

# ACFID submission guide to the JSCFADT Inquiry into Australia's response to the priorities of Pacific Island countries and the Pacific region

On 15 May 2024, the Joint Standing Committee on Foreign Affairs, Defence and Trade resolved to have the Foreign Affairs and Aid Subcommittee conduct an inquiry into *Australia's response to the priorities of Pacific Island countries and the Pacific Region*. Submissions to the inquiry are due by **Friday, 28 June 2024**. Please feel free to use this guide to assist in the writing of your organisation's submission and to echo sector-wide insights and recommendations.

If you have any questions or would like to discuss the content of this guide with ACFID, please reach out using the below contact.

Please also advise ACFID if there are any additional points that you think should be incorporated into this guide to support the Australian NGO sector's responses to this inquiry.

## [Terms of Reference](#)

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## 1. Identify the key priorities for Pacific Island countries and the Pacific region.

### (a) Evaluate the key concerns and aspirations of Pacific nations regarding their economic, environmental, and social development.

#### You could say:

- The 2050 Strategy for the Blue Pacific outlines the key concerns and aspirations for Pacific nations, as collectively determined by and agreed upon by Pacific leaders. You may wish to refer to this document and highlight some of the key concerns of Pacific nations it refers to, including:
  - Climate change is the single biggest threat to the region's security. Under current trends global temperature rise will exceed 1.5°C before 2040 and 2°C between 2041 and 2060 unless there are rapid, deep and sustained reductions in global greenhouse gas emissions. As well as more frequent and intense climate induced disasters, the region also faces the impacts of deforestation and biodiversity loss with a significant depletion of certain natural resources that are necessary to sustaining livelihoods.
  - Issues related to accessing international funding for climate change and disasters; the continued use of inefficient energy; and inadequate access to safe drinking water and sanitation, food security, maritime boundaries, human rights, and cultural preservation.
  - Heightened geopolitical tension in the region.
  - Issues that require progress in the region include challenges to address high levels of noncommunicable diseases (NCDs) in the region; the availability of quality education for all; and limited commitment by some governments to human rights, gender equality and social inclusion.
  - Issues linked to the depletion of some ocean resources and the degradation of marine ecosystem. This has led to security concerns; land and ocean pollution; lack of waste management and disposal; and inefficient use of energy.
- Arising from these concerns, Pacific leaders have ambition to ensure the following as described in the Strategy:
  - All Pacific peoples will benefit from our Forum Leaders working together to safeguard, secure, and progress the Blue Pacific Continent, achieving regional priorities through a united and cohesive political leadership supported by the Pacific Islands Forum and a responsive regional architecture that aligns to the region's priorities and values. Partners recognise and respect our collective approach as the Blue Pacific Continent.
  - All Pacific peoples continue to draw deep cultural and spiritual attachment to their land and the ocean and all are assured safety, security, gender equality, and access to education, health, sport and other services so that no one is left behind.
  - All Pacific peoples continue to draw deep cultural and spiritual attachment to their land and the ocean and all are assured safety, security, gender equality, and access to education, health, sport and other services so that no one is left behind.
  - All Pacific peoples benefit from a sustainable and resilient model of economic development, including enabling public policy and a vibrant private sector and others, that brings improved socio-economic wellbeing by ensuring access to employment, entrepreneurship, trade, and investment in the region
  - All Pacific peoples remain resilient to the impacts of climate change and disasters and are able to lead safe, secure and prosperous lives. The region continues to play a leadership role in global climate action.

### (b) Examine the role and capability of Pacific regional architecture and agencies, including in the delivery of the 2050 Strategy for the Blue Pacific, and the contributions of external partners to regional development and security.

### You could say:

- The Australian Government should work through the existing regional architecture in the Pacific, including the Pacific Islands Forum and PIANGO, the peak body for Pacific nation NGO peak bodies, to meaningfully incorporate Pacific voices in issues affecting Pacific nations.
  - The Australian Government should also work to support civic space and civil society actors in the Pacific, in line with the OECD Development Assistance Committee (DAC) Recommendation on Enabling Civil Society in Development Cooperation and Humanitarian Assistance.
- Pacific governments and Pacific development partners must include CSOs in decision-making.
  - Supporting and strengthening civil society enhances effective and accountable governance, builds deeper partnerships and people-to-people linkages, and contributes to stability. However, despite the importance of an open civil society and civic space for development, governments across the Pacific are undertaking actions that are closing safe civic space.
- The Australian government should develop effective, long-term development partnerships that are responsive to Pacific voices and priorities. This will be a critical determinant of the quality of Australia's relationships.
  - Development partnerships that are Pacific-led, inclusive and build resilience will be critical to the Pacific's ability to manage future crises and intensified strategic competition.

### Useful resources:

<https://forumsec.org/sites/default/files/2023-11/PIFS-2050-Strategy-Blue-Pacific-Continent-WEB-5Aug2022-1.pdf>

<https://www.dac-csoreferencegroup.com/dac-recommendation-on-enabling-civil-society#:~:text=The%20DAC%20Recommendation%20aims%20to,enhance%20their%20effectiveness%2C%20tansparency%20and>

<https://www.dfat.gov.au/sites/default/files/new-international-development-policy-submission-pacific-island-association-non-governmental-organisations.pdf>

## 2. Assess Australia's engagement in the Pacific and alignment of initiatives and policies with the identified priorities of Pacific Island nations.

### a) Evaluate Australia's current efforts in supporting the Pacific in areas such as trade, investment, infrastructure development, security and capacity building that enhance Australia's position as a partner of choice for the Pacific family.

#### You could say:

- The Australian Government should ensure that it prioritises civil society as a key partner for the delivery of quality, inclusive infrastructure.
- The model of providing services, advice and connections to partner governments to help them make and manage infrastructure investments demonstrates how Australia can play a capacity-building role.
- Alongside infrastructure spending, the Australian Government should restore a focus on governance and building state resilience within Australia's development policy and target investments towards supporting development partners to build effective, accountable and resilient states. This will help advance community resilience. This could be achieved by:
  - Reinstating and building the capability of a 'Fragile States and Governance' team within DFAT including technically experienced personnel.

- Ensuring that any provision of direct budget support to partner governments is accompanied by matched funding to local civil society organisations to enable them to play a role in accountability and transparency on public spending.
- The Australian Government should provide grants as a preferred lever of investment compared to loans due to the high levels of debt distress in the Pacific region.
  - The Australian Government's recent pledge to the Asian Development Fund of AUD492m for the 2025-2028 pledging round is a good example of this.
- The Australian Government should target finance and grants towards the bottom 40% of Pacific Island populations living poverty, as the region is well behind in achieving the Sustainable Development Goals (SDGs) by 2030.
- The Australian Government should support and provide greater funding for the Pacific Resilience Facility (PRF) beyond the AUD100 million already allocated. The PRF is a Pacific Islands Forum initiated regional financing facility with a fundraising goal of AUD1.5 billion, aimed at building Pacific resilience against increasingly severe natural disasters and ongoing climate threats.

## b) Identify opportunities for enhanced regional economic integration and mobility.

### You could say:

- Members can discuss the Australian Government's existing policies on regional integration, such as the Falepili Union, the Pacific Australia Labour Mobility Scheme and the Pacific Engagement Visa, including strengths and weaknesses.
- The PALM scheme - and other opportunities for labour mobility - continue to benefit the region economically through remittances and skills development. The continued success and long-term sustainability of labour mobility schemes must nonetheless be underwritten by a commensurate Government investment in wraparound mechanisms such as: specific funding for a case management approach to child protection and education risks for children who are separated from their parent(s); a long-term strategy to manage any arising loss of a skilled workforce for Pacific nations; and continued focus on eradicating exploitation of workers within the schemes.
- **ACFID/the sector call upon the Australian Government to invest in regional and country development programs to address the negative impacts of labour mobility programs and ensure that the benefits of these schemes are more equally shared.**
- The Australian Government should invest in commitments explicitly outlined in the International Development policy, such as the Civil Society Partnerships fund.

### Useful resources:

<https://acfid.asn.au/acfids-submissions-to-the-australian-governments-new-development-policy/>

<https://acfid.asn.au/supporting-democracy-in-our-region-new-parliamentary-report-recommends-strengthening-civil-society-reflecting-development-sector-priorities/>

## 3. Assess Climate Change Mitigation and Adaptation responses in the Pacific.

### (a) Evaluate Australia's climate support and initiatives aimed at mitigating climate change and assisting Pacific nations in adapting to its impacts.

## You could say:

- Australia's climate finance contributions are well below its fair share of the global USD \$100bn per year climate finance goal.<sup>1</sup> Based on responsibility for (current and historical) emissions as well as capacity to pay, the Australian government should be contributing AUD4b per year towards global climate finance.<sup>2</sup> This should include a significant portion going to the Pacific region on the basis of need. Small Island Developing States – including those in the Pacific – are particularly vulnerable to climate change impacts.
  - In 2022-2023, the most recent year for which data is available on DFAT's website, Australia provided AUD \$619.1 million in climate finance, of which AUD \$265.9 million was Official Development Assistance (ODA) provided to Pacific nations for climate mitigation or adaptation purposes.<sup>3</sup>
  - **ACFID/the sector calls on the government to contribute its AUD4 billion per annum fair share towards the current global climate finance goal of USD100 billion pa. We call on the government to contribute its annual fair share of the New Collective Quantified Goal (NCQG) once agreed at COP29.**<sup>4</sup>
- Based on Australia's most recent OECD DAC reporting (from 2022),<sup>5</sup> Australia funds low numbers of projects that are scored as 'principally' related to climate mitigation and adaptation in the Pacific, demonstrating the need for much higher investment in projects with principal objectives in climate mitigation and adaptation.
  - In 2022, Australia funded 46 projects in the Pacific scored as 'principally' related to climate adaptation.<sup>6</sup> This almost entirely comprised of only 6 projects that were identical but listed multiple countries as recipients.<sup>7</sup>
  - Based on Australia's OECD DAC reporting in 2022, Australia funds only 10 projects<sup>8</sup> in the Pacific scored as 'principally' related to climate mitigation, some of which are the same projects counted as 'principally' related to climate adaptation.<sup>9</sup>
  - **ACFID/the sector calls on the Government to pay its fair share of climate finance, investing a much greater proportion of development projects in the Pacific that are 'principally' related to climate adaptation and mitigation.**
- Based on Australia's OECD DAC reporting in 2022, Australia funds 991 projects in the Pacific scored as 'significantly' related to climate adaptation and 408 projects scored as 'significantly' related to climate

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<sup>1</sup> <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>

<sup>2</sup> [https://www.oxfam.org.au/wp-content/uploads/2022/09/2022-ACT-004-Climate-Finance-Report\\_Digital.pdf](https://www.oxfam.org.au/wp-content/uploads/2022/09/2022-ACT-004-Climate-Finance-Report_Digital.pdf)

<sup>3</sup> <https://www.dfat.gov.au/international-relations/themes/climate-change/supporting-indo-pacific-tackle-climate-change/delivering-our-climate-commitments>

<sup>4</sup> <https://unfccc.int/NCQG>

<sup>5</sup> <https://stats.oecd.org/Index.aspx?DataSetCode=RIOMARKERS>

<sup>6</sup> <https://stats.oecd.org/Index.aspx?DataSetCode=RIOMARKERS>

<sup>7</sup> The Commonwealth Climate Finance Access Hub (2.5 million over 3 grant announcements); Australia Pacific Climate Partnership (75.7 million over 5 years); UNDP/Small Grants Program community-based adaptation grants (small grants of up to USD50,000 for CSOs and NGOs in SE Asia and Pacific); The Climate Change and Environment (CCE) program for project management and technical support costs (AUD0.5 million over 2 years); Nature-based solutions "challenge fund" (AUD4 million total in grants available to ANCP accredited NGOs); Blue carbon ecosystems project (AUD6 million over 5 years).

<sup>8</sup> Palau solar project (the concessional component of the financing package, the majority of which is a AUD25.7 million loan from the Australia Infrastructure Financing Facility for the Pacific [AIFFP]); DFAT/Asian Development Bank investment in the Tonga Energy Roadmap and Tongan renewable energy infrastructure upgrades to reduce reliance on diesel-power generators; AIFFP financing to the Solomon Islands Electricity Authority for energy transmission from, and upgrades to, hydropower; A recount of the Nature-based solutions challenge fund already counted towards adaptation; A recount of the blue carbon ecosystems project already counted towards adaptation.

<sup>9</sup> <https://stats.oecd.org/Index.aspx?DataSetCode=RIOMARKERS>

mitigation.<sup>10</sup> It is frequently unclear how projects marked in this way are related to climate change/ what climate objectives they aim to achieve. This demonstrates the need for improved reporting, transparency, and for better quality climate mainstreaming such as by applying the learnings of the OECD DAC's 2023 climate finance evaluation.<sup>11</sup>

- Based on the projects' long descriptions, the link to climate change is very unclear for dozens of these projects. There is also a worrying trend of reporting all infrastructure projects as significantly related to climate without publicly available evidence that these infrastructure projects have any stated climate objectives.
  - **ACFID/the sector continues to call for greater transparency in the Australian government's reporting of climate finance, including details on climate outcomes achieved not just inputs, as well as making public the methodology of calculating climate finance volumes and the share of climate finance provided at the local level.**
  - **ACFID/the sector calls on the Government to apply the learnings of the OECD's 2023 climate finance evaluation, which found that effective mainstreaming of climate "requires clearer criteria and a sharper focus on climate-specific outcomes in programme design, including in how these link to other objectives (going beyond generic links)."**<sup>12</sup>
- The Australian Government must ensure its finance and development finance in the Pacific, including through the Australian Infrastructure Financing Facility for the Pacific and Export Finance Australia, is used to support climate change mitigation and adaptation projects. While the use of finance and development finance is welcome, the Government should ensure that finance is provided sustainably; puts the voices of beneficiaries at the heart of decision-making; and does not exacerbate negative climate outcomes.
    - **ACFID/the sector calls on the Government to fund climate finance mechanisms that do not add to sovereign debt distress (grants not loans) and prioritise direct access modalities to enable funding for local actors, including by delivering a greater proportion towards local civil society. Large Australian contractors are too often the recipients of Australia's climate ODA rather than local actors in the Pacific.**
    - **ACFID/the sector calls on the Government to ensure that communities affected by climate finance decisions are meaningfully included in decision-making processes. This should include adequately taking into account power relations within communities. The Government should not use climate finance to engage in geo-strategic competition without regard to the needs of communities impacted by these financing decisions.**
    - **ACFID/the sector welcomes the Government's decision to sign the 'Glasgow Statement' at COP26,<sup>13</sup> committing the Government to end 'new direct public support for the international unabated fossil fuel energy sector'. We encourage the Government to adopt a broad definition when assessing whether finance supports the unabated fossil fuel sector; to not inadvertently contribute to or indirectly support the fossil fuel sector including through supply chains; and to prioritise finance that supports the green energy transition.**

## (b) Evaluate Australia's role in supporting Pacific nations during natural disasters and national emergencies, including pandemics.

You could say:

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<sup>10</sup> Note that project figures in OECD DAC reporting cannot be all added together to arrive at a total number of projects or total project value, as this would result in double-counting – some projects are marked as both climate mitigation and adaptation, as well as towards other markers (such as environment).

<sup>11</sup> [https://one.oecd.org/document/DCD/DAC/EV\(2023\)1/en/pdf](https://one.oecd.org/document/DCD/DAC/EV(2023)1/en/pdf)

<sup>12</sup> [https://one.oecd.org/document/DCD/DAC/EV\(2023\)1/en/pdf](https://one.oecd.org/document/DCD/DAC/EV(2023)1/en/pdf)

<sup>13</sup> <https://webarchive.nationalarchives.gov.uk/ukgwa/20230313124743/https://ukcop26.org/statement-on-international-public-support-for-the-clean-energy-transition/>

- The Australian Government's disaster risk reduction investments in the Pacific should progress the human rights of these communities and champion local and Indigenous knowledge
- The Australian Government's disaster risk reduction investments should always champion and enable the priorities and leadership of local communities, their leaders, and local organisations.
  - **ACFID/the sector calls on the Government to focus on and invest in early/anticipatory action, based on credible forecasts, as a tool to significantly reduce the impacts of disasters and crises in the Pacific.**
  - **ACFID/the sector calls on the Government to incorporate a greater policy focus on those most marginalised by disasters: including people living with disability, people of diverse gender and sexual orientation and ethnic minorities in disaster risk reduction and climate change adaptation efforts.**

### (c) Identify opportunities for enhanced regional economic integration and mobility.

#### You could say:

- The Australian government should implement as a priority a 1.5°C aligned emissions reduction target (Nationally Determined Contribution [NDC]) and provide Australia's fair share of high quality, grants-based climate finance for mitigation and adaptation. These actions are the most effective the Australian government can take to support Pacific Island communities to safely stay on their sovereign, ancestral lands. Implementing a 1.5°C aligned target will also show that the Australian government is listening to Pacific Island countries who have repeatedly called for a global phase-out of fossil fuels, including through the Port Vila Call for a Just Transition to a Fossil Fuel Free Pacific.
- However, if Pacific Island peoples choose to move due to climate impacts based on their determinations of safety and security, the Australian government should provide accessible pathways for relocation, as seen for example with the Australia-Tuvalu Falepili Union Treaty signed in November 2023. The Australian Government should engage in open dialogue with other Pacific Island nations who may also want to establish similar treaties.
- The Australian government should approach climate-induced migration as loss and damage under the UNFCCC (*not adaptation*), for which a separate pool of funding is required. Australia should pay its fair share towards addressing climate-induced losses and damages in developing countries such as Pacific SIDS, including an initial AUD \$100m to the new global Loss and Damage Fund.

#### Useful resources

<https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>

<https://unfccc.int/NCQG>

<https://unfccc.int/loss-and-damage-fund-joint-interim-secretariat>

[https://www.oxfam.org.au/wp-content/uploads/2022/09/2022-ACT-004-Climate-Finance-Report\\_Digital.pdf](https://www.oxfam.org.au/wp-content/uploads/2022/09/2022-ACT-004-Climate-Finance-Report_Digital.pdf)

[https://acfid.asn.au/wp-content/uploads/2024/03/2024\\_ACFID\\_Climate-Policy-Brief\\_updated.pdf](https://acfid.asn.au/wp-content/uploads/2024/03/2024_ACFID_Climate-Policy-Brief_updated.pdf)

<https://acfid.asn.au/wp-content/uploads/2024/05/ACFID-Submission-to-the-Climate-Change-Authority-NDCs-May-2024.pdf>

<https://www.dfat.gov.au/international-relations/themes/climate-change/supporting-indo-pacific-tackle-climate-change/delivering-our-climate-commitments>

[https://one.oecd.org/document/DCD/DAC/EV\(2023\)1/en/pdf#:~:text=Latest%20OECD%20data%20shows%20that,%2C%202022%5B3%5D](https://one.oecd.org/document/DCD/DAC/EV(2023)1/en/pdf#:~:text=Latest%20OECD%20data%20shows%20that,%2C%202022%5B3%5D)

<https://www.oxfam.org/en/research/climate-finance-shadow-report-2023>

[https://www.sprep.org/sites/default/files/31-SPREP-Meeting/Officials/Eng/WP\\_12\\_1\\_Endorsing\\_Transition\\_Fossil\\_FuelFree\\_Pacific\\_Govt\\_Vanuatu.pdf](https://www.sprep.org/sites/default/files/31-SPREP-Meeting/Officials/Eng/WP_12_1_Endorsing_Transition_Fossil_FuelFree_Pacific_Govt_Vanuatu.pdf)

[https://unfccc.int/sites/default/files/GST/2023-04/Oil%20Change%20International%20Global%20Stocktake%20Input\\_Finance%20Flows.pdf](https://unfccc.int/sites/default/files/GST/2023-04/Oil%20Change%20International%20Global%20Stocktake%20Input_Finance%20Flows.pdf)

[https://acfid.asn.au/wp-content/uploads/2022/12/ACFID-HRG-Submission-to-Australias-International-Development-Policy-Review\\_2022.pdf#:~:text=Australia%E2%80%99s%20fair%20share%20of%20global%20humanitarian%20financing%20should,to%20address%20the%20root%20causes%20of%20humanitarian%20crises](https://acfid.asn.au/wp-content/uploads/2022/12/ACFID-HRG-Submission-to-Australias-International-Development-Policy-Review_2022.pdf#:~:text=Australia%E2%80%99s%20fair%20share%20of%20global%20humanitarian%20financing%20should,to%20address%20the%20root%20causes%20of%20humanitarian%20crises)

<https://australianhumanitarianpartnership.org/preparedness>

<https://www.redcross.org.au/international-aid/>

#### 4. Strengthen People-to-People Links and Partnerships including through well designed development programs.

##### (a) Explore opportunities to enhance people-to-people links, cultural exchanges, and educational partnerships between Australia and the Pacific to maximise local and community development outcomes.

##### You could say:

- The Australian Government should purposefully recalibrate development program designs to ensure they do not preclude Australian civil society organisations as delivery partners in development programming. Given the International Development Policy's support for civil society organisations as 'an integral part of how Australia implements its development program,' designs should be actively inclusive of the unique opportunities and value Australian NGOs offer.
  - Through development initiatives such as the Australian NGO Cooperation Program, Australian organisations have worked with local communities in the Pacific for over 50 years. In a number of cases, these partnerships extend over a century. Evidently, Australian NGOs provide strong linkages between the Australian public and local communities, based on a solid foundation of trust and mutual accountability fostered over many decades of working with local communities.
  - Australia's development program offers a clear opportunity to leverage greater investment in the resourcing of NGOs to deliver community development outcomes, strengthen partnerships between Australia and the Pacific and add value to Australia's bilateral programs.
  - Additionally, the continued presence of Australian NGOs in-country provide the added benefits of in-depth context-specific knowledge at the community level and ready-made relationships that provide an enabling environment for maximising Australia's overall engagement in the Pacific.
- Australia's development partnerships should also acknowledge that local actors are better placed to facilitate development programming and viable transitions from response to recovery programming due to their sustained proximity to, and intimate understanding of local populations.
- The Government's focus on partnership and locally-led approaches to development in the International Development Policy should also be accompanied with the acknowledgement that the development of strong and equal local partnerships requires time, resources and policy commitment.
  - To be successful, development programs that aim to be locally-led and to put local communities at the centre of program design must be also be facilitated by quality direct funding, transparency, mutual accountability and diversity and empowerment in staffing and leadership. This must be



accompanied by the understanding that genuine partnership and locally-led approaches are a long-term investment that require upfront commitment and will not deliver effective development outcomes if carried out 'cheaply' and in a 'cost-cutting' manner.

- Three-quarters of Australian NGOs are already in the practice of supporting local partners with their own funds, placing the NGO community in a strong position to deliver on the policy priorities of locally-led development and partnership.

### **(b) Assess the effectiveness of Australia's aid programs and partnerships in promoting genuine community development, good governance, and capacity building for partners in the region.**

#### **You could say:**

- The Australian Government should increase funding to NGOs and expand the avenues through which Australian humanitarian and development organisations can access funding. This includes increasing investment to the Australian NGO Cooperation program by an additional \$20m per annum ongoing, and an additional \$15m in a pilot accredited NGO adaptive response pool. The increase of \$20m ongoing is to increase the minimum grant amount for accreditation within ANCP.
  - Australian development organisations working in the Pacific have repeatedly been found to consistently deliver high-impact development programs often where ANGOs and local partners operate in logistically challenging and extremely resource constrained environments.
  - The Australian NGO Cooperation Program (ANCP) is one example of a long-standing high-impact development program that supports Australian NGOs to work in the Pacific. The ANCP has a 50-year track record as a civil society partnership that brings results and lasting impact and enables testing of innovative responses to long term problems, with a reach of over 57 million people across 54 countries.
  - DFAT's own evaluation of the ANCP corroborates the effectiveness of the program's approach. The 2022 ANCP states "the ANCP enables DFAT to support ANGOs to implement activities where they represent the most effective, and in some cases, only effective delivery mechanism."
  - The [2015 review](#) described the ANCP as "one of the best performing programs" delivering 18.2 per cent of DFAT's aggregate development results for only 2.7 per cent of the overall development program spend.
  - Despite the highly effective nature of the ANCP, the broader environment NGOs operate must be acknowledged to pave a path forward to improved effectiveness and greater outcomes across Australia's development investments in the Pacific.
- The Australian Government should: deliver increased investment in civil society through 'fit for purpose' funding modalities that ensure the delivery of core, flexible and multi-year funding to both Australian development and local civil society organisations, including those that represent the interests of marginalised social groups and communities.
  - Development assistance is most effective when it is predictable, long-term and flexible. Effective development partnerships take time because they require trust with local partners built on knowledge of local contexts. A lack of predictability makes it hard for our partners to plan and, in doing so, undermines trust and the long-term, deep relationships and knowledge that effective development requires.
  - The excessive compliance burden placed on local organisations and Australian NGOs also undermine their effectiveness by directly resources away from the important work local organisations are funded to carry out in the communities where they work.
    - Despite these constraints, successive evaluations of NGO partnerships and programs in the Pacific and across Australia's aid program over the last decade outline a wealth of evidence on the effectiveness of Australia's development initiatives and partnerships in the Pacific and across the aid program more broadly.

- Re-orient the development cooperation program towards sustainable investment to and through civil society organisations, including through increasing the proportion of total Australian ODA channelled to and through CSOs to 25 per cent, for both humanitarian and development funding.

- Community development, improved governance and capacity building sit alongside service delivery, empowerment, social inclusion and advocacy and policy influence as core areas of impact for Australian NGOs and their partners. As the below examples illustrate, Australian NGOs working in partnership with local civil society are well placed to deliver on the objectives identified in the International Development Policy and the areas of impact of capacity building, governance and community development explicitly referenced in this inquiry.
- The following key areas of impact and evidence of effectiveness are drawn from the following evaluations and reviews of Australian development initiatives in the Pacific: [the Vanuatu Church Partnership Program Phase 2 Annual Report \(2009-2010\)](#), the [Evaluation of the Australian NGO Cooperation Program \(2015\)](#), the [Gender Action Platform Outcomes Review Report \(2022\)](#), and the [Independent Review of Strongim Pipol Strongim Nesen \(SPSN\) and Church Partnership Program \(CPP\) in Papua New Guinea \(2013\)](#).

#### **Community development:**

- Throughout the above reports, Australian NGOs have repeatedly been shown to mobilise and organise communities to participate in development activities through participatory approaches to engage communities in identifying their needs, planning projects, and implementing solutions.
- Australian NGOs often work to complement grass-roots community development efforts through supporting local NGOs to participate in regional partnerships in the Pacific, high-level advocacy processes or input to partner-government strategy.
- This community-driven approach fosters ownership, accountability, and sustainability of development initiatives.
  - Example: the 2022 Gender Action Platform Report provides an example of Australian NGOs and their partners as instrumental in mobilising and organising the communities they were working with to participate in gender equality initiatives.
  - They developed innovative approaches to engage both men and women in addressing gender norms and promoting women's leadership and participation in decision-making processes. This increased awareness led to greater confidence among women and girls to assert their rights and participate in community activities.

#### **Good governance:**

- Australian NGOs work with local partners to support good governance initiatives, provide training and develop governance and institutional structures that are representative of community voices and needs.
- Beyond local development programs, Australian NGOs work with local civil society organisations to advocate for policy change at the local, provincial and national government levels. Through fostering an enabling environment for a more robust civil society, Australian NGOs play a crucial role in working with local partners to hold governments accountable and drive long-term change from a broader governance perspective through fostering an enabling environment for the growth of strong and robust local civil society. Consequently, Australia's investment in local civil society strengthening also supports pluralism, strengthens effective and accountable governance and contributes to stability.
  - Example: The Independent Review of the SPSN and CPP programs in Papua New Guinea sets out how Australian NGOs have worked together to improve local governance processes which has had flow-on effects for improved service delivery to local communities.

#### **Capacity building:**

- Australian NGOs work with local partners to build the capacity of local communities, institutions and government bodies, including through training in governance, financial management, technical skills and community mobilisation.
- The transfer of skills and knowledge through capacity building is crucial to ensuring the long-term sustainability of development initiatives and underpins successful locally-led approaches.
  - Example: The 2009-10 Vanuatu Church Partnership Program Annual Report found Australian NGOs were instrumental in establishing development offices, recruiting and training staff, integrating planning frameworks and developing human resource policies to enhance the capacity of church organisations to deliver services effectively.

- The Australian Government should embrace opportunities to align compliance reporting processes and streamline NGO reporting. DFAT should move towards alignment of due diligence assessment processes for NGOs across all DFAT-funded activities.

(c) Consider ways in which the Australian community can be more engaged with and have a better understanding of Australia's international relations and in particular the official aid and development program in the region.

#### You could say:

- While current funding constraints limit the capacity of Australian NGOs to carry out community engagement and outreach in Australia beyond fundraising, the Government could consider ways in which increased support to Australian development organisations could maximise Australian public engagement with the development program in the Pacific.
  - Data from 2021-22 reveals that in 2021-22 over 1.1 million individual Australians donated to ACFID members working overseas, contributing a total of AUD16 million in donations to the Pacific.
  - There is significant opportunity to leverage the work of the 49 ACFID members delivering 535 projects across 8 countries in the Pacific.
  - Australian NGOs hold close connections with communities across Australia. In 2021-22, over 13,300 Australians volunteered with ACFID member organisations. There is a clear opportunity here to further engage Australian communities and individuals support Australian charities working overseas.

#### Useful resources:

<https://acfid.asn.au/interactive-ngo-aid-map/>

[https://acfid.asn.au/wp-content/uploads/2024/01/ACFID-consolidated-feedback\\_DFAT-LLD-Discussion-Note.pdf](https://acfid.asn.au/wp-content/uploads/2024/01/ACFID-consolidated-feedback_DFAT-LLD-Discussion-Note.pdf)

[https://acfid.asn.au/wp-content/uploads/2022/12/Submission-to-Australias-International-Development-Policy\\_2022.pdf](https://acfid.asn.au/wp-content/uploads/2022/12/Submission-to-Australias-International-Development-Policy_2022.pdf)

<https://www.dfat.gov.au/sites/default/files/independent-evaluation-ancp-report.pdf>

<https://www.dfat.gov.au/sites/default/files/vanuatu-church-partnership-program-phase2-annreport.pdf>

<https://www.dfat.gov.au/sites/default/files/ode-evaluation-australian-ngo-cooperation-program-final-report.pdf>

<https://www.dfat.gov.au/sites/default/files/gender-action-platform-gap-outcomes-review-report.pdf>

<https://www.dfat.gov.au/sites/default/files/png-independent-review-spsn-cpp.pdf>