

## **Improving Australian aid**

Australia's Foreign Minister Kevin Rudd last week announced the first independent review of Australia's aid and development program since 1996. The review will examine the efficiency and effectiveness of Australia's \$4.3 billion aid program which is poised to reach \$8 billion by 2015.

The five-month review will provide an opportunity for stakeholders to contribute ideas and make submissions about how to get optimal outcomes from our growing investment in aid and international development in support of Australia's national, regional and global interests.

The aid program audit is a time for embedding innovation, engagement and greater social impact in the strategic thinking, business practices and performance management of AusAid. Fostering innovation in the Australian aid program and delivery models is very important as it can lead to positive and significant improvements to the way aid and development assistance is conceptualised, operationalised and managed for optimal impact. Innovation of AusAid strategy, practices and performance is necessary because of the need to develop creative policies and mechanisms for solving pressing complex problems and challenges such as sustainable development and climate change.

The public service culture at AusAid is, for a variety of reasons, focused on compliance and risk aversion and not well known or rewarded for new and creative ideas. Without innovation, Australia's aid and development assistance programs can not improve their performance or attract and retain the best talent on the market.

The review panel should therefore identify the barriers and opportunities for improved outputs and outcomes from open source innovation from new and emerging voices, communities, social and research networks.

Partnerships with diasporas, not-for-profit organisations, civil society groups, research centres, corporations and donor agencies and nations should be made a greater priority. These stakeholders are well placed to provide input in the quest for finding innovative solutions to refine the scope, reach and impact of Australia's aid and development assistance programs.

New funding models for the delivery of AusAid programs could emerge from stakeholders. For example, we could double the size and impact of our aid and development programs if we find matching funds from business, industry, communities, philanthropists, and churches. Microsoft's former president, Bill Gates, contributes more to health research than the World Health Organisation. The challenge for AusAid is to work in partnership with the ATO, the Treasury, universities, think tanks and diasporas to master the art of making compelling business cases for investment in aid and development assistance.

The current practice of relying on Australian public servants and selected development assistance agencies, consultants, engineering firms and government departments in recipient countries for the planning and delivery of aid and development assistance has not necessarily given Australian taxpayers or governments the results that are required - despite billions of dollars of investment over decades.

Engagement with diverse stakeholders in Australia and internationally can bring fresh thinking, new scenarios and perspectives in support of AusAid strategy, practices and performance. Australia's aid program will yield new and improved outcomes if stakeholders can influence planning and decision making through genuine, deep, regular and meaningful engagement.

Innovation and engagement can, in turn, lead to greater social, environmental, economic and democratic impact of the AusAid program in the Asia-Pacific, Africa and the Middle East and help Australia's image and reputation as a creative middle power.

Flexibility of Australian aid and development assistance programs or lack of it is a major concern to many ethnic communities across Australia. For example, the Australian Macedonian community is concerned that despite 100 years of contributing to Australian society, under the current system not \$1 of the \$4.3 billion aid budget goes to assist the Republic of Macedonia. The community understands that Australia's aid and development programs are focused on our neighbourhood and on Africa, but they expect that an AusAid scholarship a year could be directed to talented and needy students from Macedonia.

**Ordan Andreevski, United Macedonian Diaspora, 8 December 2010**