

**Submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade:  
'Inquiry into the role of Australia's international development program in preventing  
conflict'**

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Thank you to the Committee for the opportunity to provide a submission. Since 2022, I have worked as a senior researcher at the Development Policy Centre (Devpolicy) where I focus on Australian aid and global development. Devpolicy is a think tank based at the Crawford School of Public Policy at the Australian National University. We undertake independent research and promote practical initiatives to improve the effectiveness of Australian aid, to support the development of Papua New Guinea (PNG) and the Pacific island region, and to contribute to better global development policy.

I have previously worked in Australia and overseas as an official with the former Australian Agency for International Development (2002-12), a senior researcher in the Foreign Affairs, Defence and Security section of the Parliamentary Library (2012-18), a consultant for DFAT development programs (2018-20), and as a policy and advocacy advisor for the Australian Council for International Development (2020-22).

In this submission I will highlight some overarching principles and practices that will be needed if Australia is to ensure that its aid will be as effective as possible in reducing conflict and addressing related issues of fragility.

Please note that I am providing this submission in my personal capacity and the views expressed here do not necessarily represent those of my colleagues or Devpolicy.

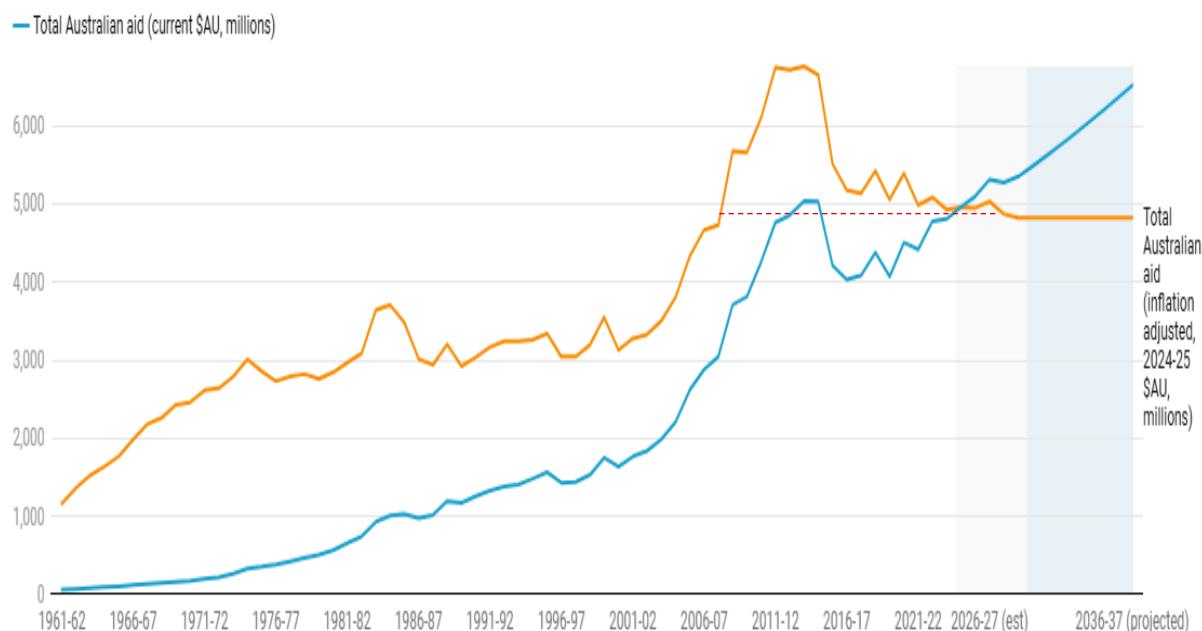
**1. Constrained resources and Australia's crowded aid agenda demand a focused approach**

While the Albanese government has provided additional nominal funding (Figure 1 – blue line) to Australia's development cooperation program since coming to power in 2022, under its current budget settings the aid program will remain flat in inflation-adjusted terms until at least the mid-2030s (Figure 1 – orange line). This means that in 2036-37 the aid program will, in real terms, be funded at virtually the same level as it was in 2006-07 — the final year of the Howard government. This is despite the fact that: a) Australia's economy is around 1.5 times bigger in real terms than it was in 2007 and; b) many other areas of government expenditure have increased in real terms over this period.<sup>1</sup>

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<sup>1</sup> World Bank, [GDP \(constant 2015 USD\) – Australia](#), World Bank Group data, Washington D.C., n.d.

**Figure 1: total Australian aid over time (\$AU, millions)**



Australian official development assistance (ODA) between 1961-62 and 2036-37. 2024-25 to 2028-29 are budget estimates based on the 2025-26 budget. 2029-30 to 2036-37 are projected values based on DFAT's announcement in the 2023-24 budget that it has "locked in" an annual increase of 2.5%.

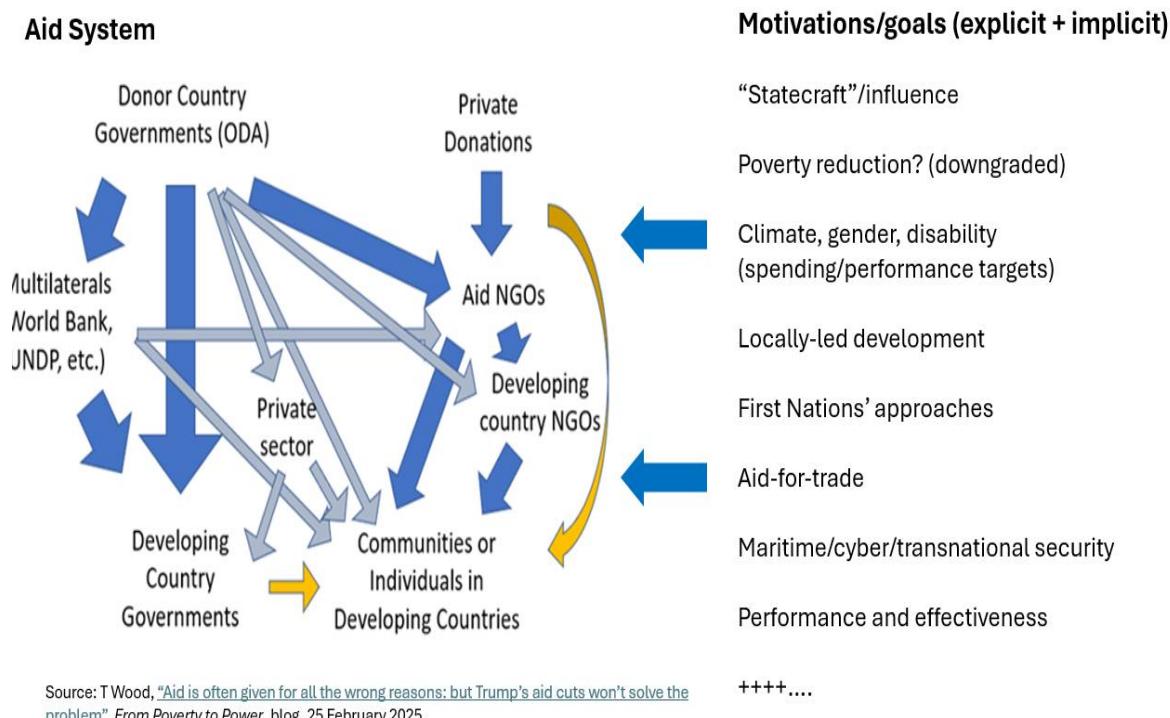
Source: Development Policy Centre, [Australian aid tracker: trends](#), website.

Comparing 2014-15 with 2024-25, the Pacific (plus Timor-Leste) is the only region where Australia's aid spending increased in real terms (+28%). By contrast, Australian aid to Southeast Asia (excluding Timor-Leste, -31%), South and West Asia (-53%) and Africa and the Middle East (-67%) was, after inflation, well below where it was a decade prior.<sup>2</sup> This is unlikely to change given the bipartisan reluctance to increase Australia's overall aid in real terms, combined with the narrower focus of the development program on the Pacific and Timor-Leste. This severely constrains the government's ability to fund new development programs in other parts of the "Indo-Pacific".

While real overall funding for Australia's development cooperation program will flatline over the next decade, the demands on this program continue to expand. Figure 2 attempts to illustrate the complexity of the aid delivery system alongside just some of the goals (implicit and explicit) contained in the government's 2023 International Development Policy and its subsequent aid policy statements.

<sup>2</sup> Development Policy Centre, [Australian aid tracker: destinations](#), website, n.d.

**Figure 2: delivery and policy context of the Australian aid program**



This combination of flatlining real resources, system complexity and expanding goals makes evidence-based prioritisation and focusing effort on those countries where Australia's development program might be able to make a genuine difference over the long-term even more critical. These countries are Australia's Melanesian neighbours – particularly PNG, Solomon Islands and Vanuatu – and Timor-Leste.<sup>3</sup>

Beyond these countries, DFAT should primarily work through credible multilateral, regional and bilateral partners. DFAT should avoid attempting to "mainstream" conflict prevention across its development programs as this will simply further fragment effort and funding, increase program complexity, and undermine development effectiveness.

**Recommendation 1: Any new bilateral development programming for conflict prevention should be focused on those countries where Australia can make a genuine difference – that is, on its Melanesian neighbours and Timor-Leste. Beyond these countries, Australia should primarily work through credible multilateral, regional and bilateral partners.**

## 2. Build on what Australia already knows...

Conflict and fragility are not "new" issues for Australian development cooperation. In 2025-26, around one third of Australia's total country and regional aid will flow to countries classified by the World Bank as "fragile and/or conflict affected".<sup>4</sup> Australia's aid program has had decades of experience engaging with local, regional and multilateral partners in such settings: whether

<sup>3</sup> My colleague, Dr Terence Wood, has provided a separate submission to the inquiry focused on improving the effectiveness of Australian aid to PNG.

<sup>4</sup> The major recipients of Australian aid included on the World Bank list are: PNG, Solomon Islands, Kiribati, Federated States of Micronesia, Marshall Islands, Tuvalu, Timor-Leste, Myanmar, and Afghanistan. For the full list see: [FY26 list of fragile and conflict-affected situations](#), World Bank, Washington D.C., 2026.

working as part of the UN effort to support Cambodia's emergence from decades of trauma and war in the 1980s; coordinating civilian support for peace monitoring, constitutional reform and economic development efforts in Bougainville in the late 1990s; helping support the new nation of Timor-Leste in the early 2000s; working on response and reconstruction in Indonesia's conflict-affected Aceh province in the aftermath of the 2004 Indian Ocean tsunami; or overseeing the design and delivery of the "machinery of government", economic development, and service delivery components of the Regional Assistance Mission to the Solomon Islands (RAMSI) from 2003 to 2017. Drawing on this experience, Australia has previously been recognised by global bodies such as the OECD and World Bank as an international thought leader on issues of fragility, conflict and development.<sup>5</sup>

The Australian aid program's first standalone policy on "conflict, peace and development" was published by the Howard government in 2002.<sup>6</sup> A 2012 policy statement published by the Gillard government included the following summary of learning drawn from Australian and international experience in this area:

- development assistance alone cannot solve fragility and violent conflict, but it can play an important role in helping develop capable and accountable states
- fragility and violent conflict are closely linked—large-scale violence is more likely in fragile states and can be part of a cycle that is difficult to break
- development assistance will be more effective if part of a broader approach, including security and diplomatic activities, and efforts to promote a thriving economy
- the risk of doing harm through poorly designed aid is high.<sup>7</sup>

This policy statement was supported by a "framework for working in fragile and conflict-affected states", published by AusAID in 2011.<sup>8</sup>

There are a number of more recent program evaluations on DFAT's website which are relevant to the conflict, fragility and development agenda. But there is no current overarching policy guidance synthesising key lessons or articulating Australia's approach in priority countries. In 2019, DFAT's former Office of Development Effectiveness (ODE) commenced a strategic evaluation of "DFAT engagement in conflict prevention and peacebuilding through diplomacy, aid, trade and security". As a result of the COVID-19 pandemic and the subsequent abolition of ODE and DFAT's Independent Evaluation Committee in 2020, the evaluation was "paused" and has not been re-commenced. It is not clear whether a full report was delivered to DFAT. However, a "summary of initial findings" was published.<sup>9</sup>

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<sup>5</sup> For example, a 2013 peer review of Australia's development by the OECD found that "Globally, Australia is a leader in supporting and thinking about issues related to fragile states". See: OECD Development Assistance Committee, [OECD Development cooperation peer review: Australia](#), OECD-DAC Secretariat, Paris, 2013.

<sup>6</sup> AusAID, [Peace, conflict and development policy](#), Australian Government, Canberra, 2002.

<sup>7</sup> AusAID, [Australia's aid in fragile and conflict-affected states](#), Australian Government, Canberra, 2012.

<sup>8</sup> AusAID, [Framework for working in fragile and conflict-affected states: guidance for staff](#), Australian Government, Canberra, 2011.

<sup>9</sup> DFAT, [Summary of evaluation of DFAT's engagement in conflict prevention and peacebuilding through diplomacy, aid, trade and security](#), Australian Government, Canberra, 2020.

**Recommendation 2: Strengthen the effectiveness of current and future DFAT and whole-of-government conflict prevention programs through:**

- a) a stocktake of DFAT program and thematic evaluations over the last decade relevant to the conflict, fragility and development agenda; and**
- b) a recommencement of the paused 2019-20 strategic evaluation on conflict prevention and peacebuilding. In line with Recommendation 1, this evaluation should focus on effectiveness and learning from Australia's engagement in Melanesia and Timor-Leste.**

**3. ...but also, be prepared to learn from international experience, and adopt a “do no harm” approach**

There is a large international evidence-base of research and evaluative literature that addresses effective development programming in conflict-affected and fragile settings. As noted above, a principal theme throughout much of this literature is that poorly designed aid can make fragility and conflict worse. For example, humanitarian and material aid (e.g., food aid, supplies, infrastructure) can become the object of conflict between competing groups.<sup>10</sup> State institutions (e.g., anti-corruption agencies, electoral authorities) made stronger through the provision of international assistance can become sites of elite competition and/or weaponised against opponents in the absence of shared understandings of state legitimacy and effective accountability and oversight.<sup>11</sup> Donor fragmentation and competition in fragile countries – a prominent feature of contemporary aid dynamics in the Pacific – can also worsen institutional weakness and elite conflict as these elites seek to play competing donors off against one another to further their respective domestic goals.<sup>12</sup>

In fragile and conflict-affected settings, policing and security forces are often active protagonists in local contests for resources and power. Thus, the potential for the provision of lethal equipment and technical assistance by donors to policing, security and/or military forces to exacerbate local conflict dynamics is also important consideration. This is particularly relevant to PNG and Solomon Islands where Australia has substantially expanded its policing and security assistance in an effort to counter China's forays into these sectors. While much of this assistance is not funded through the aid program, the potential for unintended consequences — including via the leakage of high-powered weapons into the wider community — should be factored into Australia's whole-of-government development approach through robust 'do no harm' and risk mitigation measures.<sup>13</sup>

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<sup>10</sup> C Zürcher, ['What do we \(not\) know about development aid and violence? A systematic review'](#), *World Development*, 98, October 2017.

<sup>11</sup> OECD, [Supporting statebuilding in situations of conflict and fragility: policy guidance](#), OECD, Paris, 2011.

<sup>12</sup> M Keen and A Tidwell, [Geopolitics in the Pacific Islands: playing for advantage](#), policy brief, Lowy Institute, Sydney, 2024.

<sup>13</sup> On the “leakage” of US and Australian supplied weapons to conflict areas in PNG see: T Swanston and E Clarke, [‘Heavily armed highlands’](#), ABC News, 1 March 2024.

**Recommendation 3: Ensure rigorous fragility and conflict sensitivity analysis is undertaken and reflected in development strategies in all conflict-affected and fragile countries where Australia is a major bilateral donor — particularly where Australia is also providing lethal equipment and technical assistance to policing and security forces — and build this analysis into development strategies and risk management frameworks.**

#### 4. Invest in DFAT capability, donor cooperation and regional research partnerships

Effective engagement in conflict-affected and fragile states demands long-term investments in the development capability and expertise of DFAT staff, including its locally engaged staff. In this respect, the dismantling of DFAT's specialised conflict and fragility section and the aforementioned abolition of the ODE and IEC in 2020 undermined this capability. In opposition, Labor (rightly) criticised the abolition of ODE and IEC, describing it as "retrograde".<sup>14</sup> However, since coming to government in 2022 Labor has repeatedly (but inexplicably) ruled out reestablishing these bodies — despite previous bipartisan praise – and subsequent efforts to improve evaluation capability and use in DFAT appear to be piecemeal at best.<sup>15</sup>

The premium placed on high quality evidence, evaluation and expertise has become even higher with the abolition of USAID — which housed one of the world's largest repositories of analysis on aid to conflict-affected and fragile states — by the Trump administration in 2025. In the face of this US retrenchment, DFAT should enhance its engagement with other like-minded partners via multilateral forums such the OECD's Development Assistance Committee, the G20 and the World Bank on the evidence base, contributing analysis and insights from Australia's region and learning from relevant international experience.

DFAT should also engage on the regional evidence base through strengthened research-to-policy partnerships. This should include an expansion of its successful support for long-term, collaborative partnerships between Australian National University and Pacific researchers on development, security, and integration through the Pacific Research Program.<sup>16</sup>

**Recommendation 4: Strengthen DFAT's ability to engage with evidence-based approaches to development and conflict prevention by:**

- a) reestablishing DFAT's specialised conflict and fragility advisory section and rebuilding DFAT's development evaluation capability, independent oversight and resourcing; and**
- b) enhancing Australia's engagement with the international and regional evidence-base through cooperation with like-minded donors in the OECD, G20 and World Bank and an expansion of the DFAT-ANU Pacific Research Program.**

<sup>14</sup> A Galloway, '[Aid oversight bodies shut amid push for budget savings, DFAT minute reveals](#)', *Sydney Morning Herald*, online, 4 February 2021.

<sup>15</sup> S Howes, '[Office of Development Effectiveness: praised, then abolished](#)', *The Interpreter*, blog, 25 September 2020. In relation to evaluation use, none of DFAT current strategies for country programs like PNG, Solomon Islands or Timor-Leste reference key lessons from previous evaluations, including in relation to Australia's work in conflict prevention and fragility. See: C Hill, '[Australian aid: no looking back?](#)', blog, Devpolicy, 23 September 2024.

<sup>16</sup> Department of Pacific Affairs, [Pacific Research Program](#), website, Australian National University, Canberra, n.d..