

## **To the Panel of the Independent Review of Aid Effectiveness,**

I am pleased to learn of this review, and thank you for providing an opportunity for public submissions.

### **A. SOCIAL SAFEGUARDS**

Firstly, I request the Panel members to **review the status and implementation effectiveness of AusAID's policies, if any, on social safeguards, including involuntary resettlement and indigenous peoples.**

International organisations not only adopt but also publicise their social safeguard policies to do no harm, to facilitate participation, and to support poverty reduction efforts by ensuring that their projects do not impoverish those people in the way. The World Bank, for example, claims that implementing social safeguards enhances the effectiveness and development impact of Bank projects. Private sector entities, including Australian companies, are increasingly adopting such policies, for example, the many financial institutions that are signatory to the voluntary Equator Principles, which utilise IFC's Performance Standards.

Despite these well-known international standards, and the publicising of AusAID infrastructure projects, I could find no discussion of AusAID's social safeguard policies on the AusAID website. I therefore request the Panel's kind attention to the following questions:

1. Does AusAID have operational policies on involuntary resettlement and indigenous peoples?
2. How are such policies, if any, being refined to keep abreast of international standards and to address growing issues such as climate change?
3. Does AusAID have staff with knowledge and capacity to implement such policies?
4. How effectively are such policies implemented, for example, for infrastructure projects?
5. How does AusAID report on such policies?
6. What efforts does AusAID take to promulgate and publicise such policies?

### **B. ENHANCING DEVELOPMENTAL EFFECTIVENESS**

Secondly, I request the Panel to recommend that the Australian Government implement the following changes:

#### **a) End the practice of using aid to further Australia's national interests:**

1. Remove reference to national interest from the objective of Australia's aid program
2. Establish AusAID as a separate department with a Cabinet level minister responsible for international development.
3. Recognise that the impacts of climate change will drastically undermine development prospects for low-income countries:
4. Commit to at least A\$2.1 billion per year funding for climate aid, commensurate with Australia's contribution to global ODA.

5. 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.

**b) Improve the transparency, accountability and monitoring of Australian aid spending:**

1. Make the Office of Development Effectiveness an independent body separate from AusAID, following the example of the UK's Independent Commission on Aid Impact.
2. Publish timely, accessible and detailed information about all aid initiatives.
3. Publicly release all parts of commercial aid contracts which do not satisfy the Department of Finance and Administration's 'Confidentiality Test'.
4. 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 advisors.
5. Require all aid providers to demonstrate how their initiatives are guided by host governments, communities and civil society organisations in the planning, implementation and evaluation of aid initiatives.
6. Demonstrate how Australia's policies on trade, investment, finance, migration, security and climate change are consistent with the promotion of poverty alleviation, gender equity and sustainable development.

I would highly appreciate the Panel's consideration of these issues.

Yours Sincerely,  
Susanna Price  
School of Culture, History and Language,  
College of Asia and the Pacific,  
Australian National University,