

The Simons Review (1997)

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The recent announcement by Kevin Rudd of a review of the Australia aid program makes it interesting to look at previous reviews and their recommendations. In 1997, the [Simon's review](#) published its report on Australian aid. Here is a summary of the 12 key recommendations.

1. Focus on core business: poverty reduction through sustainable development

The first and most fundamental change that we recommend is for the aid program to focus on a single and unambiguous objective: to assist developing countries to reduce poverty through sustainable economic and social development. While adopting this objective may appear unremarkable, the consequences for the Australian aid program will be profound.

2. A more strategic approach to poverty reduction

An unencumbered focus on poverty reduction through sustainable development presents an opportunity to reorientate the aid program to focus squarely on development outcomes. Unequivocal priority must be given to activities which maximise the development benefits and have the greatest long- term impact on poverty.

3. Reinvigorate country programming

An aid program which seeks to maximise the effectiveness of its programs must be built on a firm partnership with recipient governments and communities. It is they who will ultimately determine the pace and type of development and it is they who must bear the primary responsibility for development.

Bilateral aid programs must be built around the needs and priorities of the individual recipient countries. AusAID's approach to country programming needs reinvigorating. Country strategies are an essential planning tool which should guide the overall approach and selection of the most effective interventions.

4. Increase emphasis on governance

Open, transparent, accountable and equitable government practices are prerequisites for sustainable development. An aid program can, and should, encourage good governance directly, through activities aimed at strengthening the capacity of political, administrative and legal institutions, and indirectly, through the ongoing dialogue that surrounds an effective aid relationship, both in day-to-day project implementation and in broader policy and planning discussions.

5. Focus on fewer countries

To maximise its effectiveness, the Australian aid program needs to sharpen its geographic focus. Over sixty countries are currently receiving some sort of bilaterally programmed development assistance. Australia needs to limit the number of countries that we assist and develop a transparent and rigorous approach to graduating the more advanced developing countries from the aid program. Over time, limiting the number of countries that are assisted will facilitate a sharper focus on recipient countries' needs and their own development plans. It will also be administratively more efficient.

6. Develop graduation strategies

The implementation of effective development strategies implies that countries will reach a point where the need for foreign aid diminishes, and that aid will ultimately not be needed. It is incumbent on donors to prepare and plan their phased withdrawal well in advance and in close consultation with the recipient country.

7. Focus on sectors that reduce poverty

The specific needs of developing country partners must determine what types of interventions are most appropriate. However, to maximise effectiveness, AusAID should also focus on particular types of activity. Greater sectoral concentration would allow the development of specialist expertise and help ensure that aid interventions are not dissipated on a range of non-complementary activities.

8. Avoid duplicating the work of the private sector

Aid support cannot be justified for commercially viable activities and it should not be used for direct industry assistance. The best way to support private sector development is for the aid program to help to get policy frameworks right, and support long-term investments in infrastructure and an educated and healthy population.

9. Improve engagement with non-government organisations

Non-government organisations are important implementing partners of the official aid program. AusAID should focus on the special characteristics of NGOs which make them valuable partners, but it also needs to assess more rigorously NGO capabilities and evaluate their performance. The wider application of cost-sharing arrangements would not be in the best interests of AusAID/NGO cooperation.

10. Reduce supply-driven distortions

An aid program that is focused on securing the most effective development outcomes cannot also be locked-in to providing particular types of development assistance. The amount and type of aid provided should be based on how effective it will be in the unique context of the particular developing country, not on any supply-side obligation.

11. Focus on results and learn from experience

Maximising the effectiveness of the aid program demands a continuous search for better ways of operating. Best practice must be pursued at all stages, from defining interventions and designing programs, through to project implementation and evaluation. A more analytical and evaluative culture needs to be built into the management and delivery of Australian aid, and this should start within AusAID.

12. Develop professional skills and decentralise program management

AusAID needs to develop a culture that invites greater scrutiny and debate and encourages increased responsibility in staff. Upgrading staff skills needs continuous attention and expert sectoral advice has to be more readily available. The traditional public service hierarchical model should be replaced by a more consultative management style and team-based approaches. There needs to be greater devolution of authority over operational matters in order to foster staff responsibility and to free senior management to focus on strategic planning and overall program effectiveness.

A greater degree of decentralisation of staff both to and within developing countries would improve AusAID's capacity for effective planning, program delivery and policy dialogue. Combined with a devolution of responsibility, decentralisation could provide more flexibility to respond to changing circumstances and so maximise the value of the assistance provided.

The AusAID environment should encourage the contest of ideas, evaluation, feedback and learning. An excellent statistical service and an active research program are prerequisites. But most important is a management system that is transparent, open to challenge from inside and out, and committed to change. The current reshaping of the public service provides an opportunity for AusAID to devise new ways of using its resources that are more appropriate to the Agency's core business.

The full report of the Simon's review can be downloaded [here](#).