

Maintaining Australia's commitment to increasing Official Development Assistance

SUMMARY: The stated support by the Government and the Opposition to increase aid to 0.5% of national income by 2015 is under threat because of the desire to find savings to offset repair costs of the recent floods and cyclones and because of doubts some MPs have about the effectiveness of aid. However Australia can afford to fund both and will save hundreds of thousands of lives by maintaining its commitment. One area that needs much more support is the detection, prevention and treatment of TB.

Background

The Australian Government, with the support of the Opposition and the Greens, has indicated repeatedly its commitment to increasing Australia's official development assistance (ODA) to 0.5% of gross national income (GNI) by 2015.

Australia currently ranks 16th amongst the 23 wealthy donor countries providing 0.33% of gross national income (GNI) compared with an average aid effort of 0.48%. Despite recent natural emergencies in Australia which will require billions of dollars in reconstruction costs Australia is well placed to meet its aid commitment – we have the lowest public debt of any major wealthy economy, our economy is expected to grow strongly and the 2015 aid target will use less than 2% of budget expenditure. Many other countries with much more difficult financial circumstances already provide more aid than Australia.

The planned growth in Australia's aid has the potential to provide significant benefits to the countries which receive Australian aid, as well as provide a positive example to other donor countries who are considering aid restrictions due to their high levels of public debt.

It is essential for Members of Parliament from all parties to let Ministers and Shadow Ministers know that meeting the commitment to growth in ODA is too important to sacrifice in the drive for savings to meet domestic disaster relief costs, for the following reasons:

- The importance of maintaining our commitment to help achieve the Millennium Development Goals, which are due to be achieved within the next five years. We need to maintain the momentum that has seen: 9 million children's lives saved since 2000; the leveling off and drop in the HIV and malaria infections and the cut in deaths from these diseases; and 40 million more children attend school.
- The importance of modeling good international cooperation to other countries and encouraging them to set and meet additional aid commitments.
- The chance for us to make a big difference for some critical international goals such as: ensuring basic education for all children, cutting child deaths, preventing children being born with HIV infection, ensuring safe sanitation and hygiene, and improving opportunities for girls.
- Given the complexities of the environments within which overseas aid works there are always challenges to its effectiveness. Despite these challenges, aid has saved millions of lives and built a safer and more prosperous world. Increasing Australia's aid to 0.5% of GNI (equal to lifting aid from about 1.2% to

1.8% of the federal budget) will save hundreds of thousands of people's lives – a return on investment that is unparalleled in other budget expenditure.

Australia's assistance to control TB and contribution to the Global Fund

Supporting further action to control tuberculosis (TB) is one way in which Australia can increase the impact of its aid. TB is, in most cases, a curable disease and the last twenty years has seen considerable successes in diagnosing and treating TB. The Global Fund to Fight AIDS, TB and Malaria has been the major source of TB aid funds in recent years, providing approximately 70% of all aid resources targeting TB.

However, around 1.75 million people die globally from the disease each year. Each untreated person with TB is likely to infect another 10-15 people each year, making it imperative that there is early diagnosis and treatment in all countries. About half of deaths from TB occur in the Asia-Pacific region, and the 10 countries with highest number of deaths include: China, India, Indonesia, the Philippines, Thailand and Vietnam.

In recent years Australia has increased its support for the Global Fund, has funded specific TB programs - especially in the Pacific - and has also funded the innovative \$75 million debt swap with Indonesia which will provide \$37.5 million to support TB programs. Despite these increases Australia needs to do more to meet our fair share of the level of aid required. The Government has committed \$210 million over the period 2011-2013 for the Global Fund.

As the Global Fund requires approximately 60% additional funding from donors in the next three years to achieve its objectives, and Australia's share of the replenishment falls short of its share of overall ODA, Australia would need to at least double its pledge to show a leadership role in combating these diseases. The Government has indicated it is open to supplementing the pledge, and we would call on the Government to announce a supplementary pledge by the end of 2011.

Australia can also increase its bilateral assistance for action on TB by supporting the adoption of the Xpert diagnostic system, which will lead to faster and more accurate diagnosis of TB. As a pilot program, Australia could provide \$55 million over four years to support the widespread use of Xpert in Indonesia, where approximately 60,000 people die from TB each year. Faster and more accurate diagnosis will lead to more timely and appropriate treatment, reducing this death toll.

ACTION

Write to your Member of the House of Representatives or a Senator in your State asking them to actively support within their party meetings and the Parliament the promise to lift aid to 0.5% of GNI.

- Welcome the Australian Government's, Coalition's and Greens' commitment to lift aid to at least 0.5% of GNI by 2015, and raise concern that both major parties are reconsidering this commitment.
- Point out that there are many issues facing people in developing countries that require additional support eg TB, HIV/AIDS, basic education, and food security.
- Call on the Government to make TB detection and control a priority for additional funding eg through increased support for the Global Fund and specific bilateral funding to implement the new Xpert TB Diagnostic system.

The Global Fund - <http://www.theglobalfund.org/en/performance/impact/>

Xpert TB diagnosis - <http://sciencespeaksblog.org/2010/12/08/rapid-tb-test-gets-nod-of-approval-from-who/>