

**STRONGER POVERTY REDUCTION FOCUS  
IN GOVERNMENT RESPONSE TO AID REVIEW**

**SUMMARY:** *The Australian Government released the Independent Aid Review and its Response to the review on July 6th 2011. The report places clearer emphasis on the eradication of human poverty and marks out reforms to help ensure that Australia's aid program is more strategic, transparent and achieves real results. The Government's response to the review focuses on five priority areas: Saving lives, Promoting opportunities for all, Sustainable economic development, Effective governance, and Humanitarian and disaster response. Some of the areas the government has committed to are: improving health services, water and sanitation, nutrition and basic education, increasing funding for multilaterals, ensuring greater cooperation with civil society and a transparent evaluation system. This month we will write to Members of Parliament, thanking them for a high quality response and requesting them to continue support for Australia's aid program.*

*"RESULTS welcomes the new strategic direction emphasised by the Review Panel, and implores the Australian Government to adopt these measures to ensure that Australian aid is delivered to those who need it most: the poor."  
(Aldo King, President - RESULTS)*

**BACKGROUND**

In November 2010, The Minister for Foreign Affairs Kevin Rudd announced an independent review of Australia's aid program. The purpose of the review was to assess the effectiveness of the current aid program and to make recommendations that will improve Australia's aid as it grows

The Australian Government released the Independent Aid Review and its Response to the review on July 6th 2011. The response sets out a new statement of purpose for Australian aid, which places a clearer emphasis on the eradication of human poverty and seeks to place poor people at the centre of its aid program. The Aid Review made 39 recommendations of which 38 have been accepted by the government and one is pending (regarding expanding Minister Rudd's title). The strength of the Review is that it has provided a clear and concrete path for developing the aid program over the next five years as it grows to 0.5% of gross national income. It should also provide greater focus, transparency and accountability for the program.

The Government has committed to:

- **A new overall purpose for the aid program** which emphasises helping 'people' in poverty rather than only helping poor countries – "The fundamental purpose of Australian aid is to help people overcome poverty... and the constraints that prevent people from breaking out of poverty"
- **Rebalance the geographic distribution of aid** – with a greater share to South East Asia, and to South Asia and Africa
- **Focus on five strategic goals** – Saving lives (through the provision of health services and water and sanitation), Promoting opportunities for all (including basic education and gender equality), Sustainable economic development, Effective governance, and Humanitarian and disaster response.
- **Emphasise country needs in the development of sectoral funding levels** (eg health, governance, infrastructure) - this needs to be approached with caution as it may result in underfunding of key areas if

developing country and Australian decision makers have other interests and priorities e.g. funding for health may lose out to roads or other economic development activities.

- **A greater funding share for ‘highly effective’ multilaterals** – Global Alliance for Vaccines and Immunisation (GAVI) and the Global Fund to Fight AIDS, TB and Malaria (Global Fund) both received favourable assessments.
- **Develop a transparency charter and a civil society engagement framework**- also to ensure greater engagement with NGO’s and the business community.
- **Increase funding for agricultural and medical research** – this may help in supporting TB vaccine development
- **Simplify the evaluation system and develop a 4-year rolling plan for aid activities**, which integrates the aid work of all Australian government departments.

## RESULTS’ FOCUS

RESULTS did make a submission to the Review and many of our recommendations were accepted: improving staff sectoral expertise within AusAID, increasing the proportion of aid through effective multilaterals, the geographic focus, an increasing proportion of the program to lower income countries and coordination of Overseas Development Assistance (ODA) across the public service.

Two particular areas of interest to RESULTS will be given greater support by the Government.

### *1. Saving Lives:*

The government has outlined ‘saving lives’ as one of the five key priorities of the aid program. This includes; increased access to safe water and sanitation, access to quality maternal and child health services as well as action around large-scale disease prevention, vaccination and treatment. As noted in the report “childhood immunisation has contributed significantly to improved child survival and will continue to be an important part of Australia’s aid investments.” RESULTS supports this strategic goal and advocates that these critical services be given the highest priority in country based programming.

### *2. Multilateral Organisations:*

GAVI and the Global Fund both received favourable assessments. The government acknowledged the specialist expertise, geographical reach, impact and cost effectiveness of these multilateral organisations. It also notes “as the aid program grows, providing more funds through global programs is an effective and efficient use of Australian funds.” In 2011, Australia will undertake an assessment of the effectiveness of key multilateral organisations and allocate funding accordingly.

## OPPORTUNITIES FOR RESULTS

Now that the Government has responded to the Review it is required to develop a 4-year plan before the next budget in may 2012, as well as the promised Transparency Charter and Civil Society Engagement Framework. This gives RESULTS the opportunity to ensure that the details of these plans are well designed and to also push for some of our outstanding recommendations not taken up by the Review: such as a timetable for aid to reach 0.7% of gross national income and adequate and effective funding for key Millenium Development Goal areas of basic education, health, rural incomes and development, and water and sanitation.

## ACTION:

Write to your Federal Member of Parliament, a Senator in your state, the Minister for Foreign Affairs, the Honourable Kevin Rudd MP (or Dr Craig Emerson, Acting Minister for Foreign Affairs) and/or a letter to your local newspaper, raising the following key points:

- Congratulate and commend the government for the quality of its response to the Aid Review. Thank

- opposition members for their endorsement of the review.
- Ensure that saving lives is given the highest priority in all programming by making sure that access to health services, water and sanitation, nutrition and basic education are considered first in all country programs
  - Ensure that effective multilaterals, which support these essential services are given priority in multilateral funding.

The Independent Aid Review is available at <http://www.aidreview.gov.au/index.html>

The Government's Response is available at

[http://www.aid.gov.au/publications/pubout.cfm?ID=5621\\_9774\\_1073\\_3040\\_2380&Type](http://www.aid.gov.au/publications/pubout.cfm?ID=5621_9774_1073_3040_2380&Type)

RESULTS media release is available at: [http://www.results.org.au/wp-](http://www.results.org.au/wp-content/uploads/2011/07/Strongerpovertyfocusanencouragingsignforaidincrease.14.7.2011.pdf)

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