



ChildFund Australia Submission to the Independent Review of Aid Effectiveness

ChildFund Australia

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Introduction

ChildFund Australia welcomes the opportunity to provide input to the independent review of the effectiveness and efficiency of the Australian aid program.

There have been several positive developments in Australia's aid program in recent years, notably the commitment to scale up the aid budget to 0.5% of GNI, the stronger attention to aid effectiveness demonstrated by the creation of the Office of Development Effectiveness, a clearer focus on the Millennium Development Goals, increased resourcing of program sectors that directly benefit children (particularly education), and new forms of partnership with non-government aid organisations (NGOs) and Civil Society Organisations (CSOs).

The Aid Review is an opportunity to retain and build on these important directions while taking further steps to improve the effectiveness and efficiency of Australia's aid program.

For ChildFund Australia, and building on ACFID's framework, effective development interventions are those that:

- Address the root causes of deprivation, exclusion, and vulnerability by building assets (human, financial, natural, and social), enhancing voice and agency, mobilising poor people to increase their power, and ensuring the participation and protection of vulnerable populations such as children, women, people with disabilities and ethnic minorities;
- Pursue human rights and social justice;
- Achieve measurable¹, positive, enduring change in equitable partnerships with people and local organisations (CSOs, government, etc.);
- Reflect the priorities of participating populations;
- Are transparent and accountable to poor people, partners, and donors;
- Are flexible in nature, and responsive to unexpected opportunities and outcomes during implementation.

In this light, we believe that the following recommendations, related to the structure and organisational arrangements of the Program, are critical.

The Structure of the Australian Aid Program

1. The appropriate geographical focus of the Aid Program should be primarily **Asia and the Pacific**, with an important secondary focus on **Eastern and Southern Africa**.

Proximity to Australia, regional, trade, diplomatic, historical and cultural factors argue strongly in favour of focusing the Aid Program towards the Pacific and Asia, particularly South-East Asia and major Pacific nations where Australia's influence is greatest. At the same time, levels of poverty, our historical and cultural connections to Eastern and Southern Africa, the long-standing aid relationship, and the expectations of the Australian communityⁱⁱ all favour a continued emphasis on Eastern and Southern Africa.

Expansion of the Aid Program to western Africa and Latin America, at least at significant levels, risks the dilution of impact in locations where there are much weaker pre-existing relationships to build upon, and other donors are better established and more able to be effective. In the case of Latin America, development need is less severe and the strategic connection with Australia is particularly tenuous.

2. Consistent with Australia's laudable commitment to the MDGsⁱⁱⁱ, the sectoral focus for the Aid Program should continue the successful emphasis on **education**, while **giving much greater** attention to other areas where attainment of the goals is lagging (**maternal health, child mortality and malnutrition, and gender^{iv}**) in those places where progress is slowest (primarily Asia – outside of China – the Pacific, Eastern and Southern Africa.)

At the same time, given global environmental trends and their impact on MDG attainment, the Program's incorporation of **food security, climate change, and disaster risk reduction** is warranted.

Most of the MDGs are in serious danger of not being achieved by 2015, in particular those related to maternal health, child mortality and malnutrition, and gender^v. The reasons for this are evident:

- Overall, financing commitments made by countries of the Global North have not been matched by actual funding allocations and disbursements. In this regard Australia's commitment to 0.5% of GNI is admirable.
- Many of the remaining poverty-elimination challenges relate to deeper and more intractable causes. In other words, the easier work has been achieved, leaving the more difficult challenges. (*Recommendations 3 through 7 below relate to this point and argue that the more difficult challenges remaining require us to:*
 - *focus on the causes of poverty*
 - *focus on vulnerable, excluded groups, particularly children and women*
 - *ensure that the Aid Program has tangible impact where it matters, where programs are delivered for poor people*

- *make sure that the Aid Program is agile, learning from experience, and refining approaches that work while moving away from those that do not.*)
- Finally, since the MDGs were agreed, the world has seen global food, fuel and financial crises; accelerating climate change; and natural disasters. These events have slowed progress. The inclusion of food security, climate change and disaster risk reduction in the Aid Program are therefore necessary and appropriate.

3. Because poverty is caused by asset deprivation, exclusion, power differentials, and risks in poor people's environments, **the Aid Program should:**

- Emphasize the building of human assets (**access to health and education, including vocational education**), capital assets (such as **credit and savings**), natural assets (such as building **access to clean water and sanitation, productive land, and unpolluted air**), and social assets (for example, **building strong democratic societies**);
- Include a strong component for **supporting local civil society**^{vi};
- Accentuate **disaster risk reduction** and **climate change adaptation** particularly in places at greatest risk (again, Asia, the Pacific, and Africa.)

In order to effectively and sustainably “*contribute to tangible improvements in the lives of the world's poorest people*”^{vii}, the Australian Aid Program must address the causes of poverty. ChildFund's experience, learning, and reflection in working^{viii} with deprived, excluded, and vulnerable people to overcome child poverty have taught us that people are poor because:

- they are deprived of assets (human, capital, natural, and social)^{ix}; because they are excluded from their societies, and are invisible (voice and agency)^x; and because of power differentials^{xi} in their families, communities, societies, and across nations.
- We know that children in particular experience poverty through a shifting and dynamic mixture of deprivation, exclusion, and vulnerability^{xii}; their experience is affected and often times shaped, by the relationships around them – especially with their caregiver;
- And we have learned that children and youth are particularly vulnerable to risks in their environment, which can result in dramatic increases in poverty; they therefore need protection from threats such as physical, psycho-social, and sexual abuse, natural and human-caused emergencies, slow-onset disasters, civil conflict, etc.

Recommendation 2, above, is consistent with this call for a focus on the causes of poverty and for a recognition of global environmental trends. Enduring impact will come as the Aid Program:

- continues to emphasize education, while
- expanding to build health, capital, social, and natural assets;
- incorporating early childhood development; and
- expanding risk reduction, particularly for children.

4. The Australian Aid Program should **substantially increase its focus on children and expand to encompass early childhood and child protection.**

It is strongly argued that children should be given greater and more distinct attention in the Australian Aid Program. It is recognised that many aspects of the Program currently benefit children, and there have been welcome increases in some sectors, notably education. The AusAID Child Protection policy is another important achievement that has helped strengthen the protective environment for children and the policy has received international interest.

However it is still the case that:

- Several of the lagging MDGs are child-related: maternal health, child mortality and malnutrition, and gender;
- Human assets, such as education and health, are built from childhood through youth and adulthood. Investment in children has a long-term social and economic return;
- In many developing countries children represent a very high proportion of the population;
- Children are the most vulnerable members of society, especially girls, children with disabilities, ethnic minorities, children in remote communities, street children.

As such, the rights of children – embraced by nearly every country in the world through the adoption of the Convention on the Rights of the Child – are far from assured. This is in the context of rapidly-growing child and youth populations, in a world in which nearly half of children live in poverty^{xiii}.

Areas where increased investment for children in the Aid Program should be considered include:

- Further increases in education spending with a greater proportion of funds going to basic and secondary education; review the proportion spent on Higher Education Scholarships and reduce expenditure on governance and infrastructure*. Critically examine the effectiveness of investments in Fast Track Initiatives, recipient government capacity and the impact of these investments at local level.
- Increase the allocation to health, and give urgent priority to maternal and child health. Re-allocate a proportion of funds in the health budget going to governance in order to support service provision at the grass roots level*.
- Include a greater focus on children in the water & sanitation sector by promoting the integration of child focused programming in watsan programs. Re-allocate a proportion of ODA funds in the current infrastructure budget currently going to transport* to boost funding of water supply and sanitation activities at community level.

* Alternatively, with the pending increase in the aid budget, it may be feasible to maintain levels of spending on governance and infrastructure at current levels while increasing the proportion of expenditure on direct programming in education, health and watsan.

- Require that partners who are funded to undertake humanitarian assistance make specific provision for children in emergency response.
- Formally adopt a commitment to the realisation of children's rights as an aim of the Australian Aid Program.

Early childhood and child protection

Our call for greater investment in early childhood and child protection is consistent with Recommendations 2 and 3, above, and with best practice across the world.

Research on early childhood development in the past two decades has led to new understandings of the critical importance of the early years for brain development, physical development, language, cognition, psychological well-being, school transition and completion. Investment in early childhood is increasingly understood as a vital part of a society's health and human services but is largely neglected in official aid programs. As reported by UNICEF, for 7 of the 8 MDGs, "*... research has shown that the most effective interventions to improve human development and break the cycle of poverty occur most in children's earliest years.*"^{xiv}

Child protection is another emerging area of understanding that requires greater attention in the Australian Aid Program. Creating a protective environment for children requires action to strengthen national child protection systems (legislation, policy, services); influence traditions, attitudes, cultures and practices; strengthen the protective role of families and communities; promote child protection in conflict and national disasters; combat stigma for marginalised groups of children (eg, those impacted by HIV and AIDS); target interventions to high risk groups (eg, street children, children at risk of being trafficked)^{xv}.

Fundamentally, ChildFund Australia strongly believes that the true measure of any society, and of any Aid Program, is how it engages with children. It is time for the Program to substantially increase its operational and policy focus on children, whether it is through cross-cutting mechanisms, directed programs, or both.

5. While building the capacity of partner governments at central, line-ministry level is crucial, this **must be complemented by efforts at the levels where government interacts with deprived, excluded, and vulnerable people.**

Given its bi-lateral nature, significant attention has been given in the Aid Program to strengthening governance in partner countries, especially with central, line-ministries. At the same time, it is important to acknowledge AusAID's initial steps towards understanding how the agency can engage more effectively with civil society, through recent work of the Office of Development Effectiveness.

Building the capacity of partner governments at central, line-ministry level is an important part of the aid program, necessary for attaining the MDGs. However it is apparent that this capacity building activity does not necessarily result in tangible improvements in the lives of children and families particularly those in rural and remote communities. Central capacity

building must be complemented by efforts at the levels where government interacts with deprived, excluded, and vulnerable poor people, so that:

- Service provision makes a real, tangible difference where it matters;
- Government can be accountable and responsive to its citizens.

This will require enhanced engagement with, and strengthening of, local civil society organisations. It also calls for a more purposeful connection of capacity building activity with tangible outcomes at community level, as recommended by the 2009 Annual Review of Development Effectiveness: *Public sector and governance reforms require a deliberate strategy that links them to better service delivery*^{xvi}. There are opportunities here, likewise, to ensure greater connectivity between the bilateral program and the work of ANGOs funded through ANCP, cooperation agreements, etc.

Organisational Arrangements for the Aid Program

6. Current arrangements for the management of risk should be reviewed to ensure that they **do not create overly cautious and conservative programming**. The current results framework approach, likewise, should be reviewed to ensure that it **does not preclude the kinds of creative design, and qualitative monitoring and evaluation** tools which often lead to the most effective and accountable programs – most accountable to aid beneficiaries and the public.

Because the remaining poverty-elimination challenges relate to deeper and more intractable causes, the next phases of the Aid Program will be inherently riskier and require more innovation and exploration of alternative approaches.

Intense debate is underway across the development sector today on this issue. Our commitment to be accountable to donors and the public has led us to emphasize systems which ensure results that are often narrowly defined as doing what we planned to do, while minimizing risks. More and more, however, we know that the remaining challenges will require more adaptive, responsive, and non-linear approaches, which are not amenable to the kinds of linear systems that allow for control and risk minimisation.

We need an Aid Program which attains both of these aims – accountability and innovation – both are crucial.

7. The Aid Program should increase its emphasis on partnership with non-governmental organisations and CSOs, both national and international.

NGOs are well-placed to deliver tangible impact in poor communities, where they work. This enables them build concrete partnerships with the Australian Aid Program and with governments of the Global South, in poor communities where it matters, to achieve measurable improvements in maternal health, child mortality and malnutrition, and gender.

Many NGOs also have long experience with program approaches which deliver these tangible improvements while also addressing the deeper causes of poverty – power imbalances, lack of voice and agency, etc. This makes them ideal partners with the Australian Aid Program and with governments of the Global South in creating not just concrete, measurable change, but change which is enduring for the poorest.

In particular, the presence of local and international NGOs on the ground, in communities, means that they are ideally placed to work with the Australian Aid Program in building the capacity of local governments to deliver services, and be responsive and accountable to its citizens. And Australian NGOs are well-placed to work with local civil society organisations, creating linkages where the official Aid Program may not always be able to do so directly. Again, this argues for ensuring greater connectivity between the bilateral program and the work of ANGOs funded through ANCP, cooperation agreements, etc.

ChildFund has welcomed the new form of partnership recently commenced by AusAID under the ANCP program. This partnership arrangement recognises the strengths of NGOs as listed above and establishes a more equal relationship that not only delivers aid programs but provides a basis for robust policy dialogue.

ⁱ For example, ChildFund Australia uses 16 “Outcome Indicators” to assess our own effectiveness in addressing child poverty and building well-being.

ⁱⁱ ChildFund Australia, “Australian perceptions of child poverty and aid effectiveness,” <http://www.childfund.org.au/static/7/x/65c034e313c6490602618c48772880fb.pdf>

ⁱⁱⁱ <http://www.usaid.gov.au/makediff/default.cfm>, accessed on 7 Jan/11.

^{iv} “The Millenium Development Goals Report, 2010,” <http://www.un.org/millenniumgoals/pdf/MDG%20Report%202010%20En%20r15%20-low%20res%2020100615%20-.pdf>, accessed on 20 Jan/11

^v According to Minister Rudd in his UN speech on the MDGs: “successes in some areas—poverty reduction and school enrolment, must be weighed against failures in others—including maternal health and child nutrition.”

http://www.usaid.gov.au/hottopics/topic.cfm?ID=8080_5460_6734_6975_8101, accessed on 7 Jan/11.

^{vi} This relates to the current AusAID ODE evaluation of AusAID’s engagement with civil society in its partner countries.

^{vii} <http://www.usaid.gov.au/ode/default.cfm>, accessed on 7 Jan/11.

^{viii} ChildFund Australia, “The Way We Work,” <http://www.childfund.org.au/static/0/k/38450927a571e2869033818d0f609ea1.pdf>, accessed on 7 Jan/11.

^{ix} “Building Assets To Reduce Poverty and Injustice,” http://www.fordfoundation.org/pdfs/library/building_assets.pdf, accessed on 17 Jan/11.

^x “Development As Freedom,” Amartya Sen.

^{xi} World Development Report, 2000/2001.

^{xii} ChildFund International, Poverty Study: http://www.childfund.org/media/publications/program_docs/Understanding_Children_s_Experience_of_Poverty_An_Introduction_to_the_DEV_Framework.aspx, accessed on 7 Jan/11.

^{xiii} http://www.unicef.org/voy/explore/sowc/explore_1653.html, accessed on 28 Jan/11

^{xiv} http://www.unicef.org/earlychildhood/index_bigpicture.html, accessed on 20 Jan/11.

^{xv} http://www.unicef.org/protection/files/CP_Strategy_English.pdf

^{xvi} Office of Development Effectiveness, *Annual Review of Development Effectiveness 2009*, p.58