

Groups demand a 'fair share' earmarked for foreign aid

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(Inter Press Service) --- Australia's foreign aid budget is likely to double by 2015, but civil society groups say this is far from enough if it is to keep to its "fair share" of commitments to poorer countries. In fact, they would like the government - including a new one that may come after the Aug. 21 polls - to commit not only to meeting the yardstick of aid funds reaching 0.7 percent of Gross National Income (GNI) but to having better- quality official development assistance. The 72-member Australian Council for International Development (ACFID), an independent association of Australian non-profit aid organisations, is spearheading calls for political parties to commit Australia to playing its full part in helping poorer countries achieve the Millennium Development Goals (MDGs), a set of development targets from maternal mortality to education that the world's governments pledged to meet by 2015. Given present trends, Australia's aid budget is expected to double from the current 4.35 billion Australian dollars (3.9 billion U.S. dollars) to between eight to nine billion Australian dollars (7.2 to 8 billion U.S. dollars) in the next five years. Foreign aid from Australia, which belongs to the Organisation for Economic Cooperation and Development (OECD) or group of donor countries, is projected to be at 0.35 percent of GNI, the U.N.-agreed measure of rich nations' foreign aid funds, in 2010, according to OECD figures. That is half of the 0.7 percent of GNI measure. "Australia has the lowest public debt among OECD countries, as well as low unemployment and strong growth, and yet we are still not giving our fair share of the funding needed to meet the critically important MDGs," said Tom O'Connor, chief executive officer of the non-government group The Oaktree Foundation. "Neither is the quality of our overseas aid assistance up to scratch. For example, we only give about one-third of our fair share to the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria," O'Connor added in an interview. In the run-up to the polls, the ruling Labor Party and the Liberal-National Party Coalition have proposed that Australia increase its aid commitments to 0.5 percent of GNI by 2015. The Greens Party, which has seen a record surge in support from voters switching away from the two main parties, supports increasing Canberra's commitment to 0.7 percent of GNI. Australia was ranked the 13th aid donor as a percentage of national income in 2009. In its current budget, most of its aid (411 million U.S. dollars) goes to Indonesia, followed by Papua New Guinea (409 million U.S. dollars), Solomon Islands (202 million U.S. dollars) and Afghanistan (110 million U.S. dollars). But activists say it is not just the amount of aid funds that the Australian government needs to work on, but the quality and focus of its aid programme. A lot of Australian aid funds consist of tied aid, raising the question of whom they actually benefit, they add. "Much of Australia's donor contribution was described as

'boomerang aid' as one-third of the donated dollars never left the country, and up to 90 percent of overseas development contracts were won by Australian-based companies," said Joel Negin, a lecturer on international public health at the University of Sydney. "The language of aid has been shifting from recipient to partner government, from conditionality to mutual responsibility." ACFID, which contributes some 900 million U.S. dollars in aid each year, of which 717 million U.S. dollars comes from public donations, is calling for more aid to be delivered through non-government organisations and skilled volunteer programmes. These make up seven percent of the country's aid budget, but should be increased to at least 10 percent, it adds. To deliver better aid, non-government groups recommend making aid more long-term, predictable and aligned with the development priorities of developing countries. "Ultimately, development is the responsibility of partner governments. The reality for donors is that we can only do what partner governments want us to do," said Bob McMullan, Australia's parliamentary secretary for international development assistance. "As donors, we cannot provide support where there is an absence of local commitment, ownership and accountability." Some new trends bear watching as well, including the private sector's growing involvement in aid programmes. For example, the Australian-based Business for Millennium Development, which includes some of the country's largest and prominent businesses, identifies opportunities to reduce poverty while developing business in the Asia-Pacific. But in the end, aid effectiveness is not measured only by the amount of donor funds but in the tools and skills it gives to recipient countries so they can look after their own development. Indeed, the eighth MDG goal, which is to create a global partnership for development, is "a reminder that aid is only one part of the development answer," said Annmaree O'Keeffe, a research fellow at the Sydney-based Lowy Institute for International Policy. "It is essentially about levelling the playing field for developing countries and aims at improving access to markets, information, communications technologies and affordable drugs. Australia can do better," she added. "Australia must take leadership in bringing the agenda of inequality as part of MDGs and pushing for an accountability framework as part of the outcome document of the MDG Summit," Minar Pimple, Asia-Pacific director for the United Nations Millennium Campaign, pointed out, referring to the September global summit on progress on meeting.

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