



Plan

Federal Budget Submission 2016-2017

Plan International

February 2016

1. Introduction

This pre-budget submission argues for:

- the alignment of Australia’s overseas development assistance (ODA) budget, policy, programs and performance benchmarks with the United Nations Sustainable Development Goals (Part 1);
- a rethinking of Australian ODA’s current focus on private sector-led economic development and aid-for-trade (Part 3) and in its place, prioritise empowering the poorest and most marginalised in the low income countries across the aid program (Part 4); and
- reframing how the Australian Government talks about why our nation supports using tax payers’ money to support foreign aid (Part 5).

1.1 About Plan International

Plan International is a global organisation, working in more than 51 developing countries to provide children with access to basic rights like education, food, clean water, health, protection, play, and a good standard of living. We actively involve children in everything we do, with no religious or political affiliations.

Our vision is of a world in which every child has the opportunity to realise their full potential, in societies that respect people’s rights and dignity regardless of religion, ethnicity or gender. We want children to know and understand their rights – and have the skills, knowledge and confidence to fulfil them. We’re working with children, communities and organisations around the world to make this vision a reality.

2. Align the aid budget with the SDGs

In September 2015, Australia along with 193 member states of the United Nations, signed the United Nations Sustainable Development Goals (the SDGs). These goals represent a new global agreement to cooperate to end extreme poverty, fight inequality and injustice and fix dangerous climate change by 2030.

2.1 The Sustainable Development Goals: a new paradigm for Australian aid

For Australia to make good on our commitments to support the SDGs, the central push of Australia’s international aid and development program must be to cooperate with developing nations to achieve all these ambitious global goals.

This is not just the right thing to do – it is what Australia promised to do. By signing the SDGs, the Australian Government committed to:

- “[e]nhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement **all the Sustainable Development Goals**, including through North-South... cooperation” (Goal 17.9, Capacity Building); and

- “accord [the goals] equal priority in our implementation efforts.” (para 61, page 24).

For Australia to meet its obligations under the SDGs, rather than simply supporting SDGs which align with pre-existing aid policies and priorities, the Government is duty bound to develop a new international aid and development strategy which gives priority to the implementation of all the goals within our foreign aid program.

Recommendation:

- *Re-align Australia’s ODA policy, programs and performance benchmarks with the achievement of all the Sustainable Development Goals (SDGs).*

2.2 Prioritise development which helps the poorest in low income countries

The golden thread that runs through the SDGs is a pledge that, in the global push to end poverty, hunger and inequality that “no one will be left behind.”¹ The strength of the SDGs lies in their recognition of the dignity of all human beings as the bedrock of development and their aspiration to “reach the furthest behind first.”² At their heart, the SDGs require all nations, including Australia, to adopt policies, practices and budgetary priorities which are first and foremost pro-poor and prioritise the inclusion of the most marginalised.

While we commend DFAT’s prioritisation of education, women’s empowerment and humanitarian assistance as key priorities within the aid budget, for the aid budget to meet our overarching obligations under the SDGs, its focus should be on assisting low income countries to help the most vulnerable communities progressively access their basic human rights. Achieving this will require an ongoing commitment by donor and recipient governments alike to design budgets and programs to ensure that the benefits of economic growth and development flow to the poorest, most vulnerable members of society including:

- children;
- youth;
- women;
- ethnic minorities and indigenous peoples;
- people with disabilities;
- communities vulnerable to natural disasters and climate change and conflict;
- communities in rural and remote areas; and
- refugees and temporarily displaced persons.

The SDG focus on helping the most vulnerable first will also require the Australian Government to reconsider the geographic focus of our aid program. Low income countries, particular those in sub-Saharan Africa, will need significant help if they are to achieve these global goals. The UK Overseas Development institute reports:

“Projections show that, although the proportion of people living in extreme poverty there will fall by 2030, the absolute number may rise due to population growth. Only two-thirds of children in sub-Saharan Africa are projected to complete secondary education by 2030; while this is a large increase

¹ United Nations, *Transforming Our World: The 2030 Agenda for Sustainable Development*, page 3.

² *Ibid*, page 3.

for the region, for the rest of the world the proportion is set to be 90%. Maternal mortality and sanitation are expected to lag far behind the global 2030 target.”³

The dramatic cuts to the aid budget announced in May last year shifted the geographic focus of our aid budget away from the nations most in need of help. ODA to Afghanistan, Myanmar, Bangladesh and Pakistan were all slashed. Africa, home to 18 of the poorest countries in the world, sustained the largest single cut to the Australian aid budget with 70% cut from bilateral aid.⁴

These severe cuts also spelled the end of the Australia African Community Engagement Scheme (AACES); funding for the program ends this year. AACES was a partnership between the Australian Government and ten NGOs focused on agriculture, water and sanitation, and maternal and child health in 11 African countries. The program prioritised reaching the most marginalised including women, children, people living with disability and people vulnerable to disaster.

Last year, Plan International Australia used \$1.6m in AACES funds to deliver its transformative Promoting Rights and Accountabilities in African Communities (PRAAC) in Kenya, Uganda and Zimbabwe. In FY14, PRAAC projects, driven by Plan-trained community volunteers and leaders:

- reached over 8,000 people with awareness raising about things like the right to live a life free from Gender Based Violence and referral pathways for survivors;
- resulted in participating communities reporting a reduction in domestic and other violence due to increased awareness of rights, counselling and community-based mediation;
- economically empowered communities by helping over 500 women form village savings and loan groups;
- led to a marked increase in the take-up of services by marginalised groups, in particular women - including legal and counselling facilities for survivors of domestic violence and vital health services; and
- brought about significant reforms to national laws regulating domestic violence including an overhaul of the *Ugandan Penal Code Amendment Act*.

Recommendations

- *Adopt policies, practices and spending priorities which are first and foremost pro-poor and prioritise the inclusion of the most marginalised in low income countries including disadvantaged groups such as children, women, people with a disability and indigenous peoples.*
- *Invest in a new round of AACES funding.*

3. Current aid priorities and the SDGs

3.1 Economic growth, aid for trade and poverty

While the Government’s new aid paradigm presents economic growth as the solution to poverty,⁵ the last 30 years demonstrate that the dividends of growth often do not reach the poorest. While

³ ODI, *Projecting Progress: Reaching the SDGs by 2030* (2015), 21.

⁴ ACFID, *Devastating aid cuts damage us all* (12 May, 2015) < <https://acfid.asn.au/media-releases/devastating-aid-cuts-damage-us-all>>.

⁵ Steven Ciobo, *Australian Institute of International Affairs Queensland Branch annual address*, Brisbane (27 October 2015).

globally the number of people below the World Bank's \$1.25/day poverty line has fallen dramatically of the last three decades (from 47 percent in 1990 to 14 in 2015),⁶ the poor in low income countries have experienced little benefit, if any from economic growth. Average incomes among the poor in Low Income Countries in 2010 remain almost as low as they were in 1981,⁷ with about half of all children in these countries living in poverty.⁸ Without donor and recipient nations adopting policies, programs and practices which prioritise the inclusion and participation of the poorest and most marginalised in developing countries, economic growth alone has little to offer those "furthest behind."⁹

We also note the Government's intention to increase Australia's aid-for-trade to 20 percent of the aid budget by 2020.¹⁰ While the SDGs foresee "non-discriminatory trade" as playing *a part* in the elimination of poverty, there is a growing body of research into the impacts of aid-for-trade which suggests this aid modality has a limited capacity to reach the poorest and most vulnerable or alleviate poverty. Consequently, the Government's emphasis on aid for trade contains a real danger that a significant portion of the aid budget will be devoted to activities which do not meet Australia's obligations under SDGs to contribute towards ending "poverty in all its forms everywhere" including through enhancing social protections of the poorest and most vulnerable (Goal 1.2).

In particular we note that:

- current Australian development policy recognises that "[t]rade alone...is not sufficient to achieve sustainable economic growth or to reduce poverty."¹¹
- the World Bank has similarly found that improved export and growth performance brought about by aid-for-trade reforms have proven elusive, especially in the low income countries;¹² and
- aid-for-trade driven market liberalisation can result in very negative unintended consequences for poor communities including:
 - making food less affordable through driving volatility in the price of staple foods due to the global market determining local prices; and
 - the exposure of rural poor farming communities to the erratic international commodity market resulting in a lack of buyers for their locally grown goods;¹³

⁶ United Nations, *Millennium Development Goals Report* (2013).

⁷ World Bank, *The state of the World's Poor* (2013).

⁸ Ibid.

⁹ Independent Commission for Aid Impact, *DFID's Trade Development Work in Southern Africa* (2013), 4.

¹⁰ Julie Bishop, *The New Aid Paradigm*, Press Club (14 June 2014)

http://foreignminister.gov.au/speeches/pages/2014/jb_sp_140618.aspx.

¹¹ DFAT, *Strategy for Australia's Aid for Trade Investments: Supporting developing countries to trade and prosper* (2015) 9.

¹² Sam Laird, *Aid for Trade: Cool Aid or Kool-Aid?*, G-24 Discussion Paper Series (2007), 9.

ODI, *Projecting Progress: Reaching the SDGs by 2030* (2015), 9. A thorough review of the effectiveness and impact of aid for trade in Bangladesh found that while "[g]overnment and donors have succeeded in implementing a number of trade-related technical assistance and capacity building projects that helped to address some of its supply-side constraints" there had been no observable contribution of such support towards achieving steady economic growth and poverty alleviation through improved export performance: Fahmida Khatun, Samina Hossain and Napoleon Dewan, *Evaluating Aid for Trade: on the ground Lessons from Bangladesh* (December 2013), 54.

¹³ ODI, *Projecting Progress: Reaching the SDGs by 2030* (2015), 9.

- while export expansion in many countries has been linked to an increased employment for women, “[w]omen are generally more vulnerable to the negative effects of trade liberalisation, experiencing lower wages and poor working conditions”;¹⁴ and
- aid-for-trade programs which are inclusive of the poor are difficult to implement – for example, the UK Independent Aid Commission for Aid Impact found that DFID’s Aid-For-Trade programs in Southern Africa had merely assumed that increased trade would benefit the poor and had not done “enough to understand the potential positive impacts or to mitigate against the potential negative impacts on the poor.”¹⁵

Recommendation

- *Decrease the ODA budget allocation for aid-for-trade.*
- *Promote inclusive growth by focusing aid policies and programs on the poorest and most marginalised in developing countries.*¹⁶
- *If Australia’s prioritisation of aid-for-trade programming is to continue, aid-for-trade decision-making, ensure policy and programs integrate poverty and social analysis and expertise (including gender analysis).*¹⁷

3.2 Engaging the private sector

The Government’s new aid paradigm envisages “a major role for the private sector in the development sphere” to overcome poverty through driving economic growth.¹⁸ As the SDGs recognise, business has the potential to create and provide decent work, strengthen economies, promote innovation and contribute to new infrastructure.¹⁹ However, internationally there is also a growing recognition that the private sector can have a very negative impact on human rights, economies and the environment.

Plan International recognises that under international human rights law, governments and businesses both have a role to play in ensuring that the private sector upholds the rights of all people including children. Governments have a duty to **protect** against human rights abuses by third parties, including business, through appropriate policies, regulation and adjudication and uphold all people’s right to decent work. The corporate sector must also respect human rights, which means that business enterprises should act with due diligence to avoid infringing on the rights of others and to redress the impacts of human rights abuses for which they are responsible.²⁰

¹⁴ Ibid, 11.

¹⁵ Independent Commission for Aid Impact, *DFID’s Trade Development Work in Southern Africa* (2013), 3

¹⁶ Ibid, 4.

¹⁷ Kate Higgins and Susan Prowse, *Trade, growth and poverty: making Aid for Trade work for inclusive growth and poverty reduction*, Overseas Development Institute (2010), ix.

¹⁸ Julie Bishop, *The New Aid Paradigm*, Press Club (14 June 2014)

http://foreignminister.gov.au/speeches/pages/2014/jb_sp_140618.aspx.

¹⁹ Page 24.

²⁰ Ruggie, J. 2011. *Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises*, John Ruggie. 21 March 2011. Geneva: UN Human Rights Council

Recommendation

Rather than merely conceptualising the private sector as an implementing partner of Australian overseas development assistance, it is recommended that the Australian Government work with aid-recipient developing countries to:

- *protect their populations against human rights abuses by the private sector through appropriate national plans, laws and the courts; and*
- *work with the private sector in-country to help them meet their responsibility to respect human rights including the development of voluntary human rights standards for major businesses operating in-country (including child protection and the elimination of gender-based violence).*

3.2.1 Brokering a relationship between NGOs and business at post

International NGOs, such as Plan International, work with some of the most marginalised communities in the world, have a proven track record of partnering with the private sector to reach the poorest and uphold the human rights of local communities.

As DFAT increasingly uses the aid budget to invest in economic growth and private sector development, there is an important role for DFAT to play in facilitating or brokering new partnerships between the private sector, civil society and governments, drawing on their respective strengths and expertise.

Recommendation

- *DFAT should take a stronger lead in brokering the relationship between NGOs and the private sector at post, for example through taking a lead role in organising quarterly Business Dialogues to which NGOs are invited.*

4. Pathways to reaching the most vulnerable

4.1 Help women and girls

Plan International is supportive of the Government's focus on the elimination of gender based violence and the economic empowerment of women in the Indo-Pacific region. However, this focus on economic empowerment should not be at the expense of programs which respond to other drivers and impacts of women's equality. While the SDG Goal 5.a requires all Governments to "undertake reforms to give women equal rights to economic resources" this is but one goal among many which seek to overcome women's unequal status and gender-based discrimination.

To be effective, programs and policies intended to improve women's economic empowerment must address holistically the complex interplay of factors which prevent women from accessing the economy, decent work or their right to participate in decision-making at home or in the community. These critical factors are specially addressed by the SDGs and include ending all forms of discrimination against women and girls (Goal 5.1) and recognising the value of women's and girls' unpaid domestic work through "the provision of public services or ensuring women's "universal access to sexual and reproductive health and reproductive rights" (Goal 5.6).

To do otherwise risks women's economic empowerment programs resulting in unfavourable outcomes for women's and girls' status. As noted by ACFID in its recent submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade 2015 inquiry into the human rights issues confronting women and girls in the Indian Ocean–Asia Pacific region:

“Research has suggested that whilst economic opportunities bring a number of positive effects for families and communities, economic agency also has the potential to expose women and girls to increased vulnerability to sexual and family violence. Further, given the high levels of unpaid care and domestic work that is typically the domain of women, moves to integrate women and girls into the formal economy to maximise economic benefits, but which don't address the issue of unpaid labour, merely shift additional burdens onto women.”²¹

Accordingly, to be effective, programs and policies promoting the economic empowerment of women must work in tandem with a whole of community responses to changing social attitudes and values which stand in the way of women's and girls' equal participation within society.

Recommendation

The Australian Government is encouraged to take note of the findings of the Joint Standing Committee on Foreign Affairs, Defence and Trade 2015 report on the human rights issues confronting women and girls in the Indian Ocean–Asia Pacific region. These findings promulgate a holistic response to empowering women and girls through Australian overseas development assistance through:

- *the **elimination of violence against women and girls** through increased overseas development assistance funding for activities to combat violence;*
- *ensuring that **humanitarian responses** in war, conflict and disaster zones address the unique and additional needs of women and children;*
- *partnership with governments, non-government and community organisations, and faith-based organisations which deliver **education with a particular focus on boys and adolescents**, to promote understanding of consent, healthy sexuality, and respectful relationships;*
- *maintaining funding and support for **reproductive health programs**, including obstetric and gynaecological services, across the Indo–Pacific region;*
- *culturally appropriate, **hygienic and safe sanitation facilities for women and girls**, especially in schools, refugee settlements and disaster relief shelters;*
- *the **equal participation of girls in primary and secondary school** in the Indo-Pacific;*
- *women's and girls' leadership and political participation, and integrate these as a priority across the aid program; and*
- *lifting the percentage of total ODA that is 'primarily' focussed on women and girls from the current five per cent level to between at least eight and 10 per cent over the next five years.*

A copy of these recommendations is **attached** at Appendix 1 to this submission.

²¹ Australian Council for International Development (ACFID), Submission 25, pp. 13–14.
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4.2 Climate change

Climate change threatens the rights of the most marginalised children and young people through undermining their right to be alive, health, food and human development. It has already wrought a terrible human cost. Of the estimated 160 000 deaths every year attributable to climate change early last decade, an estimated almost 90 per cent were children²² and 99 per cent of these deaths occurred within developing countries.²³ According to some estimates, in this decade alone, about 175 million children will be negatively impacted by climate change.²⁴

Children are most at risk from climate-related disasters in our region. This is because more disasters happen in the Asia-Pacific than anywhere else in the world.²⁵ Between 1996 and 2005, over two-thirds of the people killed by natural disasters lived in Asia.²⁶

While wealthy Western nations like Australia have historically profited the most from the profits of big polluting industry, it is children and young people in developing nations, now and in the future, who most risk being forced into poverty because of climate change. While responding to dangerous climate change should be every nation's concern, it is only right that developed nations with more money, resources and technology should do more to reduce our dependence on carbon.

4.2.1 Australian climate funding

We note that at the COP21 climate change talks, the Prime Minister announced that \$1 billion from our aid budget would be directed towards projects which reduce emissions or help developing countries adapt to climate change. Unfortunately, this commitment represents no new spending and will come from Australia's existing aid budget. While it was encouraging to see the Prime Minister recognise that we need to help developing nations fight climate change, the international community has made it clear that climate funding is meant to be new and additional funding.

Recommendation

- *Provide \$558 million in public climate finance in FY2016-17 through the Green Climate Fund and through other multilateral and bilateral arrangements. This must be new and additional funding to Australia's aid commitments.*

4.2.2 Community-based Climate Change Action Grants

Between 2010 and 2014, the Australian Government funded 10 NGOs including Plan International to work with local government, civil society and communities in the Indo-Pacific Region (Kiribati, Republic of Marshall Islands, Papua New Guinea, Philippines, Solomon Islands, Timor Leste, Tonga, Vanuatu and Vietnam) to boost their resilience to the impacts of climate change. Plan International has harnessed these funds to deliver innovative climate change adaptation projects which foster children's and young people's agency.

²² Anthony McMichael, Rosalie Woodruff, and Simon Hales, *Climate Change and Human Health: Present and Future Risks*, *The Lancet* (2006) 367(9513), 859-69, 864.

²³ UNICEF, 'Children on the Front Line' (2014), vi.

²⁴ Save the Children, *Feeling the Heat. Child Survival in a Changing Climate* (2009), 1.

²⁵ UNICEF, *Children's Vulnerability to Climate Change and Disaster Impacts in East Asia and the Pacific* (2011), 7.

²⁶ Save The Children, 'Legacy of Disasters: The Impact of Climate Change on Children' (2007), 4.

We call this work Child-Centred Climate Change Adaptation because these programs put children front and centre of decision-making about responding to the sometimes deadly risks of a changing climate. These programs empower communities to explore how and why the climate is changing, the impact on children's and young people's rights, and start a conversation between adults, children and young people about the essential roles they can all play in making their communities safer.

Independent evaluations of the Community-based Climate Change Action Grants (CBCCAG) program demonstrate that it has succeeded in increasing the capacity of vulnerable people to respond to the impacts of disasters and climate change, while achieving broader development outcomes, including food and livelihood security, economic empowerment, education and reducing the risks of natural disasters. Despite the success of these life-saving programs, it remains unclear whether these programs will continue in the future or if they are, how they will be funded.

Recommendation

- *Increase long term funding for climate change preparedness and resilience building in the Pacific. Any approach should not be limited to mitigation or adaptation but responses to displacement and social safeguards.*
- *Allocate additional funding for a second phase of the CBCCAG - any contribution to the Green Climate Fund should be complementary to these programs intended to support the communities most vulnerable to climate change.*

4.3 Harness aid and diplomacy to promote respect for human rights in our region

The integration of AusAID within DFAT represents a real opportunity to harness the synergies of aid and diplomacy to advocate for human rights within our region, through bilateral relationship with recipient government, regional and international fora and programs which promote human rights and rule of law.

While the Government's current focus on governance and rule of law in foreign aid expenditure is noted, the Australian Government's current human rights record fundamentally detracts from our nation's capacity to promote the realisation of human rights for all in our region. In particular we note the United Nations Special Rapporteur on Torture's recent findings that Australia's offshore detention program violates the *Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment*.²⁷

Recommendation

- *Prioritise respect for human rights in our region drawing on the synergies of Australian ODA and diplomacy.*
- *End support for the offshore detention system and redirect these funds into supporting asylum seekers in our region through overseas development and humanitarian assistance.*

²⁷ Human Rights Law Centre, *UN finds Australia's treatment of asylum seekers violates the Convention Against Torture* (9 March 2015) <http://hrlc.org.au/un-finds-australias-treatment-of-asylum-seekers-violates-the-convention-against-torture/>.

4.4 Fund and Support the development and improvement of data collection systems

The SDGs call on developed nations such as Australia to support and improve the capacity of developing countries to collect high-quality, timely and reliable data. It is this information that will help to measure and to track our progress against each of the global goals. Without this data, policy makers both here and in developing countries struggle to shape right policy and budgetary decision-making to most effectively address poverty and disadvantage.

Foreign aid can play a vital role in helping developing countries improve data collection. Plan's *Digital Birth Registration Program* in Pakistan combines innovation with our child rights mandate. Through mobile technology, parents are able to access birth registration within their local community at the time of delivery, making registration more accessible for those most marginalised and registration data more accurate as it is collected at source. This improved registration data will enable local, provincial, and national governments to develop more effective and efficient policies and programs but also track progress against the SDGs.

For many boys and girls in Pakistan, lack of birth registration is also a key barrier to children's ability to access health services and education. Simply put, without a birth certificate children cannot enrol in schools or access state-funded medical services. This is particularly a problem for girls who are extremely underrepresented within the public education system and are less likely to receive medical help than boys when they fall ill. Many families simply cannot access birth registration services due to distance from administrative centres and fees associated with registration. So programs such as the *Digital Birth Registration Program* can not only help developing countries plan better to help the poorest, but also help marginalised communities access basic services like health and education.

Recommendation

- *Invest in helping the least developed nations improve data collection to:*
 - *measure their progress against the SDGs;*
 - *shape domestic pro-poor policy and budgetary decision-marking; and*
 - *help the most marginalised communities access basic services such as health and education.*

5. Reframing how the Government talks about the aid budget

The Government's current emphasis on the advancement of the Australian national interest in our aid budget does not align with the spirit and substance of the SDGs. As discussed above, the SDGs envisage the primary purpose of global efforts towards development for all to be to "reach the furthest behind first." The current emphasis on the national interest within Australian aid policy also misrepresents the generosity and character of the Australian taxpayer.

As an organisation that lives out its mission to help children in the world's most marginalised communities, Plan International's work is only made possible by the generosity of everyday Australians who give because they support making our world a better and fairer place. Simply put, the Australian public supports us because they believe in a fair and just world in which everyone

should have the opportunity to thrive, not because it is somehow in their own personal interest. It is reasonable to assume that Australians want their government to support aid on this basis too.

Recommendation

- *The Australian Government should publicly support our foreign aid program on the basis that it is aligned with the generosity and humanitarian values of the Australian people.*

In closing, we thank you in advance for your consideration of this submission.

Plan International Australia