

## The role of Australia's international development program in preventing conflict

### Inquiry Submission

**Tetra Tech International Development Pty Ltd (Tetra Tech)** is an Australian international development firm providing complex program management, research and evaluation, and specialist advisory services to the public, private, and nonprofit sectors. Our core offering is the provision of Managing Contractor services to our valued international development clients, including the Department of Foreign Affairs and Trade (DFAT), the Australian Federal Police (AFP), and New Zealand's Ministry of Foreign Affairs and Trade (MFAT).

Tetra Tech has operated in the Indo-Pacific region for over 60 years. We currently deliver over 20 programs for DFAT (valued at over \$1 billion) across 26 countries. Our team includes more than 500 humanitarian and international development professionals delivering support to Australia's flagship investments in: humanitarian response (e.g. Australia Assists, Humanitarian Logistics Capability); education (e.g. Vanuatu Australia Education Support Program Phase II, Basic Education Quality and Access in Lao PDR); human resource development (e.g. Vietnam Australia Partnership on Human Resource Development, Australia Awards programs across eight Indo-Pacific countries); and infrastructure and economic development (e.g. Regional Trade for Development (RT4D), Australia-Kiribati Infrastructure Program).

Our extensive experience managing Australia's Official Development Assistance (ODA) programming, and living and working alongside families and communities impacted by ODA, gives us significant insight into the strategic and operational effects of ODA in our region, and globally. We have drawn on these learnings to put forward the following recommendations to the Joint Standing Committee on Foreign Affairs, Defence and Trade (the Committee) for the *inquiry into the role of Australia's international development program in preventing conflict*:

Australia's responsibility to prevent conflict will only grow over the next five years. Investment in peacebuilding must continue to be an essential and enduring component in international development. Australia's ongoing engagement in preventing conflict – across the globe, and in our region – must be driven by who we are: a global democratic leader, a champion of the rules-based order, an advocate for the power of regionalism and localisation, and a trusted partner to our neighbours.

Australia must apply ODA strategically, leveraging our strengths by continuing to invest heavily in local capability to provide the food and water security, good governance, resilient enabling infrastructure, and human resource development that is essential to sustainable peace. Our focus should be on the region, working in-step with local leaders and other donors. It is these values-driven, long-term investments in relationships and capability that generate stability, economic opportunity and durable peace while reducing the future cost of crisis response.

Most importantly, this is how Australia differentiates itself from other actors to be the trusted partner of choice when and where it is needed most.

With this vision in mind, Tetra Tech recommends to the Committee that Australia:

1. **Rationalise (without reducing) ODA investments to focus on Australia's strengths in conflict prevention and peacebuilding (TOR 1, 2, and 3)**
2. **Defer to Australia's regional partners to define and deliver conflict prevention and peacebuilding initiatives (TOR 2)**
3. **Better mainstream conflict sensitivity in Australia's international development portfolio (TOR 3)**
4. **Enable and incentivise novel ODA delivery, including through engaging the private sector (TOR 5).**

1. **Rationalise (without reducing) ODA investments to focus on Australia's strengths in conflict prevention and peacebuilding. TOR 1, TOR 2, TOR 3.**

Australia alone cannot address the ODA shortages arising from growing global need and reduced funding from other donors. Instead, we must be even more strategic in how we apply our ODA funding, playing to our strengths: where we can act most credibly and have the greatest impact, in line with Australia's values and interests.

Fragility is not caused by citizen apathy but by resource scarcity and weak, inequitable systems that prevent individuals and communities from flourishing. A strengths-based, sectoral focus should drive Australia's leadership of investments in the Indo-Pacific region, and our contributions to investments globally. Priority areas must be set out clearly in policy so aligned actors across the development ecosystem can act complementarily to – rather than duplicate – Australian investments.

- 1.1 **Continue to deliver targeted ODA investments in our region that build resource resilience, particularly in food and water security. TOR 2; TOR 3.**

Resource scarcity will always be the key driver of conflict, particularly at the subnational and community level. Australia's investments should prioritise building food and water security in our region as a foundational means of conflict prevention, particularly in the context of a growing climate crisis and increasingly impactful natural disasters which exacerbate resource scarcity.

For example, water scarcity is an increasing conflict driver in the Mekong, with illegal mining in Myanmar polluting water vital to downstream nations and communities.<sup>1</sup> In Lae, Papua New Guinea, resource

scarcity – along with economic opportunity – is driving urban migration, creating flashpoints for conflict within and amongst urban settlements.<sup>ii</sup> Climate change only exacerbates these vulnerabilities.

As a global leader in water and food security, Australia has credibility in this space, as well as the climate-resilient infrastructure delivery expertise and capability needed to see essential projects through to fruition. This focus is pragmatic – addressing a clear need while best leveraging Australian expertise and credibility. It also lays a strong foundation for security across health and environment domains, needed for economic stability and resilient peace.

Australia should continue to sustain and scale these efforts primarily through ODA (complemented by additional non-ODA blended investment), rather than solely through diplomatic, security, or commercial levers. Development programming is uniquely focused on addressing the root causes of conflict, supporting new infrastructure while strengthening institutions and social cohesion, across local and state levels. Investing through robust development builds long term resilience to shocks, working to prevent humanitarian and security spirals that are far more costly to manage once violence occurs.

## **1.2 Continue to support long-term investments in institution strengthening, particularly through education and human resource development.** *TOR 1; TOR 4.*

Australia should continue to invest in institutional strengthening in our region to grow resilient institutions that can withstand the external and internal shocks which drive conflict, and a political marketplace that resolves issues through peaceful means.

Australia has also had great success in building regional connectedness and supporting future leaders through its investments in system-wide education and human resource development. These initiatives help foster inclusion and economic opportunity for marginalised groups (including women and people with disability), supporting empowerment through access to employment pathways that deliver broad social and economic dividends across communities.

Further, Australia Awards programs not only forge bonds between international recipients and Australia, but between regional colleagues. Regional connections then support diplomatic, collaborative problem solving between future national and sub-national leaders. These 'soft power' contributions to regional stabilisation and conflict prevention are critical to Australia's and regional security.

Capacity strengthening activities should continue to align with partner country strategies, with conflict prevention supported by a focus on areas that enhance regional connectivity and the rules-based order (for example, Law of the Sea, where relevant).

To remain relevant and effective in the digital era, capacity-strengthening must also explicitly incorporate responsible digital transformation. This includes strengthening digital infrastructure, interoperability and secure data systems; building public sector capabilities in data analytics, AI governance, and cyber resilience; and

embedding robust data protection, privacy and ethics frameworks. Practical priorities should cover national and sub-national skills for AI and big-data use in service delivery and response; guidance and training on risk-aware AI deployment and procurement, and mechanisms to ensure digital inclusion so that marginalised communities benefit equitably.

Our programming should also make greater use of Australia's existing strong institutional expertise, engaging Department subject-matter leadership and employing Government-to-Government twinning more frequently as a credible and tangible mode for capacity strengthening (where this is welcomed and endorsed by partners).

## **1.3 Selectively support targeted investment in conflict prevention where this helps champion Australian values.** *TOR 1; TOR 3.*

Australia differentiates itself as a global leader through its values – freedom, respect, equality, fairness, and commitment to the rule of law – and how its acts on those values. Strategic use of ODA is a key lever for Australia to demonstrate its values to, and strengthen ties with, the global community and incrementally shift the global mindset toward democratic peacebuilding.

While Australian funding alone cannot replace the gaps left by larger donors, Australia must continue to deliver values-based ODA globally by selectively supporting thematic investments in pre- and post-conflict settings that align with our expertise and values. This should include:

- Preventing violence against women and girls (VAWG), including by engaging men in challenging harmful norms, and creating context-appropriate support systems that help empower diverse women and girls
- Countering violent extremism, through targeted, context-specific prevention programs that address drivers of radicalisation, reintegrate at-risk groups, and reduce recruitment pathways
- Mediation and dispute resolution, leveraging Australia's diplomatic strengths by engaging with specialist local partners to support dialogue and non-violent peacebuilding at the community level.

These investments serve to bring communities together behind shared values essential to stable, peaceful societies. They should be prioritised in partnership with other allied donors and multilaterals, engaging the right local expertise to maximise efficacy.

## **2. Defer to Australia's regional partners to define and deliver conflict prevention and peacebuilding initiatives.** *TOR 2.*

The influential linkages Australia seeks through its regional relationships and partnerships – a future built on the rules-based order, productive dialogue and diplomacy – require trust to be built and respect to be maintained over time. They cannot be bought, and there can be no quick wins. This requires Australia to reinvigorate its approach to building genuine partnerships and better support locally owned and delivered approaches. ODA is a key strategic entry point for Australia to build lasting relationships, common incentives and collective action to prevent conflict in the Indo-Pacific.

To achieve this, Australia must shift its conceptualisation of peace, security, and stability to better reflect local definitions (rather than narrowly framed, western militarised ones).<sup>iii</sup> We must continue to engage local leaders and stakeholders as decision makers in investments, so that investments directly address the self-determined priorities of local, national and regional leaders on conflict prevention and peacebuilding. Those who have worked in the region for decades – local NGOs, community leaders, and development partners – also hold invaluable trust and institutional memory; overlooking their relationships risks wasting resources and eroding long-term progress.

Australia's demonstrable support works to help further legitimise and build public trust in the national and regional institutions. For example, Tetra Tech has seen how Australia's robust support for ASEAN (through RT4D and Aus4ASEAN) has strengthened opportunity for coordination across actors. Where these trusted pathways are established, genuine dialogue can take place, enabling information sharing, interoperable institutions, and collective responses, supporting quicker, more effective diplomatic resolutions to challenges, before conflict can take hold. These platforms also enable early warning, rapid coordination and the application of nuanced diplomatic pressure that can defuse tensions before they escalate.

ODA delivery must also be brought closer to intended recipients by removing the administrative barriers to the direct engagement of local business and organisations. The provision of funding to local actors, while ensuring appropriate governance, oversight and fraud mitigation, inherently has the greatest potential to maximise the impact of funding – local actors know their communities best (i.e. what is needed for impact), and less funding is lost to management fees for middle operators.

Accountability and governance structures designed to work with and make sense to delivery partners' systems and timeframes enable rather than inhibit partner-led approaches. Development firms like Tetra Tech can best support greater local leadership by providing organisational strengthening and reducing the burden of Australia's requirements in engagement, reporting, and by providing fiduciary oversight. Where direct delivery by local counterparts is not feasible, investments should be scaled to support greater local ownership over time. This should include clearly defined exit-strategies with scaffolded support that reduces as local capacity to deliver grows.

### **3. Better mainstream conflict sensitivity in Australia's international development portfolio. TOR 2.**

The objective of Australia's development program is to advance an Indo-Pacific that is peaceful, stable, and prosperous. Heightened geopolitical competition, climate-driven shocks and rising subnational tensions mean that development programming now operates in a more volatile and interconnected risk environment. Yet peace and conflict prevention are not prevalent as explicit concepts within Australia's ODA portfolio. Australia can better embed conflict sensitivity and peacebuilding across ODA design, development and delivery, with local

definitions of conflict prevention and peace defining and guiding delivery and success.

#### **3.1 Make conflict prevention more explicit in program development and delivery. TOR 2.**

Conflict exists in every context and can cause rapid contextual change. However, most of Australia's international development programming – even in complex political marketplaces – does not sufficiently prioritise conflict sensitivity. Australia should more clearly prioritise conflict sensitivity and prevention as a core component of program safeguarding to ensure programming does not create or exacerbate potential for conflict for ODA recipients – to ensure we first 'do no harm'.

Political economy analysis (PEA) is often considered a deliverable rather than an active tool in program design and delivery. Smart programming must better use PEA (shared across DFAT and development firms) to mainstream conflict sensitivity in the same way we now mainstream safeguarding and gender equality, disability, and social inclusion (GEDSI). Building better understanding of conflict drivers – at project and country levels – will allow Australian investments to be more agile, better adapting to address the unique conflict drivers within each conflict.

Moreover, conflict prevention and peacebuilding as secondary outcomes of more targeted investments – in GEDSI, climate resilience, education, and governance – are often not effectively captured. Explicitly including conflict prevention in investment Theories of Change and monitoring, evaluation, and learning would enable these impacts to be captured, and for Australia to tell a more coherent story around the impacts of its ODA spend. For example, a country-level Theory of Change could help expand on detail included in Development Partnership Plans, supporting programs and actors to see how individual investments contribute to a strengthened system, highlighting their contribution to a single shared vision of peace and stability. This focus will also enable Australia to maximise the benefit of the early warning system provided by ODA – making visible the drivers of instability so they can be proactively addressed before they escalate to drive conflict.

#### **3.2 Augment messaging about how Australia's development investments are building resilience to future conflict. TOR 5.**

The words we use matter. Yet, peacebuilding is rarely an explicit objective of Australian ODA programming in the Indo-Pacific. Australia must be more explicit in how the actions of our international development investments contribute to conflict prevention and peacebuilding.

Investments should place greater emphasis on conflict prevention and positive peacebuilding as key to resilient states, ultimately underpinning all international development investment. More directly, resilient regional neighbours reduce the risk of instability, transnational crime, irregular migration, and humanitarian crises that can drive security risks for Australia and our region.

Framing development as peacebuilding, in addition to strategic resilience clarifies national-interest rationales for investment (i.e. every dollar invested in conflict



prevention reduces future spending on conflict response and recovery), while also creating a clear narrative that counters misinformation and competing aid narratives in the Indo-Pacific. Transparent messaging (combining human stories with quantified impacts) that ties resilience outcomes to locally-owned development will reduce the space for misinformation and clarify Australia's intent, elevating peace and conflict prevention – for both the Australian public and its international partners – as core to Australia's international development focus.

#### **4. Enable and incentivise novel ODA delivery, including through engaging the private sector. TOR 5.**

Australia's strength as a middle power is in its role as a regional architect,<sup>iv</sup> building linkages among likeminded entities to realise a shared vision of a more prosperous and stable region. Today's resource constrained environment makes the need for novel collaboration even greater. To continue to be an effective development partner, Australia must better engage with and leverage the capability of the private sector.

Industrial economic opportunity is inherently linked to national human resource capability and system functionality. Industry also often has greater capital and ability to move at pace than government. This opportunity

must be more proactively harnessed to support regional stabilisation, post-conflict recovery, and peacebuilding through ODA.

This greater engagement with the private sector must be complemented by smarter contracting approaches – that connect aligned actors behind shared outcomes – to maximise impact. This should involve consideration of novel (to development) contracting (e.g. collaborative contracting, alliance contracting, public-private partnerships) and financing (e.g. diaspora funds, low-interest loans, blended finance) models which can better incentivise collaborative innovation, and revised programming structures which create more opportunity for the engagement of more diverse (often smaller) organisations. ODA has a key role to play in convening and brokering a collaborative environment for multiple local stakeholders and external support to engage.

At the same time, Australia must continue to invest directly in the capacity of the private sector to increase and diversify development effects. This includes through continued investment in local research and training initiatives, so that Australia's best asset – our people – can continue to share our expertise with our region, building sovereign and shared regional capacity to build a more peaceful world.

<sup>i</sup> Kwan, R, Eyler, B (2025, November 24) *Unregulated Mining Along Rivers in Mainland Southeast Asia*. Stimson. <https://www.stimson.org/2025/unregulated-mining-along-rivers-in-mainland-southeast-asia/>

<sup>ii</sup> Rüttinger, L., Khedr, Y., Petrus, P., Geldin, S. (2025). *Climate, Peace, and Security Assessment: Papua New Guinea: How Climate and Environmental Change Reshape Security Dynamics: Executive Summary* [https://weatheringrisk.org/sites/default/files/document/Exec\\_Summary\\_Climate\\_Peace\\_Security\\_PNG.pdf](https://weatheringrisk.org/sites/default/files/document/Exec_Summary_Climate_Peace_Security_PNG.pdf)

<sup>iii</sup> Australian Civil Society Coalition for Women, Peace and Security. (2025). *Climate and Women, Peace & Security*. [https://17b3688d-ea3c-4192-80cd-ae98dad749bf.filesusr.com/ugd/62fd28\\_5a6272858f4c44d4bb1599bfa8d-aaa9d.pdf](https://17b3688d-ea3c-4192-80cd-ae98dad749bf.filesusr.com/ugd/62fd28_5a6272858f4c44d4bb1599bfa8d-aaa9d.pdf)

<sup>iv</sup> Wong, P. “*We are Architects*” [Conference session]. AIIA National Conference, Gala Dinner Keynote Address, 2025. <https://www.foreignminister.gov.au/minister/penny-wong/speech/aiaa-gala-dinner-keynote-address>