

To the panel of the Independent Review of Aid Effectiveness,

I believe the most important step that the Government can take to increase aid effectiveness is to establish the Office of Development Effectiveness as an independent body. Currently the Office of Development Effectiveness has the mandate to evaluate and publicise the reality of Australian aid, but it is a body under AusAID, which seriously undermines its ability to make a genuine unbiased critique, in addition at the moment many of its reports are kept hidden from the public. To me the biggest (and reasonably possible) outcome of this aid review would be to make the ODE into an independent body.

A genuinely independent and well resourced body publishing reports and providing feedback and critique to AusAID would be a huge step towards a more just and equitable aid program.

In addition, to the greatest extent possible, all in-country aid-funded positions should be open to people from aid-recipient countries as well as from the region. Restricting application to Australians allows for the (not uncommon) case where Australians get sent to work in developing countries, receiving far higher salaries than the averages in recipient countries and are actually less appropriate for the positions than local/regional people. Assuming that there is no inherent belief in AusAID that Australians are better placed for development work than people from the global South. I think the practice of confining in-country positions to Australian citizens is an example of pursuing Australia's interests to the detriment of the poor. In fact local/regional people should be advantaged in applications for in-country positions on the basis of-

-knowing the local language

-knowing the local culture

-being far more likely to remain in the country and support development there (making employment a form of capacity building)

-being far more likely to keep the money paid to them within the country and supports the local economy.

A striking example of this problem can be seen in the Australian Youth Ambassadors for Development (AYAD) and Volunteers for International Development from Australia (VIDA) programs.

I also am aware that the scholarship program has been scaled up, yet there is no evidence of its development effectiveness. In relation to increased aid to Africa, scholarships account for a significant portion of planned increases in development assistance (target is 1000 scholarships by 2012/2013). Furthermore, it is typically the elite or children of the elite who access AusAID scholarships and these individuals already have far greater access to further education opportunities than the rest of the population. I recommend diverting this funding for capacity building of in-country education systems instead.

Furthermore I call upon the Australian Government to implement the following changes:

- End the practice of using aid to further Australia's national interests:
  - Remove reference to national interest from the objective of Australia's aid program

- Establish AusAID as a separate department with a Cabinet level minister responsible for international development.
- Recognise that the impacts of climate change will drastically undermine development prospects for low-income countries:
  - Commit to at least A\$2.1 billion per year funding for climate aid, commensurate with Australia's contribution to global ODA.
  - Ensure that this climate aid is new money, not funds redirected from other development priorities and that it is aimed primarily at assisting the most vulnerable communities.
- Improve the transparency, accountability and monitoring of Australian aid spending:
  - Make the Office of Development Effectiveness an independent body separate from AusAID, following the example of the UK's Independent Commission on Aid Impact.
  - Publish timely, accessible and detailed information about all aid initiatives.
  - Publicly release all parts of commercial aid contracts which do not satisfy the Department of Finance and Administration's 'Confidentiality Test'.
- Reduce the proportion of aid money spent on Technical Assistance (TA) to at least the OECD average. Identification of TA needs should be led by aid recipients and use of local advisors prioritised over external advisor
- Increase funding to CSOs that have a proven capacity to effectively engage and empower communities to realise their own development goals
- Strengthen country ownership by ensuring Australian aid initiatives make greater use of existing partner government institutions and systems for implementing and managing public resources.
- Make a more concerted effort to engage non-state actors to ensure that local communities and CSOs have a greater say in determining the formulation, implementation and evaluation of aid projects and programs.
- Ensure policy coherence for development by providing a government agency (such as the ODE) with a mandate of assessing and publicizing the poverty alleviation and social development impacts of government interventions and policies; as per the recommendation of the OEDC DAC peer review of Australian aid

Yours Sincerely,

Mr Nishan Disanayake