

August 2022 aid news

by Development Policy Centre

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Our monthly update of news and analysis on aid and international development, with a focus on Australian aid.

Australian aid

DFAT has published the [terms of reference for its Development Finance Review](#). The review will focus on: unmet demands for development finance in the region; an assessment of Australia's current suite of development finance mechanisms; and options to utilise new forms of development finance and/or reshape existing mechanisms. The review is expected to be completed by November.

Australia has [confirmed that it will meet its G20 commitment](#) to recycle 20% (about US\$1.7 billion) of its IMF Special Drawing Rights to help low and middle income countries meet growing debt and balance of payments pressures, as well as address climate change and pandemic preparedness. A further 19% in SDRs (about US\$1.5 billion) will be used to bolster IMF resources for developing country support.

The Albanese government has announced A\$25 million in further [humanitarian support for Sri Lanka](#), and another A\$10 million [to assist Indonesia's](#) ongoing response to outbreaks of both foot and mouth disease and lumpy skin disease in livestock.

Australia will provide SI\$100 million (about A\$17 million) to [support the Solomon Islands'](#) hosting of the 2023 Pacific Games, making it the second largest donor (after China) for the event. Minister for International Development and the Pacific, [Pat Conroy](#), [has declined to say](#) whether Australia could offer additional support for national elections in Solomon Islands in order to prevent their postponement to 2024. Solomon Islands has secured a [US\\$66 million loan from China](#) for the construction of 161 mobile communication towers, which will be built and supplied by Huawei.

The head of [The Global Fund](#) [has confirmed](#) the facility is seeking A\$450 million from Australia for its next triennial replenishment, which will be hosted by President

Joe Biden on 19 September. The **US has conditionally pledged** US\$6 billion and **Japan has announced** it will contribute US\$1.08 billion.

Australia will host the **Asia-Pacific Ministerial Conference on Disaster Risk Reduction** from 19 to 22 September, in Brisbane. Civil society groups have released a draft **“call to action”** ahead of the conference.

Labor MPs Shayne Neumann and Josh Burns **have been elected**, respectively, as chairs of the Parliament’s Joint Standing Committee on Foreign Affairs, Defence and Trade and the Foreign Affairs and Aid subcommittee.

Regional/global aid

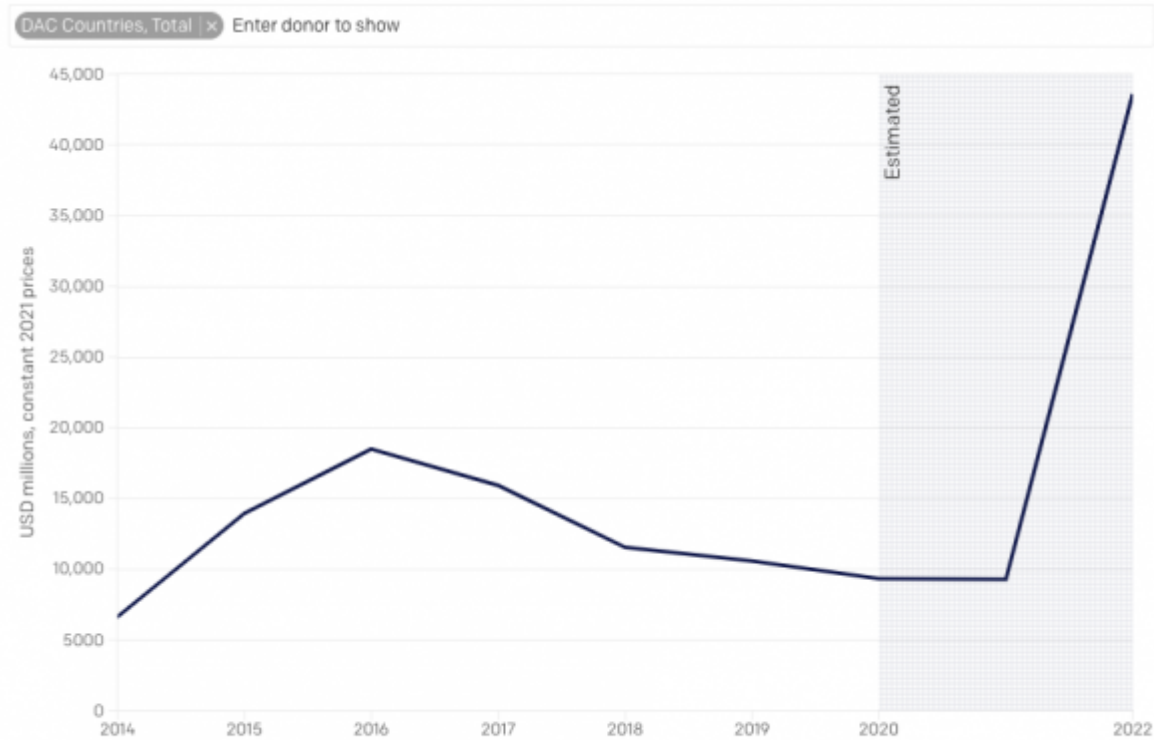
Following the visit by Deputy Secretary of State Wendy Sherman to the region and her **promise to “double down” on US investment**, USAID has released its new five-year **Strategic Framework** for the Pacific. The three high-level objectives of the framework are “community resilience”, “resilient economic growth” and “democratic governance”.

During a visit to Bangladesh, China’s foreign minister Wang Yi handed over the **eighth Bangladesh-China Friendship Bridge** in Pirojpur while the country’s finance minister, **Mustafa Kamal, observed** that some developing nations are now “thinking twice” before taking out large infrastructure loans from Beijing in the face of rising indebtedness. Bangladesh **also sought China’s assistance** in repatriating Rohingya refugees back to Myanmar, one the largest stateless populations in the world.

Over 1,000 **people have died in Pakistan floods**, with 218,000 houses destroyed and a further 452,000 damaged since 14 June. Pakistan, which is also in the midst of an economic crisis, has **called on the international community** to provide emergency assistance. Australia has **committed A\$2 million** to support the World Food Programme’s Pakistan flood response.

New **analysis from the ONE Campaign** estimates that global in-donor refugee costs could quadruple to US\$43.6 billion in 2022, the equivalent of one-quarter of total ODA in 2021, as a result of the Ukraine crisis. Australia no longer counts the first year of refugee stay as aid, but **many other countries** do.

In-donor refugee costs over time



Source: [Historical in-donor refugee costs come from the OECD DAC database](#), [historical asylum application data come from UNHCR's Refugee Statistics](#), and [Ukrainian refugee data come from UNHCR's Operational Data Portal](#) • Estimated 2022 in-donor refugee costs are the sum of (1) in-donor refugee costs in 2021, and (2) our estimates of in-donor refugee costs for Ukrainian refugees.

Source: [ONE Campaign](#)

The [US has pledged](#) another US\$4.5 billion in direct budget support for Ukraine, in addition to the US\$4 billion it has provided since February.

Reporting from the [OECD confirms that](#) in 2020 donors failed to meet the US\$100 billion annual climate finance commitment set in 2009, falling US\$16.7 billion short of the target. Donors have postponed the deadline for meeting the target to 2023.

The Pandemic Action Network has [established a website](#) to track contributions to the World Bank's new Global Fund for Pandemic Prevention, Preparedness and Response. The EU, US, Italy, Germany and China have pledged the largest amounts to date, but the fund is still US\$8.7 billion short of its US\$10 billion annual funding target. [Australia has said](#) that it will provide funding but has yet to nominate how much it will contribute.

Books, reports, papers, podcasts etc.

The [IMF has launched](#) its first Gender Strategy, and the [World Bank has hosted](#) a webinar discussion of why improved fiscal policies and public financial management systems are critical to achieving gender equality.

ODI's Think Change podcast [discusses one year of Taliban rule](#) with women leaders from Afghanistan.

DEVPOLICYBLOG

This year's [Indonesia Update](#) conference at the Australian National University will focus on gender equality and diversity.

A new [report from the Griffith Asia Institute](#) examines China's regional engagement with the Pacific Islands on climate change, and the [Humanitarian Advisory Group explores lessons](#) for positive environmental practice in disaster response from the January volcano eruption in Tonga.

Hugo Slim, Senior Research Fellow at the Las Casas Institute for Social Justice at Oxford University, will discuss his latest book, *Solferino 21: Warfare, Civilians and Humanitarians in the Twenty First Century*, with the Australian Red Cross book club on 28 September – [register to attend via Zoom](#).

The new book from Dan Slater and Joseph Wong, *From Development to Democracy*, explores why some of Asia's authoritarian regimes have democratised as they have grown richer – and why others haven't.

The World Bank has launched a new website for its [data on global poverty and inequality](#).

Disclosures:

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Author/s:

Development Policy Centre

The Development Policy Centre is part of the Crawford School of Public Policy under the College of Law, Governance and Policy at The Australian National University.

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