

## Aid Buzz (September 14): Pacific Wrap | Cambodian Aid Cuts? | Positive Review for ECF

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*The Aid Buzz is a round up of current issues in Australian aid and development policy.*

### Australia in the Pacific

With the Forum in Auckland last week, there has been a lot of focus on the Pacific's Office of the Chief Trade Advisor (OCTA), jointly funded by Australia and New Zealand, culminating in the [resignation of Pacific Chief Trade Advisor Chris Noonan last week](#). [Fairfax papers alleged](#) that leaked "confidential documents" show AusAID has proposed to drip feed funds to OCTA based on "satisfactory progress" in trade talks. Richard Marles, Parliamentary Secretary for Pacific Island Affairs, denied the claims [in an interview with Radio Australia](#).

Forum members reaffirmed their commitment to PACER Plus, and said that Fiji could participate at the official level. Questions still remain, however, about Australia's commitment given that PACER Plus received no mention in Australia's [trade policy](#)[pdf] released earlier in the year. [This blog post](#)[pdf] from the Land and Resources Division at the Secretariat of the Pacific Community sums up some of the key debates.

The Australian Government also made a raft of aid announcements at the Forum promising Australian aid to the Pacific for [climate change](#), [non-communicable diseases](#), [school education](#), [technical education](#), and to [combat violence against women](#).

The Government also [announced an expansion](#) in the number of countries able to participate in its pilot (and so far, tiny) Pacific Seasonal Workers Scheme.

Finally, hot on the heels of an article by Jo Chandler of The Age [critical of the Australian Government for its decision to close Torres Straits health centres for TB](#), which many nearby PNG citizens rely on, the Government has announced that, in fact, [it won't be](#).

### International rights groups call on Australia, USA and UK to cut Cambodian aid

Donor governments, including Australia, [have been asked to review](#) their ongoing aid to Cambodia by rights groups in light of proposed legislation that could be used to crack down on local and international NGOs. Ten groups, including Human Rights Watch and Global Witness, have written to Foreign Minister Kevin Rudd, as well as his counterparts in the US and UK, to call for a cut in aid to Cambodia if the law is passed, [The](#)

[Guardian reports.](#)

[Activists fear](#) that the new law could see the Cambodian government close down any NGOs it disagreed with. Already, [one small NGO](#), working on an AusAID and ADB funded program with forcibly resettled communities, has been accused of incitement and has had their activities suspended.

### **Enterprise Challenge Fund gets positive review**

The [Annual Portfolio Review of the Enterprise Challenge Fund \(ECF\) for the Pacific and South-East Asia](#)[pdf] shows positive results from the program. In the past two years, the Australian government has invested \$9.9 million in the fund, with \$11.6 million co-invested by the private sector. The annual report points to the positive impact that the funds have had on generating employment for the poor and their access to goods and services. Importantly, the Review notes that in around 3/4 of projects "crowding in and scaling up has occurred" as well as "legal and regulatory changes and replication". Not bad for a pilot.

### **Blunt assessments of aid for law and justice**

Three compelling think pieces have been [published in the past month](#) by the Office of Development Effectiveness at AusAID, examining the failures of aid for law and justice.

Eric Scheye's [piece on the 'crisis of confidence' in the law and justice sector](#)[pdf] questions whether institutional capacity development initiatives can be conducted more effectively within a statebuilding model. He also discusses the support activities that can be undertaken by donors to produce tangible improvements in the daily lives of citizens.

Otwin Marenin [outlines eight steps for finding law and justice 'gold'](#)[pdf], including legitimation, process reform, specificity, using local knowledge, transforming institutions into functioning organisations and harnessing reform networks.

Last but not least, Adrian Leftwich [takes a political approach](#)[pdf], examining the linkages between the law and justice sector and other donor goals such as improving governance and institutions. He concludes with a series of recommendations for development policymakers, particularly encouraging shifts in the way law and justice issues are perceived and addressed.

### **Aid leaks**

We mentioned WikiLeaks cables in [last week's Pacific Buzz](#) showing how the US viewed Australia's role in the Solomon Islands. This week's WikiLeaks news is cables on Australia's aid to Nauru, particularly under the Howard government, with allegations that the immigration detention centre on the island was one of the primary motivators for channelling aid to the small nation.

According to [an article in The Age](#): "Australian aid to Nauru under the Howard government was seen by US diplomats as solely driven by the operation of the offshore asylum seeker processing centre as part of the so-called Pacific Solution." The leaked cables further assert that after the Nauru detention facility was closed in 2008, the government of the country begged for Australian aid to continue, because "according to [Foreign Minister Kieran Keke], revenues derived from hosting the centre have accounted for 20 per cent of Nauru's \$28.5 million GDP."

Meanwhile, the [ABC's Four Corners program alleged](#) this week that AusAID had been called upon to assist with Australia's bid for the 2022 World Cup through 'football delivered' aid.

### **Aid mythbusting**

The Australian Council for International Development launched a new report last month aiming to bust the myths around Australia's international aid funding. The report, titled "[Myths Busted: The facts about](#)

[Australian aid](#) [pdf], outlines the benefits of development assistance and tackles misconceptions that aid dollars fund terrorism or encourage corruption. The report confronts head-on the commonly heard complaints that Australia is not wealthy enough to increase aid spending or that aid recipients don't need the money.

### **Australia's "diplomatic disrepair"**

The Lowy Institute has published a report titled "[Diplomatic disrepair: Rebuilding Australia's international policy infrastructure](#)", which scrutinises the Australian foreign service. While primarily focused on the Department of Foreign Affairs and Trade (DFAT), AusAID's big brother department, the report also examines the implications of inadequate diplomatic resourcing in terms of Australia's expanding aid budget. The report concludes that Australia's overseas diplomatic network is chronically underfunded and under resourced, lagging behind other OECD nations. Additionally, it argues that effective diplomacy can pre-empt more expensive humanitarian and military interventions.

Geoffrey Barker [provides some additional insight](#) into the inadequacy of the foreign service to deal with emerging economic challenges in the Asia-Pacific over on Inside Story.

### **AIDS funding**

[An annual funding analysis by UN Aids and the Kaiser Family Foundation](#) released last month shows that Australia is one of seven governments surveyed that reduced their donations for the HIV/AIDS fight in 2010. The report showed a significant downturn in funding for HIV/AIDS worldwide last year. Following the recent 10th Asia Pacific AIDS Conference in Busan, South Korea, the Australian Federation of AIDS Organisations has also [called on AusAID and the federal government](#) to expand its funding to deal with the growing issue of HIV/AIDS in the Asia-Pacific.

### **Aid transparency**

Australia [has become the 4th signatory to publish to the International Aid Transparency Initiative \(IATI\)](#). Though Australia was reported to have published some of its data to the IATI registry, [a search](#) for Australia and AusAID draws a blank. No doubt a work in progress.

### **In Brief**

- The Australian Government [has appointed a Global Ambassador for Women and Girls](#), Penny Williams.
- AusAID [provides some of the funding for projects in Vietnamese detention centres](#) for drug users that have been scrutinised in a Human Rights Watch report.
- Foreign Minister Kevin Rudd has [written an op-ed in The Australian](#) on the importance of regional disaster planning in the Asia-Pacific.
- [A new report by the Asian Development Bank](#) has shown that efforts by AusAID and the ADB to boost Pacific Islands business and opportunities for women have been paying off.
- Queensland Premier Anna Bligh has pledged to [push the federal government](#) to expand funding of tuberculosis clinics in the Torres Strait.
- The Fijian Health Ministry has [received \\$26.7 million in funding](#) from AusAID to improve services.
- Government representatives from Africa have [visited Western Australia to learn about mining](#) in an AusAID funded study tour.
- The Sri Lankan town of Jaffna has [received a new port](#), thanks to an AusAID and IOM joint project.
- Charles Sturt University professor Gavin Ash is working on an AusAID funded project to [reduce the incidence of crop diseases](#) in East Timor.
- Supporters of sanitation development will hold a ['dying for a dunny' rally in Canberra](#) on September 20 to call on Australia to increase its aid budget.
- AusAID's Office of Development Effectiveness (ODE) has [announced new funding](#) for partnerships with the ODI and the World Bank's Independent Evaluation Group. These will be added to existing arrangements with Brookings, 3ie, CGD, and the World Bank's Research Department, surely making

AusAID one of the world's leading funders of development think tanks.

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