



Australia's Aid Program – A Time for Change

Introduction

Recommendations

1. *IHFA recommends a further updated review of AusAID's operations along the lines of the Simons review. IHFA further recommends that the process for reviewing AusAID's operations be considered in the context of involvement of all stakeholders with representations from the wider aid delivery community and aid recipients themselves.*
2. *IHFA recommends that AusAID undertake a comparative benchmarking analysis of the Australian aid program to compare where we rate relative to others in order to strive for continuous best practice.*
3. *IHFA recommends the simplification and relevance of project evaluation be placed at a high priority within the scope of the aid evaluation program.*
4. *IHFA recommends the continuation of the focus of the Australian Government on the Oceania/Pacific region for the majority of Australian aid funding.*
5. *IHFA recommends the refocus on the achievement of the Millennium Goals and Paris Agreement and endorses the establishment of evaluation criteria relative to the achievements of these goals.*
6. *IHFA Australia recommends that tangible implementation of aid programs be solely focused on poverty reduction and not be influenced by other alternative agendas.*
7. *IHFA recommends the support of the Micro Finance initiatives for Individual and Community Development that already exist and that have proven to be working in the countries or origin.*
8. *IHFA recommends that AusAID, through its service providers, should strengthen relationships and participation with Pacific based microfinance organisations and entities.*
9. *IHFA recommends that AusAID and its partner peak non proselytising church and peak NGO organisations should set the expectations relating to program scope, program goals, organisational capacity to deliver and setting delivery standards and evaluation and benchmarking expectations.*
10. *IHFA recommends that AusAID re-visit past recommendations concerning the invitation for greater involvement with NGO's and Non Proselytising church based organisations.*
11. *IFHA recommends the participation of aid recipients in Australian aid determination, prioritisation and evaluation.*
12. *IHFA supports the multilateral aid concept in principle however advocates that Australia should play and exert a more determined leadership and participation in these organisations, particularly those funding programs in the Oceania/Pacific regions.*

13. *IHFA agrees that the concept of the Enterprise Challenge Fund is sound however needs to be integrated into the changed paradigm of better engagement with NGO's and Non Proselytising church based organisations, recipient collaboration and participation and relationships with existing development programs underway within that community/nation.*
14. *IHFA recommends a strengthening of relationships with in-country NGO's and civil society organisations.*
15. *IHFA believes that Australia through its aid programs and more specifically its aid agency, AusAID, should advocate a leadership position in collaboration with New Zealand with respect to the coordination of aid delivery in the Oceania/Pacific region.*
16. *IHFA is a strong advocate of education and training programs within recipient countries and generally supports AusAID diversity of education development programs. IHFA however believes that the establishment of these programs requires a more consultative approach with the communities in which they are offered.*
17. *IHFA advocates a more integrated approach to skill development for post secondary school students and encourages greater integration with the Australian post education systems to achieve the desired outcomes.*
18. *IHFA recommends that AusAID and the NGO sector should set goals to strengthen the relationships as well as establish mechanisms for training and development activity, accreditation and certification standards and strengthen links to academia for research and development programs relating to international development activity.*
19. *IHFA recommends the establishment of best practice poverty reduction program models that allow for the participation of various stakeholder groups in the aid evaluation processes.*

Submission to focus on Australia's Aid to the Pacific Nations

A significant proportion of Australia's aid is allocated to the immediate geographical area Australia is positioned in – the Oceanic/Asia/Pacific region. Australia has for many years believed its immediate aid responsibility has resided in this region and with good justification. Many of our immediate neighbours have relatively lower standards of living and are poverty stricken. Moreover many of our immediate neighbours have experienced social/political turmoil and have sought and been provided governance and security assistance. Governance weaknesses, education and training shortcomings, climate related impacts and lack of sustainable economic foundations have warranted an Australian aid focus in the nations of the Asia-Pacific region.

It is the view of *International Help Fund Australia (IHFA)* that a continued large proportion of Australian Aid should be predominantly targeted at the Oceania/Pacific Island nations.

Included in this view, IHFA advocates a substantial overhaul in all facets of the Australian Aid program. The following submission outlines these proposed measures.

Australian Aid as part of a wider Pacific Initiative

Australian Aid in the Pacific should not be seen in isolation from aid initiatives provided by other countries to Pacific nations. Aid to Pacific Island Nations originates from many sources. Aid from other countries, multilateral aid initiatives, church based aid and UN based aid programs all have a Pacific presence.

In addition New Zealand has a significant presence as a Pacific Nation aid donor and should be included in any future Pacific Aid planning initiatives.

It is the view of IHFA that aid that has been provided in the Pacific has been disparate, poorly organised and generally poorly coordinated between the donor countries. All too often the aid agendas of donor countries seem to overshadow the ultimate goals of poverty relief, sustainable economic development and strengthening of governance structures. It could be strongly argued that the structure of Australian/New Zealand aid and development is flawed and requires significant overhaul.¹

IHFA advocates a leadership role by Australia (and New Zealand) in the coordination of aid programs in the Pacific through a co-operative structure with relevant donor and aid recipient stakeholder composition. Any leadership role Australia takes must be endorsed and supported by all parties and earned through a willingness to collaborate and include all parties at every level relative to international development policy.

¹ Reports PNG/Australian Development Cooperation Treaty (April 2010) Main Messages, Parliamentary Report into NZ's relationship with South Pacific Countries (December 2010)

Analysis of Australia's Current Aid Program

Aid Structure

Discussion about Australia's Aid Programs

Australia has historically had an aid program which has focussed on broad goals and aspirations as well as international agreed upon value statements.²

These statements have been advocated as the underpinning features of Australia's aid program delivered via AusAID. However it can be contended that the overarching program has been influenced by political, security and trade influences. The relative simplicity of achieving Australia's aid goals to *'assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest'*³ is found to be wanting.

Australians citizens whom have a world wide reputation of being fair, generous and concerned about fellow human beings may have reason to be concerned about Australia's aid program.

Arguably the structure of Australian aid requires substantial change and alteration to regain the credibility of the hitherto development based aid program in the eyes of the average 'Aussie'. In addition recipients of Australian aid have voiced their concerns about the structure, delivery, complexity and outcomes regarding the Australian aid program.

Aid Priorities

Discussion about current priorities

The discussion about Australia's current aid priorities should consider the rhetoric about aid priority relative to the fact concerning recent aid programs.

The Australian aid priorities are based on the aspirations of achievement of the Millennium Goals⁴ and the Paris Agreement of Aid Effectiveness⁵ and previous reviews⁶ which have clearly placed alleviation of poverty at the highest levels.

Regrettably the measure of these achievements both by formal evaluation reports and research as well as anecdotal feedback via a number of Aid watch organizations contends that Australian aid priorities have been diluted and manipulated.⁷

It can be contended that the current model of Australian aid priority setting is flawed and that priority setting needs to be extricated out of the political/bureaucratic realm and placed within a framework that has collaborative stakeholder properties and recipient input.

² Millennium Goals - <http://www.aid.gov.au/keyaid/mdg.cfm>

³ AusAID - <http://www.aid.gov.au/makediff/default.cfm>

⁴ Millennium Goals - <http://www.aid.gov.au/keyaid/mdg.cfm>

⁵ Paris Agreement on Aid Effectiveness

⁶ Simons Review – "One Clear Objective – Poverty Reduction through Sustainable Development 1997

⁷ Wesley Morgan "We are the Pacific's best Frenemy" newmatilda.com

Aid Delivery

Discussion about Australia's aid delivery mechanisms and processes

Australian aid programs are delivered via a number of mechanisms and in many different formats. It is understood that a large allocation of Australian aid is expended in the provision of governance and security initiatives in some SE Asian and Pacific Countries.

Moreover AusAID tenders out large aid and development contracts and much of this activity is undertaken by commercial businesses that employ consultants in many roles, those roles including 'technical advisers'. It is understood that in excess of \$1 billion annually is made available to private corporations for tender based aid programs and that extensive aid allocations are expended in employing consultants to act as technical advisers to "build capacity".

Aid programs are also contracted out to Non-government and church based organisations. As a proportion of aid monies expended, this sector is estimated to receive about 3% of the total Australian aid funds expended.

Success of Aid Program

How successful has Australia's aid program been?

The objective/theme of Australia's overseas aid program is "to assist developing countries reduce poverty and achieve sustainable development, in line with Australia's national interest" ⁸ and "promoting shared and sustained economic growth is a central theme of Australia's aid program".⁹

The measuring of the success or otherwise of Australia's aid program is a complex task as success has many interpretations. From the basic perspective of allocation of funds Australia has achieved success in increasing the percentage of GDP allocated to international development assistance. However increases in allocations do not necessarily equate to better outcomes.

The effectiveness of development funding addressing the Millennium Goals has been questioned by a number of organisations that monitor international aid and development spending programs.¹⁰ In addition and more importantly, serious questions concerning Australian aid programs and effectiveness have been raised both in the past and in recently published documents.¹¹

The 1997 Simons Report "One Clear Objective – Poverty Reduction through Sustainable Development" overview included references to "the program suffering from a clear objective, in need of renewal to inject vitality and rigour and sharpen the focus and incorporating a more "strategic approach" to poverty reduction."¹² The review also made

⁸ http://www.budget.gov.au/2010-11/content/ministerial_statements/ausaid/html/ms_ausaid-03.htm

⁹ http://www.budget.gov.au/2010-11/content/ministerial_statements/ausaid/html/ms_ausaid-03.htm

¹⁰ Reality of Aid Network - <http://www.realityofaid.org/newsandfeatures/view/id/88/page/1>

¹¹ PNG/Australian Development Cooperation Treaty (April 2010)

¹² Simons Review – "One Clear Objective – Poverty Reduction through Sustainable Development". 1997

reference to many other matters that will also be mentioned in this submission that needed attention and addressing by Australia's Aid delivery organisation and politicians

A recent publications report concerning New Zealand's pacific aid program has serious implications for Australia aid program success. The report generally notes that New Zealand's (and by implications Australia's) aid program in the pacific has been ineffectual and found wanting. When reading this recent NZ Parliament Report and the 1997 Simons report close together, one can readily view the consistency in the message and the findings. Will the messages concerning the need for a new paradigm for international development assistance be heeded and actioned?

Discussion of Recently Published Documents and Reports

PNG/Australian Development Cooperation Treaty (April 2010)

The report into the PNG/Australian Development Cooperation Treaty was published in April 2010 as a result of PNG and Australian Prime Ministers agreeing to an evaluation of the Treaty following its 10 year anniversary.

The report is detailed in its content however for the purposes of this submission there are some very clear messages concerning Australian aid programs and also the manner in which Australia prioritizes, manages and delivers aid to Papua New Guinea.

At the beginning of the document there are a number of "main messages" that warrant reference.

- "the status quo is NOT an option".
- "widespread dissatisfaction with the aid program in PNG and Australia"
- "lack of Impact, Failure to obtain value for money"
- "Australia's PNG aid program has been spread too thinly"
- "management and delivery has become complex and costly"
- "expectation and objectives around the aid program are still at variance"
- "capacity building through the advisers model is not working"

These extracts point to a need to fully overhaul the system of aid to PNG and to radically rethink the manner in which Australian aid is prioritised, managed, delivered and evaluated.

The document also proposed a series of recommendations for addressing these matters. IHFA acknowledges the difficulties in delivery of assistance to PNG and agrees with a number of these recommendations proposed in the report.

IHFA incorporates these recommendations into the latter part of this submission.

Parliamentary Report into New Zealand's relationship with South Pacific Countries (December 2010)

There are relevant and important messages conveyed to Australia and Australia's international development program from a recent report commissioned by the Parliament

of New Zealand. It is clear that the association with New Zealand's aid efforts is consistent with Australia's aid program in the Pacific. Although there are slight differences in priorities and programs, one can safely say that the overall direction of development funding has been in alignment with New Zealand's aid initiatives. Therefore *we need to sit up and take notice of the findings of this report* and use these findings to draw conclusions and make changes to Australia's aid program.

New Zealand's development efforts "have yielded disappointing results" and "conditions in many Pacific countries have deteriorated in the past 20 years." "Economic and social viability of some countries is at risk".¹³

The report also makes a series of substantial recommendations to address these failures and nominates "assistance to development of private sector enterprises, infrastructure development, education and training, affordable finance, access to markets." In addition development assistance should be "accountable and transparent, outcome focused, involve reciprocal responsibilities and medium/long term time frames."¹⁴ IHFA recommends that members of the review panel read a copy of this report.

IHFA recommends that the Australian Government use the NZ report as a basis to further question Australian aid initiatives to Pacific Nations. These findings clearly display that Pacific aid programs have not been successful in achieving their goals and that a new paradigm for Pacific aid is required to be established in co-operation with New Zealand and the aid recipient countries.

Recommendations for the Future

Aid and the Australian Government

Departmental Status

Australian international development funding responsibility lies with the Minister for Foreign Affairs and Trade and is administered by AusAID. It is not the structure that is necessarily flawed but the level of accountability that exists at departmental level. The Simons Report made substantial recommendations relating to AusAID's need to change its manner of operating across a wide range of aspects including aid prioritisation, translating policy into strategies, focus on results, aid delivery mechanisms, aid evaluation processes and best practice formats to name a few.¹⁵ In the nearly four years that have elapsed since the Simons review, it appears that AusAID remains challenged to cope with the requirements for a paradigm shift in the manner in which it operates. Points raised in the April 2010 PNG/Australia development cooperation treaty report, responses from recipients and anecdotal evidence suggests that the shortcomings identified in the Simons Review relating to operations of AusAID need to be revisited and re-evaluated.

¹³ *Parliamentary Report into New Zealand's relationship with South Pacific Countries (December 2010)*

¹⁴ *Parliamentary Report into New Zealand's relationship with South Pacific Countries (December 2010)*

¹⁵ *Simons Review – "One Clear Objective – Poverty Reduction through Sustainable Development". 1997*

IHFA recommends a further updated review of AusAID's operations along the lines of the Simons review. IHFA further recommends that the process for reviewing AusAID's operations be considered in the context of involvement of all stakeholders with representations from the wider aid delivery community and aid recipients themselves.

Office of Development Effectiveness

The Office of Development Effectiveness (ODE) has been charged with the responsibility of determining the effectiveness of Australia's aid funding expenditure. Evaluations of aid programs are usually related to "sector approaches" or the "big picture" approach to aid funding analysis. Voluminous reports written by consultants, departmental and ODE staff describe the various elements of the programs however the success or otherwise relating to the detail of the projects seems lacking. Moreover there appears to be little opportunity for input from the aid recipients for commentary about the successes of the programs.

IHFA believes that aid needs to be evaluated from a number of perspectives.

IHFA recommends that Australian aid programs be benchmarked with best practice from other nation's aid programs and outcomes.

Firstly IHFA agrees that relatively speaking Australian aid program stands up well to many comparative international aid programs however IHFA recommends that AusAID undertake a comparative benchmarking analysis of the Australian aid program to compare where we rate relative to others in order to strive for continuous best practice.

Benchmarking gives relative comparison with other nations in terms of best practice and relative achievement of the Millennium goals.

Secondly IHFA sees aid evaluation quite simply as achievement of targets that ultimately "reduce poverty" for the recipient communities. IHFA believes we need to get to the core of determination of poverty reduction for individuals, communities and nations that we provide development funding to.

IHFA recommends the simplification and relevance of project evaluation be placed at a high priority within the scope of the aid evaluation program. The Australian public want to know the real achievements/failures of the results of the tax dollars that are flowing to the aid recipient communities and nations. The Australian public wants to feel confident that the significant aid monies are making a difference to the lives of the peoples in the countries we are supporting. The Australian public wants to know that the increases in aid proposed are going to make a difference in the lives of these people and not be wasted, squandered and lost in the haze of inefficiency and ineffectiveness.

Redirection of Aid Priorities

Continued focus on Pacific Nations in Australia's geographical sphere

IHFA recommends the continuation of the focus of the Australian Government on the Oceania/Pacific region for the majority of Australian aid funding.

Greater focus on Millennium Goals and Paris Agreement

IHFA applauds the Australian Governments statements in the 2010-2011 Budget papers:

“Australia's development assistance program is guided by the MDGs, (Millennium Development Goals) the internationally agreed targets for poverty reduction. The program aims to assist developing countries reduce poverty and achieve sustainable development, in line with Australia's national interest.”¹⁶

However this has not necessarily varied from previous government statements and the fact that Australia endorsed the Millennium Goals and the Paris Agreement at their inception. These motherhood statements agreeing to “poverty reduction through sustainable economic development” are all well and good however the facts are that this has not been achieved in any recognisable measure according to recent reports mentioned earlier in this document.

IHFA endorses the aspirations of meeting the Millennium Goals however is somewhat circumspect about actual achievements given the past record and unless there is substantial alterations to the manner in which development funding is prioritised, delivered and accounted/evaluated for. A new paradigm is sought and desired.

IHFA recommends the refocus on the achievement of the Millennium Goals and Paris Agreement and endorses the establishment of evaluation criteria relative to the achievements of these goals.

Balance with reduction of Poverty measures and Economic Development initiatives

The key goal of the Australian Aid program is nominated as the reduction of poverty through sustainable economic development. *IHFA Australia recommends that tangible implementation of aid programs be solely focused on poverty reduction and not be influenced by other alternative agendas.*

IHFA supports the development of individual small business and community structured business models utilising the resources of microfinance institutions and organisations. IHFA ascribes to the notion of inclusive development determined by local communities to benefit local communities through sustainable development of local resources. IHFA believes that AusAID, through its network of aid service providers (Commercial Organisations and NGO's), has a determining and key role in this style of program. Microfinance has proven to be one method of achieving economic development at the local level.

IHFA recommends the support of the Micro Finance initiatives for Individual and Community Development that already exist and that have proven to be working in the countries or origin.

IHFA recommends that AusAID, through its service providers, should strengthen relationships and participation with Pacific based microfinance organisations and entities such as “Pacific Finance Inclusion Program” “Microfinance Pacifika” that support small civil society organisations that deliver microfinance solutions.

Restructure of Aid Delivery Mechanisms

Review and restructure “Corporate Aid” concept

A significant proportion of Australian aid is delivered via commercial corporations using consultants to “build capacity” through technical advice. This style of aid delivery has been termed “boomerang aid” in that in reality what occurs is that vast sums of money are allocated and spent in employing highly paid western consultants to “give advice” on a

¹⁶ http://www.budget.gov.au/2010-11/content/ministerial_statements/ausaid/html/ms_ausaid-03.htm

whole range of matters from governance, finance, bureaucratic support and a wide range of other areas. Much of the aid money ends up back in the Australian economy via the households of the consultants and corporation owners.

While this is positive for our economy and in some areas clearly does deliver results, the use of consultants in the positions of technical advisers has, in the opinion of IHFA been an inefficient use of scarce resources and has not achieved the desired outcomes of “poverty reduction” in any meaningful way. IHFA recognises that there is a role for bilateral aid arrangements and that these arrangements will remain important features of the Australian development program.

IHFA contends that this “top down” corporate approach to aid funding has failed to deliver in the wider context and that a “bottom up” approach which focuses on individual and community development through economic and social empowerment will lead to relief from poverty. IHFA supports the utilisation of organisations that are focussed on “grass roots” aid delivery at community level, organisations both in the recipient country and organisations in Australia that practice this level of collaborative and participative aid delivery model.

IHFA’s contention is about the skewed balance between the “corporate aid delivery” model and the “grass roots NGO aid delivery” model and the need to reconstruct this balance so as to lead to better and more productive use of limited Australian aid funds. Moreover it is individuals and communities involved with the “grass roots” programs that can have input into the large and more complex aid programs and activities, particularly those activities that require a higher level of expertise and funding more appropriately provided via the corporate business model approach.

The role of AusAID in this scenario is to ensure that the process for working with those service delivery organisations is scrupulous, supportive and collaborative in nature.

IHFA recommends that AusAID and its partner peak non proselytising church and peak NGO organisations should set the expectations relating to program scope, program goals, organisational capacity to deliver and setting delivery standards and evaluation and benchmarking expectations.

Capacity building of service delivery organisations in terms of governance structures, management capability, delivery staff capacity and training and development programs should also be monitored and supported by AusAID’s professional staff.

Utilise expertise of Non Government Organisations (NGO’S) and Non Proselytising Church based welfare organisations

Previous reports¹⁷ have advocated the greater involvement of NGO’s as partners and service providers in the Australian Aid program.

Over 100 NGO’s are involved in Australian overseas development programs and involved in a wide range of activities ranging from grass roots development work, advocacy,

¹⁷ Simons Review – “One Clear Objective – Poverty Reduction through Sustainable Development”. 1997

humanitarian relief and volunteer programs. About 2.5% of the AusAID program budget is allocated to NGO activity¹⁸ and over \$800 million per annum is donated by the Australian public to the work of these organisations.

Aid delivery utilising NGO and Non Proselytising church based organisations is an alternative to aid program that needs to be strengthened and uplifted.

IHFA advocates the change in paradigm that is necessary to deliver the results of poverty reduction in Australian aid recipient communities. NGO's and Non Proselytising church based organisations can play a lead role in this goal and can provide the specialist expertise and close community contacts that are required for a more inclusive and collaborative aid program.

IHFA recommends that AusAID re-visit past recommendations concerning the invitation for greater involvement with NGO's and Non Proselytising church based organisations.

Greater involvement of Aid recipients in Aid program determination, prioritisation and evaluation.

Aid recipients traditionally have had little role to play in the process of review of Australian aid other than at a political level that generally involves the media and results in criticism or questioning of the aid program. Rarely do we hear "good news stories" about Australian aid programs. To be fair, the Australian media is not known for investing into good news stories.

IHFA recommends the participation of aid recipients in Australian aid determination, prioritisation and evaluation. An appropriate mechanism for this inclusion should be at the forefront of AusAID's challenges. Collaborative activity with the peak bodies (Australian Council of Churches, ACFID, etc) is a way in moving forward with developing a participation process.

IHFA advocates the establishment of a process within the Office of Development Effectiveness that allows for and encourages recipient participation in aid evaluation mechanisms. Criteria for aid effectiveness should be developed in partnership with the recipient organisations, communities and countries in which the aid is provided. Measures of effectiveness need to be applicable to the program and the recipient national goals as well as the goals of Australian aid program itself.

IHFA recognises that this is a complex and convoluted task with potentially conflicting interests however IHFA advocates that without effective recipient participation in program evaluation, the status quo will likely remain and self-opinionated rather than factual reports will continue to be the norm.

¹⁸ ACFID, 2009, *Facts and Figures*, <http://www.acfid.asn.au/resources/facts-and-figures>, 8/10/10

Multilateral Aid – Review of Participation

Australia’s multilateral aid contribution and participation

Australia contributes significant proportions of its development funding to multilateral organisations to carry out macro development initiatives and programs. This funding is directed to various UN agencies and world banks spread across the regions where aid is required.

IHFA supports the multilateral aid concept in principle however advocates that Australia should play and exert a more determined leadership and participation in these organisations, particularly those funding programs in the Oceania/Pacific regions.

AusAID’s role in this respect is to ensure that delivery of programs is in sync with existing or future planned programs and determine ways in which recipient communities can benefit from multilateral, bilateral and direct program delivery.

Enabling greater Participation of Non Government Sector

Strengthen and increase opportunities for NGO’s to deliver Australian Aid

Reference to uplifting the roles of NGO’s in the direct delivery of Australian Aid programs has significant benefits. NGO’s have significant resources and linkages and are open to opportunities to further progress the goal of poverty reduction via Australian aid programs. Moreover NGO’s and Non Proselytising church based organisations as well have proven track records of efficient and appropriate service delivery across a range of geographical locations.

Mentioned in this submission earlier was the recommendation by the Simons Report that AusAID “improve relationships” with NGOs’ as partners and that AusAID assess NGO performance and capabilities.¹⁹

The engagement with NGO’s should be actioned at a number of levels - organisationally and at peak body level (ACFID). Peak level engagement can deal with issues such as aid program priorities and priority formulation, organisational capacity and conduct, standards of operation, training and development initiatives, aid research capacity and initiatives and a wide range of industry and capacity related issues.

Direct organisational relationships would take the form of program and service provision capability, program contracting, program delivery and a whole range of service delivery related measures.

It is probable that a rethink of the structure of AusAID would be required to interface with NGO’s given the relatively limited relationships that currently exist.

IHFA is bringing forward these conceptual ideas and acknowledges that the operational challenges will be formidable yet ultimately achievable in a context of moving forward.

¹⁹ Simons Review – “One Clear Objective – Poverty Reduction through Sustainable Development”. 1997

Uplift the Enterprise Challenge Fund (ECF)

The Enterprise Challenge Fund concept²⁰ is an AusAID program that offers grants to eligible businesses to commercialise business projects. Eligibility criteria relate to sustainability and contribution from the applicant.

It appears that this program is currently suspended pending a review (to be conducted in 2009 according to the web site).

IHFA agrees that the concept of the ECF is sound however needs to be integrated into the changed paradigm of better engagement with NGO's and Non Proselytising church based organisations, recipient collaboration and participation and relationships with existing development programs underway within that community/nation.

Evaluation of eligibility for funding for any future fund could incorporate in-country NGO's and Civil Society organisations input/recommendations.

Utilise in-country Non Government Organisations (NGO's) and Civil Society Organisations

In addition to the improved and uplifted relationships with Australian NGO's and Non Proselytising church based organisations *IHFA recommends a strengthening of relationships with in-country NGO's and civil society organisations.*

In recent years there has been a growth of organisations in the various recipient countries that represent local civil society organisations and service providers. It is acknowledged that the range of capacity, representation and capability of these organisations is vast and inconsistent however notwithstanding these acknowledged limitations, AusAID through its partner organisations should allocate resources that would result in engaging more fully with these organisations.

Developmental initiatives, program priorities and program evaluation activities could eventually be partially achieved through the engagement with these organisations. Furthermore the development of these organisations themselves in terms of better governance, management, accountability and operations through relevant training and education programs, is in itself moving towards establishing viable, responsible recipient based structures that will have ultimately strengthened those communities in which they operate.

Coordination and Planning

Leading the coordination of Pacific Development Projects

Australian by virtue of its geographical position in the Oceania/Pacific region is undisputedly growing in importance as a "regional power."

With Australia's economic growth comes an added responsibility to provide leadership and support across many different fronts to the less well off regional neighbours. Australia's obligations should be based on mutual respect for improving the lives of individuals and communities within our nearest neighbours.

²⁰ <http://www.enterprisechallengefund.org>

Having noted this position, *IHFA believes that Australia through its aid programs and more specifically its aid agency, AusAID, should advocate a leadership position in collaboration with New Zealand with respect to the coordination of aid delivery in the Oceania/Pacific region.* The leadership role should be developed with the support of recipient nations and fellow donor countries, like France, and the US. The challenges associated with this goal are many and complex however the ultimate goal of a better coordinated aid delivery strategy will produce exceedingly better and more productive outcomes. These outcomes would strive to achieve the core development goals of poverty reduction, avoid duplication of effort and contain costs of delivery and program implementation duplication.

The methodology for achieving this goal is far too detailed to elaborate on in this submission, however the underpinning features of collaboration, consultation and integration with recipient countries, communities and agencies lies at the core of the process.

Education Training and Development and the Utilisation of Technology

Skills development programs onshore and in-country

Education and Skills development is key component of longer term poverty reduction through individual's skills acquisition leading to better employment opportunities.

*"Australia's education assistance is focussed on promoting equity (providing education for all), improving quality and strengthening education systems in our bilateral partner countries. Australia's education assistance aims to reach the disadvantaged and marginalised, including through the provision of more equitable access to quality education for girls and boys with disabilities."*²¹

IHFA is a strong advocate of education and training programs within recipient countries and generally supports AusAID diversity of education development programs. IHFA however believes that the establishment of these programs requires a more consultative approach with the communities in which they are offered. Support to primary school systems should continue to be high priority in recipient nations throughout the Oceania/Pacific regions and an emphasis on the introduction of computer technology into schools should be an emerging goal.

IHFA advocates a more integrated approach to skill development for post secondary school students and encourages greater integration with the Australian post education systems to achieve the desired outcomes.

Skilled trades development programs within the Oceania/Pacific region could be a useful mechanism to achieve positive outcomes for Australia's current skills shortage as well as providing longer term skills development for Pacific nations. IHFA supports the establishment of creative technical and trades skills development cooperation initiatives rather than the implementation of stand alone models currently in place. (Australian Pacific Technical College).

²¹ <http://www.ausaid.gov.au/keyaid/education.cfm>

Strengthen relationships between AusAID and Non Government Organisations (NGO's) and their peak bodies.

The Simons report advocated the strengthening in relationships between AusAID and the NGO sector. IHFA endorses the strengthening of the relationships between AusAID and NGO's. The establishment of stronger relations between the NGO sector and AusAID as well as AusAID and individual NGO's will result in better understanding and progress to better outcomes for the delivery of aid programs.

IHFA recommends that AusAID and the NGO sector should set goals to strengthen the relationships as well as establish mechanisms for training and development activity, accreditation and certification standards and strengthen links to academia for research and development programs relating to international development activity.

Evaluation, Transparency and Accountability

Establish a process for recipient participation in Aid Program Evaluation

Evaluation of Australian aid programs has, in the opinion of IHFA been of questionable purpose and design. It is difficult to find any reports that specifically identify measures that have resulted/not resulted in the reduction of poverty in any particular community. Reports identifying "sector achievements" seem to be the preferred mode of evaluation and reporting.

Moreover there is scant evidence that the recipients of the aid have had any opportunity for input into the aid evaluation processes with respect to the measuring of how goals have or have not been met or views concerning the overall aid program effectiveness.

IHFA regards evaluation as an area that requires significant attention and direction of resources. *IHFA recommends that systems and structures be established that enable aid recipient input from all levels.* IHFA understands the challenges associated with evaluation processes however again this should be viewed as an element in the paradigm shift in managing the aid program that is encouraged by IHFA.

Effective evaluation processes inevitably lead to more transparency and accountability. The achievement of inclusive evaluation processes leading to more clearly identifying aid "good practice" establishes benchmarks for future programs and activities. The sharing of information, knowledge and outcomes should underpin the evaluation protocols.

Benchmarking aid outcomes according to external and international best practice and protocols

Australia has a distinct global reputation for the skills of its people to organise, coordinate and deliver major events. This has been proven time and time again in recent years being the delivery of a successful Sydney 2000 Olympics. In repeated fashion, Australia has shown the world that its people have the capacity to deliver on promises made particularly when there are complex organisational and logistical tasks involved.

Australian aid delivery has had positive outcomes however we can do much better and we can do it a manner that is inclusive, with our donor partners and with our recipient friends.

IHFA recommends the establishment of best practice poverty reduction program models that allow for the participation of various stakeholder groups in the aid evaluation processes.

IHFA also supports the design of evaluation mechanisms that enable the participation of membership based organisations that monitor aid effectiveness which would include NGO and aid watch style organisations. IHFA also supports the inputs from academic researchers into the evaluation processes and case study analyses.

On behalf of the Board of International Help Fund Australia



Petra Campbell MEM MEIANZ
Founder and Chief Executive Officer



Code of Conduct

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