building effective and accountable states: <ul style="list-style-type: none"> • Improved governance • Economic policy reform and management and private sector development • Economic empowerment • Social protection measures • Gender equality • Disability equity • Enhancing state and community resilience: <ul style="list-style-type: none"> • Infrastructure • Education • Health • Food security • Climate adaption, mitigation, environment and biodiversity • Maritime security • Connecting Partners with Australian and Regional Architecture: <ul style="list-style-type: none"> • Strengthening leadership • Labour mobility • Strengthening regional architecture • Generate Collective Action on Global Challenges: <ul style="list-style-type: none"> • Multilateral engagement • Trade • Emergency assistance 	How we work <ul style="list-style-type: none"> • Our development cooperation is effective • Our development cooperation is inclusive with a focus on gender equality and disability equity • Addressing climate change is central to our development cooperation • Partnerships underpin our development cooperation • Our development cooperation is transparent • Our development cooperation uses local actors in design, delivery and review • Our development cooperation is informed by monitoring, evaluation and learning • Our development cooperation is enhanced by First Nations perspectives

Indicator results are published in the *Performance of Australian Development Cooperation Report (PADC)* and the DFAT website.



Things to watch

How will we measure the impact of lifting people out of **poverty** and progressing human development?

Will **all government agencies** be accountable to these performance indicators (ODA and non-ODA measures)?

How much of Tier 3 reporting will be public in the new online portal or PADC reports?

Evaluation

What's in the framework



The policy commits to a 'strengthened evaluation approach'

- This includes a multi-year evaluation planning, **piloting new approaches to M&E**, and increasing the internal and external communication of evaluation findings to support learning
- The policy falls short of committing to reestablishing an independent evaluation capacity in-house (ACFID recommended this could look like the Office of Development Effectiveness of 2010 – Recommendation 22a)
- DFAT have issued a [fact-sheet](#) outlining the approach to monitoring and evaluating development, which involves working closely with the new whole-of-government [Australian Centre for Evaluation](#)



Strengthening the evidence base – research and data

- A commitment to ongoing collection of **disaggregated data** (including gender, disability and other aspects of social inclusion – see p. 49) as recommended by ACFID – Recommendation 8c
- Working with other development organisations on joint training and analysis (p.29) ACFID recommended dialogues for this (Recommendation 19c, 19d)
- Enhanced research through increased funding and a clear development **research agenda** (p. 29) ACFID recommended research partnerships (Recommendation 19e)



Things to watch

What specific resourcing is going to be provided to build evaluation expertise in-house?

We hope to see meta-evaluations of sectoral portfolios as part of the multi-year evaluation plans.

What are the **practical avenues** through which evaluations and evidence will feed back into design, and exercise influence over programming decisions (do they have teeth?)

Capability

What's in the framework



Prioritising development expertise

- DFAT is “**investing in the skills** required to deliver the commitments in this policy” and developing “a skilled cadre of development professionals” including Senior Executive Service (SES)
- ACFID specifically recommended: (i) restoring capability that has been eroded e.g. MEL, governance, GEDSI; and (ii) building out capability in critical emerging sectors - climate change, civil society strengthening and blended finance (Recommendation 18)



Recognising locally engaged staff

- Central role of **locally engaged staff acknowledged**. DFAT will “continue to invest in their skills, opportunities and experience.”
- ACFID welcomes this (Recommendation 18c)



Enhancing senior staff

- DFAT will appoint **Senior Responsible Officers (SROs)** at post to improve transparency, accountability and program coherence
- These are not new positions
- The level, scope and remit of these roles will vary between posts. DFAT may form a network of SROs to enhance coherence
- ACFID recommended Head of Development Cooperation positions at priority posts (Recommendation 18e)



Things to watch

DFAT has undertaken a **10-year Capability Review** which has not been made public. We look forward to seeing how these SRO roles are resourced, and ensuring they are empowered with mandate and support they will need to inform risk appetite and cultural change.

\$36 million was allocated (May 2023) for building development expertise and we hope this will go towards the SROs, design, evaluation and DPP areas critical to development programming.

Transparency & Accountability

What's in the framework



ACFID welcomes the commitment to several new transparency and accountability measures, including:

- Access to information on the new development plan through an online portal
- More detailed reporting that provides a full picture of **ODA and non-ODA** assistance
- Reinstatement of the annual Performance of Australia's Development Cooperation (PADC) report
- An enhanced role for the "**Development Program Committee**" (which includes whole of government and independent representatives) to monitor evaluations across the program in dialogue with the cadre of Senior Responsible Officers
- A new biennial DFAT **Perceptions Survey**
 - The first survey will be conducted in 2024 and will involve partner country governments, CSOs and sector experts
 - It will be used to "test the rollout" of the performance framework with partners



Things to watch

The development of the new online portal which will be available from late 2024.

The first Performance of Australia's Development Cooperation Report, to be released in February 2024, which will include baselines for the Tier 2 Performance Indicators.

Non-ODA measures should follow the same safeguards and standards as ODA programming.

Future strategies and implementation



- Work on DPPs commences (timelines and format to vary between countries, but all will be completed by end of 2024)
- Identification and design of evaluations to assess impact (July)
- Consultations and submissions on the International Strategy for Gender Equality (likely by December)
- Consultations and submissions on the Disability Equity and Rights Strategy
- Consultations and submissions on the strategy for LGBTQIA+ Human Rights (from September)
- Public consultations on the standalone Humanitarian Strategy (from September)
- Development of locally-led guidance note, including consultation with stakeholders
- Gender and disability strategies released (December)
- DPPs finalised (all due to be completed by end of 2024)
- Humanitarian strategy released (early 2024)
- International Development Finance Advisory Committee established (January)
- First multi-year evaluation plan to be published (February, then updated annually)
- Review of quality and use of evaluations published (February, then annually)
- LGBTQIA+ strategy released (before May 2024)
- 2024-25 Federal Budget (May)
- First Performance of Australian Development Cooperation Report published (February, then annually)
- Launch of development portal (late 2024)
- First perceptions survey conducted (then biennially)
- Requirement for climate change objective for half of all new bilateral and regional investments >\$3m takes effect (increases to goal of 80% in 2028-29).

ACFID will assess progress against the International Development Policy on its one-year anniversary



As part of the Nobo Jatra program, supported by World Vision, Shamoli gets the MAMA messages on her mobile phone, health messages from a medical specialist that help her make good health choices for her son, Durjoy, 1. “
Photo: Jon Warren/World Vision

3. Development Finance Review



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Development Finance Review

- The review concludes 13 key findings and makes 8 recommendations. The Government has accepted all recommendations made by the review
- The Review also includes four Briefing Papers on: (i) Sovereign development finance, (ii) Blended finance, (iii) Bilateral development finance institutions and (iv) Philanthropic and impact investors
- Rather than forging new ground, the recommendations of the review offer “a pathway for Australia to build on existing foundations.”
- The review clearly recommends that Australia scale up its use of development finance, but is fairly light on the specifics. It cites ‘an **expanded focus on blended and climate finance**’ (Key finding 13) but also cements the Australian Infrastructure Financing Facility for the Pacific (AIFFP) and the role of Export Finance Australia (EFA) in delivering sovereign finance for infrastructure (Key finding 7)
- The existing Emerging Markets Impact Investment Fund (EMIIF) will be rebranded as **Australian Development Investments (ADI)**, with a total capitalisation of \$250m (the cap on EMIIF was lifted from \$40m to \$250m in the May 2023 Federal Budget). A [fact-sheet](#) about ADI outlines that its expansion will focus on:
 - Market building (supporting new and emerging fund managers)
 - Development impact (“concrete and sustainable development or climate impact”)
 - Connecting Australian investors to the region (creating “investment pathways”)

Development Finance Review

What's in the review



Gender equality performance target for investments

- This target aligns with grant-based ODA program requirements and support for gender-lens investing initiatives like 2X Global (ACFID Recommendation 7)



An “**International Development Finance Advisory Committee**”

- Will provide advice to government on its investment portfolio comprising whole-of-government representatives
- The committee should ensure development finance investments align with the objectives of the new development policy and ensure development impact and effectiveness is prioritised (ACFID Recommendation 1)



Transparency

- The review affirms that **greater transparency** of Australia's development financing is needed
- We would like to see more specific commitments to how periodic public reporting will be provided, consistent with the Government's wider transparency agenda (ACFID Recommendation 4)



New dedicated ‘**Blended Finance and Investor Engagement Unit**’ in DFAT

- This is a step towards a comprehensive platform for harnessing philanthropic investment (ACFID Recommendation 2) and consolidating development financing instruments (ACFID Recommendation 6)
- We understand the new unit will sit within the Climate Diplomacy and Development Finance Division
- This must be appropriately funded and resourced

Development Finance Review



Things to watch

The review misses an opportunity to leverage the expertise of NGOs as important partners in development financing activities, including as investors, intermediaries and providers of technical assistance. We will continue to work with DFAT to unlock opportunities and address barriers for NGOs engaging in development finance and impact investing.

ACFID will continue to advocate for a NGO window for impact investing (Recommendation 8).

The Review observes that – “The development impact achieved through the development finance portfolio is nascent given its relatively recent scale-up.” We reiterate the importance of regular and independent impact assessments, including of whether or not programs with foreign policy objectives are meeting those aims, and to monitor sovereign debt risk.

We had hoped this review itself would consider options to incorporate a stronger focus on disability, social inclusion, and First Nations peoples (this is suggested in Recommendation 6 of the Review).

We strongly caution against any expansion of the role of EFA in development financing activities, noting the review states that “EFA could deploy blended finance for infrastructure in Southeast Asia.”

Refresh: our asks

Read ACFID's submission to the New International Development Policy [here](#)



Read ACFID's HRG submission to the New International Development Policy [here](#)



Further Reading & Events

KEY DOCUMENTS

THE INTERNATIONAL DEVELOPMENT POLICY

Available [here](#)

PERFORMANCE AND DELIVERY FRAMEWORK

Available [here](#)

DEVELOPMENT FINANCE REVIEW

Available [here](#)

MEDIA

PODCAST SERIES – “Reimagining Development: Conversations on the New Development Policy” with ACFID’s Jessica Mackenzie and Rachel Mason-Nunn

Listen [here](#)

OP-ED – Three D approach can help ensure a secure future, Jessica Mackenzie, The Canberra Times.

Read [here](#)

OP-ED – International development: Putting the heart back in Australian foreign policy, Marc Purcell, The Interpreter.

Read [here](#)

SUBMISSIONS & TERMS OF REFERENCE

SUBMISSIONS TO THE NEW DEVELOPMENT POLICY

Available [here](#)

TERMS OF REFERENCE FOR THE NEW POLICY

Available [here](#)

BRIEFINGS

ACFID POLICY DE-BRIEF

2.00pm, 10 August

MEMBERS ONLY

JOINT EVENT – Hosted by ACFID, the Development Policy Centre (ANU), IDCC and DFAT.
To be confirmed, 12 September 2023



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14 Napier Close, Deakin

Glension Junior and his mother with a scabies cream she received during the scabies mass drug administration at Komuni Samu in Solomon Islands. Photo: Zahiya Namo/ Murdoch Children's Research Institute 2022