

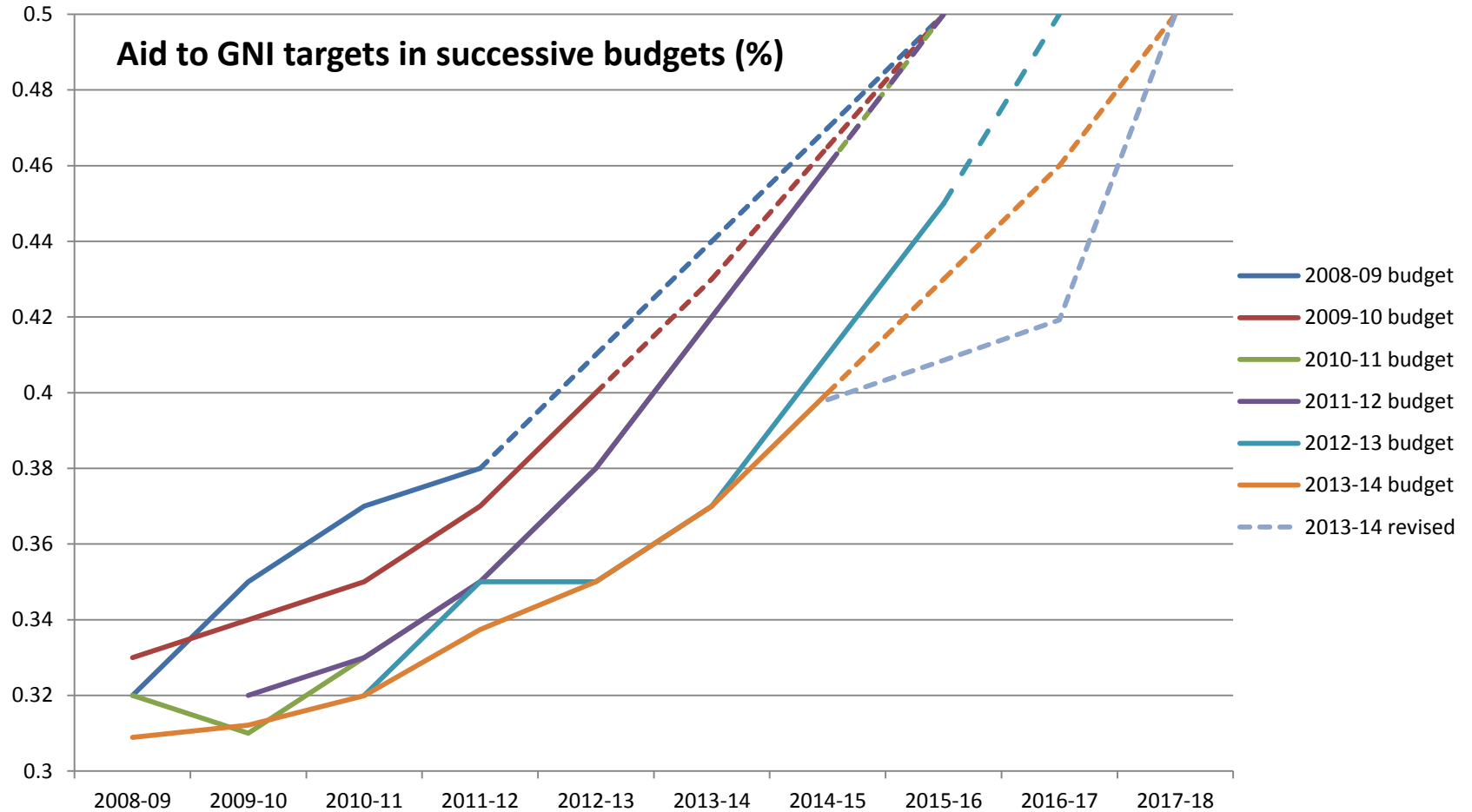
# Some big issues in Australian aid: 2013 and beyond

Stephen Howes

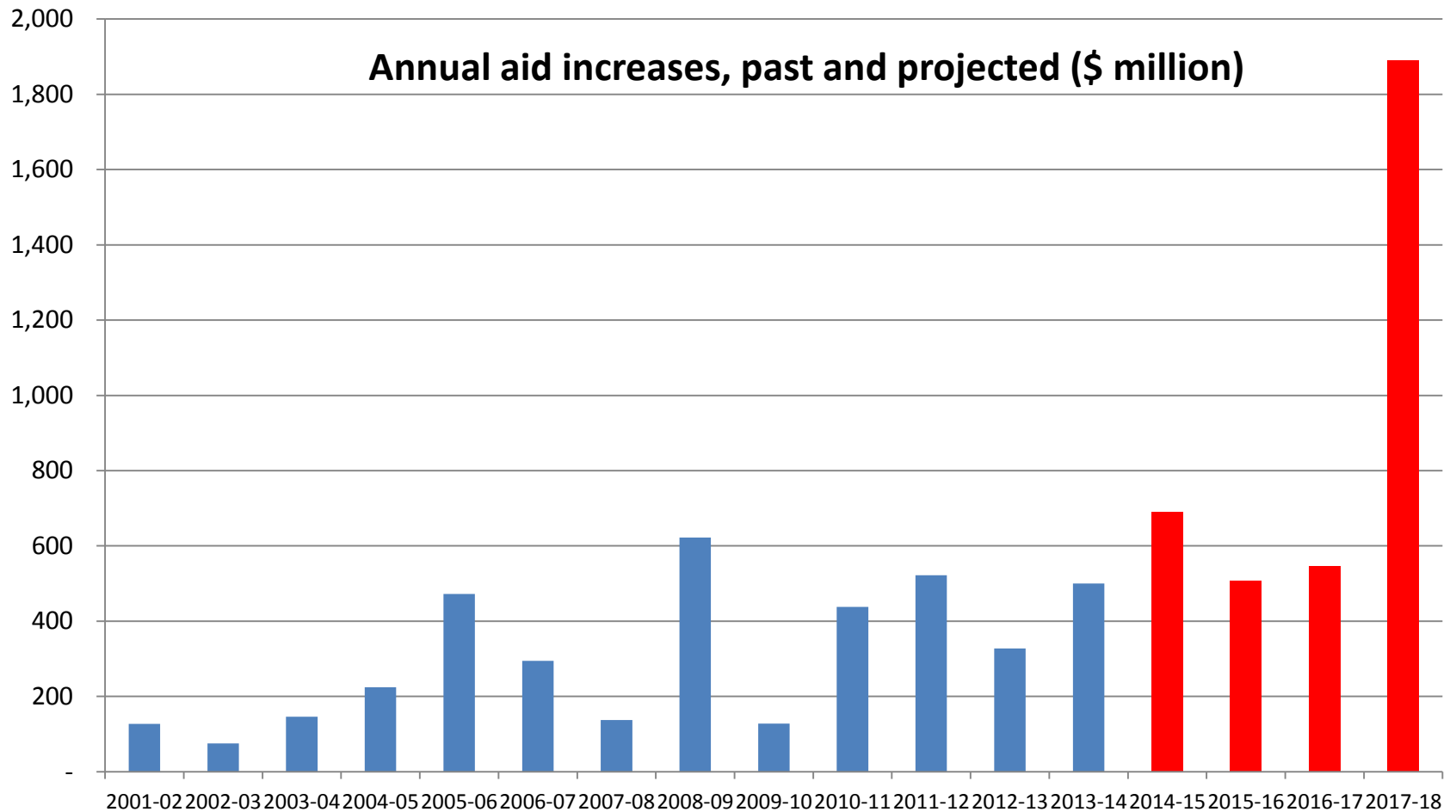
Director, Development Policy Centre

Aid quantity

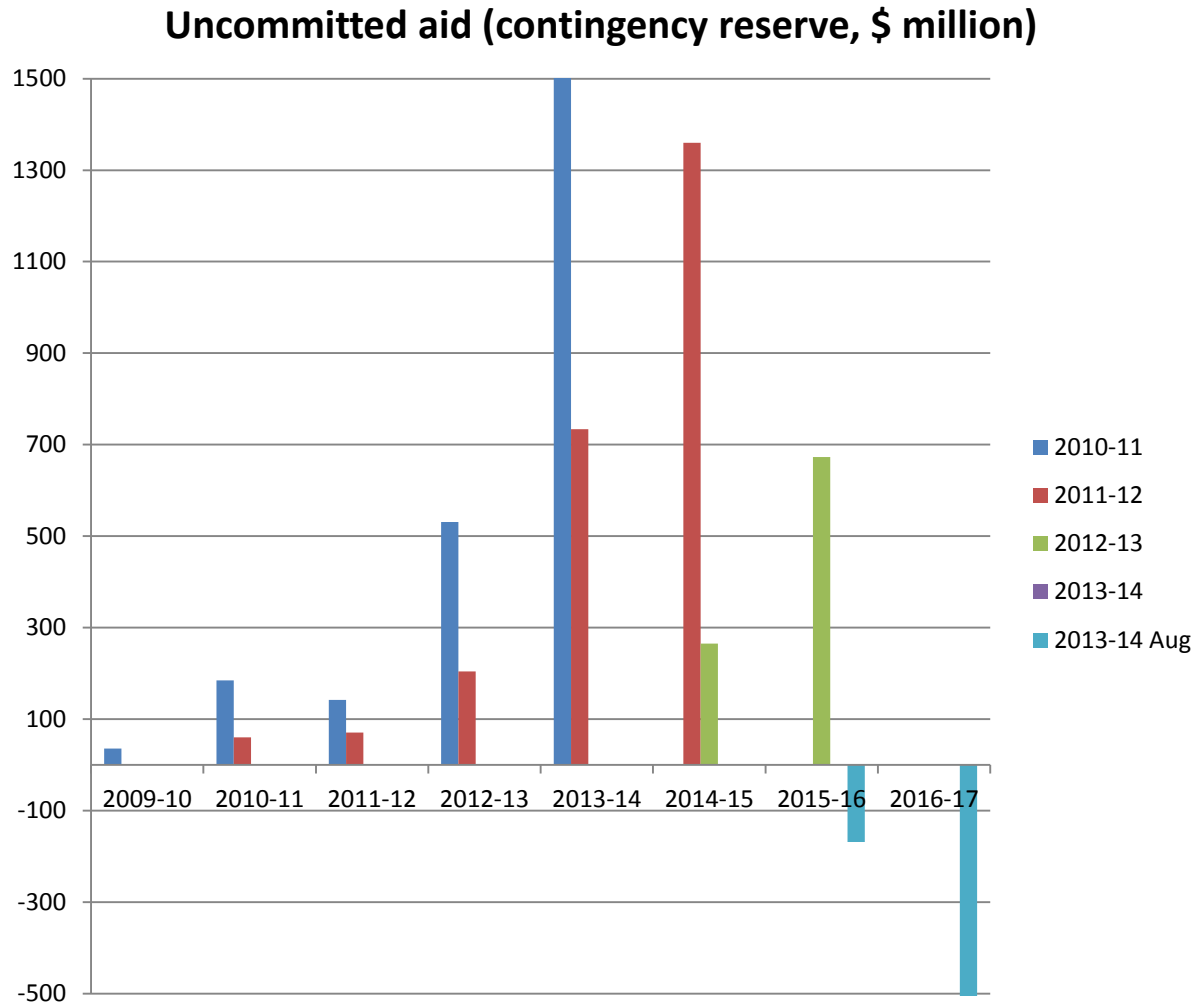
# The ever-receding 0.5% target



# Big increases in aid, but continued uncertainty



# Pushing back the scale up has greatly reduced aid program flexibility.



“The crucial spine of predictability ...  
needed for multi-year aid projects” (IRAE, p.6)

Strategic clarity = Funding clarity and a plan

2010:            FUNDING CLARITY   
                      PLAN 

Now:             PLAN   
                      FUNDING CLARITY 

# Quantity challenges

- More expansion needed.
- But tight fiscal constraints.
- Too much uncertainty.
- We need a new consensus on aid.

Aid quality

# Transparency

- Progress:
  - More data and documents on the web
- Opportunities for more transparency around:
  - The budget (e.g. no forward estimates for ODA)
  - Decision making (KFCP, asylum seekers)
  - Project and program ratings

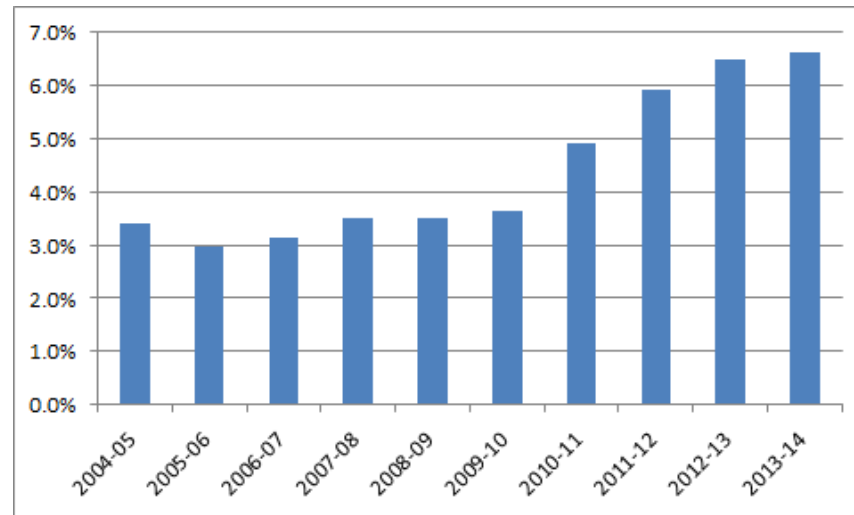
# Evaluations & reviews

- Progress
  - Independent Evaluation Committee
  - More project completion reports published
  - Parliamentary Committee on aid to Afghanistan
- Opportunities
  - Only one Office of Development Effectiveness evaluation so far this year
  - Parliamentary Committee on aid

# Selectivity

- Opportunities:
  - Latin America and Caribbean
  - Sub-Saharan Africa
  - Micronesia and Polynesia

Share of admin costs in total aid



# Aid and asylum seekers

- What is the policy on on-shore asylum seeker costs?
  - Apart from the cap
- Will off-shore community detention also be charged to the aid budget?
  - Against DAC guidelines
- Negative impact on the PNG aid program & broader policy dialogue & development prospects

# The Pacific

- Progress
  - Introduction of (small) Seasonal Worker Program (SWP)
- Opportunities
  - Expand the SWP
  - Introduce Pacific backpacker programs (without requiring sending-government approval)
  - Abandon PACER Plus, and focus instead on deepening bilateral relations with willing partners (or trilateral with NZ).
  - Robust policy dialogue

Conclusion

# Conclusion

- Challenging times ahead
- Plenty of scope for more and better aid.
- But it will require political leadership both for aid advocacy and to demand greater aid effectiveness.
- And greater public policy engagement ...

Have your say

<https://devpolicy.crawford.anu.edu.au/australian-aid-stakeholder-survey>