



# Australia's Overseas Aid and Development Assistance Program

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**Submission to the Senate Standing Committee on  
Foreign Affairs, Defence and Trade**

**Save the Children Australia**  
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### About Save the Children

Save the Children is a leading independent international organisation for children and child rights. Our vision is of a world in which every child attains the right to survival, protection, development and participation. Our purpose is to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives. We work towards this vision in more than 120 countries across the globe.

## 1. Executive Summary

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Save the Children welcomes the opportunity to make this submission and contribute to a better aid program. We appreciate that tough choices need to be made in a constrained fiscal environment. However, Australia is in a relatively strong economic position compared to many of our OECD counterparts, enabling us to aid developing countries reduce poverty and achieve sustainable growth. The standard of living for Australian citizens is among the best in the world. We are a generous people, with commensurate expectations of generosity on behalf of our government, particularly in our region.

In the short-term, prioritisation is important - funding must be maintained for child-focussed programs that are targeted in areas of greatest need and with potential for greatest impact. Beyond immediate priorities, the government should set a firm timetable for increasing our aid budget, consistent with our international obligations, the national interest and our ability to contribute to sustainable development in our region.

### **Save the Children recommends the Senate Committee promote ways to:**

1. Set out a **firm plan to increase foreign aid to 0.5 percent of GNI** to ensure that Australia is well positioned to benefit from the increased importance of the Asian region globally and to cost effectively mitigate the risks associated with instability in our region.
2. Reinstade adequate funding for **humanitarian and emergency response** - at least 10 percent of total Official Development Assistance
3. Ensure core funding for **Disaster Risk Reduction**, including the commitment to allocate \$100 million over five years.
4. Become a world leader on **child protection** in international development. Invest now to put our Child Protection Policy into practice along with initiatives to protect children in their homes, communities and institutions.
5. Deliver on Australia's commitment of \$40 million towards tackling **under-nutrition**, with priority given to boosting investment in life-saving interventions for mothers and children at risk of malnutrition.
6. Maintain a **distinct identity for the Australian aid program within DFAT** with aid used for long-term objectives aligned with our national interest.
7. Ensure more timely release and scrutiny of **Annual Review of Aid Effectiveness** reports, ahead of the Federal Budget cycle.
8. Ensure greater transparency and **more detail around budget figures** for Official Development Assistance.

While there are many areas where we could make recommendations, we have chosen to highlight critical areas of uncertainty in this submission.

## 2. Context

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Over the past two decades, Australia has enjoyed an unprecedented run of continuous economic growth. Among industrialised nations, our economy has proven to be the most resilient. We passed through the global financial crisis and world economic slowdown relatively unscathed. Australia ranks among the top OECD countries across most dimensions of the 'Better Life Index', performing exceptionally well due to high income, employment, health, education, personal security and civic engagement<sup>1</sup>. Australia was second only to Norway on the 2012 Human Development Index<sup>2</sup>, again reflecting a very high standard of living.

As a result, we are in a much stronger position than many other OECD countries to aid developing countries to reduce poverty and achieve sustainable growth.

Globally, developed nations are striving to a target of 0.7 percent of Gross National Income (GNI) allocated to Official Development Assistance (ODA). Successive governments in Australia have committed to a target of 0.5 percent ODA/GNI over the forward estimates. While this falls short of the global target, it would still represent a significant expansion. Under the budget delivered May 2013, the ratio of ODA/GNI for 2013-14 was expected to be around 0.37 percent and growing.

In September 2013, the Coalition announced cuts of \$4.5 billion to planned aid spending from 2013-14 to 2016-17. This follows deep cuts to the forward estimates already announced by the previous government, of around \$6 billion.<sup>3</sup> Going forward, the government has signalled it will keep the aid budget relatively steady at around \$5 billion a year, increasing only in line with the CPI. This effectively brings to an end a decade of aid expansion, and a fall in the estimated ratio of ODA/GNI to 0.32 in 2016-17.<sup>4</sup>

## 3. Australia's ability to deliver aid

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Australia has a proud history of contributing to international development and a reputation amongst donors for good quality program delivery. There have been a number of reviews and assessments of the effectiveness of Australia's aid program. While there is always room for improvements, these reviews have generally showed that Australia's aid program is targeted and effective. In comparison, far less rigour is applied to domestic spending.

Increasing ODA is consistent with our national objectives of regional stability and security, greater global prosperity and trade, and international commitments to development. Whilst rapid economic growth is important for reducing poverty, for growth to be sustained in the long-term it must be broad based and inclusive. Our region is facing major threats to sustainable economic growth, including rising inequality and more frequent natural disasters which have the potential to wipe out previous gains. For example, devastating Typhoon Haiyan which struck the Philippines in November 2013, killed 6,200 people and

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<sup>1</sup> <http://www.oecd.org/statistics/betterlifeinitiativemeasuringwell-beingandprogress.htm>

<sup>2</sup> <http://hdr.undp.org/en/content/human-development-report-2013>

<sup>3</sup> Robin Davies, devpolicy blog 6 September 2013, <http://devpolicy.org/from-expansion-to-crisis-in-australian-aid-reflections-on-the-coalitions-aid-cuts-20130906-2>

<sup>4</sup> Stephen Howes, devpolicy blog 5 September 2013, <http://devpolicy.org/in-brief/aid-in-2016-17-to-be-back-at-2012-13-levels-under-coalition-plan-20130905-1>

injured 28,600 people with 1,785 people still missing.<sup>5</sup> Damage to public infrastructure and agriculture is estimated at around \$983 million, with damage to houses adding to the costs.<sup>6</sup>

Our aid program furthers our national interest by promoting Australia's standing in the region and globally. Whilst this should not be the sole aim of the program, it is one clear benefit as demonstrated by Australia's election to the UN Security Council. Our aid program is on the ground, across the region, increasing our reach and influence.

Given our relative prosperity and position in the Asia-Pacific region, we have the ability to do much more. Although the United Kingdom suffered greatly through the global financial crisis and faces much tougher economic circumstances than Australia, it still maintains a commitment to achieving 0.7 percent ODA/GNI.

We appreciate the fiscal environment is constrained. Growth has slowed and the outlook has softened. But, savings could be made in other areas whilst preserving the aid budget. For instance, the recent allocation of \$8.8 billion to the Reserve Bank to replenish reserves could have been spread over multiple years. As another example, better record-keeping and reporting for fringe benefits tax on cars (including application to NGO employees) would save around \$1.8 billion over the forward estimates.<sup>7</sup>

We recommend the government rebalance priorities to avert such a sharp reduction in the aid budget and set a firm plan to increase aid to 0.5 percent of GNI over time.

### Recommendation

Set out a **firm plan to increase foreign aid to 0.5 percent of GNI** to ensure that Australia is well positioned to benefit from the increased importance of the Asian region globally and to cost effectively mitigate the risks associated with instability in our region.

In the following sections, we outline how the rapid execution of the cuts for 2013-14 and a great deal of uncertainty regarding the years ahead has impacted Save the Children's ability to deliver on-the-ground support to those most in need.

## 3.1 Impact of 2013-14 cuts

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Australia has a variety of mechanisms for delivering aid. In recent years, Australia has allocated approximately 90 percent of its ODA through bilateral and multilateral agencies; with the rest delivered across Federal Government departments. Australian NGOs like Save the Children partner with the government to directly deliver a portion of Australia's official aid program through the Australian NGO Cooperation Program (ANCP).<sup>8</sup> Furthermore, Australian NGOs deliver aid as partners on bilateral country

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<sup>5</sup> Philippines Government, National Disaster Risk Reduction & Management Council, *Typhoon Yolanda: Situation Report*, 29 January 2014

<sup>6</sup> As above

<sup>7</sup> <http://www.liberal.org.au/latest-news/2013/09/05/final-update-federal-coalition-election-policy-commitments>

<sup>8</sup> There are 8 ANCP 'Partner' NGOs and a further 34 NGOs with either 'full' or 'base' ANCP accreditation. More information about accreditation and the full list of accredited NGOs can be found at: <http://aid.dfat.gov.au/ngos/pages/accreditation.aspx>

programs or as subcontractors to multilateral agencies (particularly in the case of humanitarian and emergency response).

International evidence has shown that funding stability and predictability are essential for development effectiveness.<sup>9</sup> The recent cuts of \$625 million to DFAT country and global programs, mid-way through the budget year, left little room for systematic planning or a performance-based approach. Allocations to Australian Partner NGOs through the ANCP program were reduced in the main by 8.3 percent across the board.<sup>10</sup>

Save the Children's 2013-14 ANCP budget was reduced by around \$600,000. In 2013-14 across our programs including early childhood education, child protection, child health and nutrition and work on climate change and disaster risk reduction, we had expected to reach around 930,000 people. An 8.3 percent reduction potentially means that up to 77,000 less people could be directly or indirectly reached this year.

In terms of expected outcomes, if we hypothetically applied the 8.3 percent reduction in expenditure uniformly across our ANCP funded programs:

- 2,000 less children will be enrolled in early childhood education
- 460 less births will be attended by a skilled birth attendant
- 250 less children will be vaccinated against diphtheria, tetanus and whooping cough

In practice, we have worked hard to ensure the impact on beneficiaries and outcomes is minimised. This means retaining program underspend and not allocating it to value-adding initiatives this year, and reducing head office staff support – a short term fix but making it harder for us to monitor program quality and effectiveness.

Nonetheless, some program reductions are inevitable. For example, under our Solomon Islands early childhood program, we have cut plans to install four out of the ten WASH facilities for improved water, sanitation and hygiene in kindergartens.

## **4. Australia's ability to maintain priorities**

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The government has emphasised its goal of a more a more targeted and effective aid program with a renewed focus on the Indo-Pacific region and tied to rigorous benchmarks. Save the Children supports an aid program aligned with our national interest that is focussed on our region, with room to respond to major world crisis when needed. We also fully support a program based on transparency, performance and accountability building on the many existing well researched and established systems in this area.

We recognise that we all can and must do more in improving accountability and demonstrating impact. Internationally, Save the Children is investing heavily in capturing outcomes across our priority areas of humanitarian assistance, health, education, child protection and child rights. Closer to home, our

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<sup>9</sup> See Paris Declaration on Aid Effectiveness and Accra Agenda

<http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforactionfullrelateddocumentation.htm>

<sup>10</sup> Save the Children understands that eight of the 10 Australian Partner NGO that receive ANCP funds were cut by 8.3%. One NGO had already refused the full award and voluntarily took a cut of 12% due to policy on maximum funds allowed from governments. One NGO did not receive any cuts.

2013 Annual Report follows the PwC transparency guidance for not for profit organisations and takes a critical look at where our impact has been less than expected and what we will do to improve.

We are also focussed on cost efficiency. We have grown rapidly over the past five years from total income of \$54 million in 2009 to over \$100 million in 2013, enabling us to reach upwards of 8.4 million people. At the same time, we have kept administration costs at 7-8 percent of total income, on average. We will continue to look for efficiencies in the way we operate.

We appreciate that tough choices need to be made in a constrained fiscal environment. However, we argue that funding should be maintained for child-focussed programs that are targeted in areas of greatest need and with potential for greatest impact.

In the following sections, we focus on critical areas of uncertainty for future funding: 1) humanitarian response; 2) disaster risk reduction; 3) child protection; and 4) under-nutrition. At this stage, it is our understanding that broader funding for health and education will continue to be maintained.

## 4.1 Responding effectively to humanitarian crises

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Globally, the frequency and severity of humanitarian crises is increasing. The number of reported weather-related disasters has tripled in the last 30 years. Asia is the most disaster prone region of the world – both in terms of numbers of disasters and number of deaths due to disaster.<sup>11</sup> People in our region are four times more likely to be affected by catastrophic events, such as super typhoons, floods, earthquakes and volcanic activity than those in Africa and twenty five times more vulnerable than Europeans or North Americans.<sup>12</sup> Globally, there has also been a substantial increase in the number of people forcibly displaced as a result of violent conflict. Fragility remains one of the biggest obstacles to both peace-building and poverty reduction.<sup>13</sup>

Preparing for and responding to humanitarian crisis is one of the five strategic goals of the Australian aid program. The OECD-Development Assistance Committee (DAC) 2013 peer review of the aid program reported that Australia spends around 10 per cent of its total ODA on humanitarian assistance and “The humanitarian budget has so far been sufficient to support Australia’s overall strategic humanitarian objectives and is broadly in line with the ODA percentage allocated by other OECD-DAC members”.<sup>14</sup>

The 2011 Independent Review of Aid Effectiveness stated that: “Australia should aim for an aid program in 2015-2016 which sees a significant shift towards global programs and towards humanitarian spending”<sup>15</sup> recommending humanitarian program spend increase to 11 percent of ODA.

In the budget released May 2013, the allocation for humanitarian and emergencies in 2013-14 (\$383.9 million) accounted for 8.4 percent of DFAT Country & Global Programs. However, throughout the course of the year, the budget has been revised downward by around \$120 million to \$264.2 million: 7.3 percent of DFAT Country & Global Programs and only 5.2 percent of the total ODA budget.

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<sup>11</sup> United Nations Office for Disaster Risk Reduction (UNISDR), *press release*, 14 March 2013, [http://www.unisdr.org/files/31685\\_2013no05.pdf](http://www.unisdr.org/files/31685_2013no05.pdf)

<sup>12</sup> Thomas Vinod, Director General of Independent Evaluation at the Asian Development Bank, *Philippine Daily Inquirer*, 17 July 2013, <http://www.adb.org/news/op-ed/preparing-better-more-frequent-natural-disasters>

<sup>13</sup> OECD, *Fragile states 2013: Resource flows and trends in a shifting world*, 2013 <http://www.oecd.org/dac/incaf/FragileStates2013.pdf>

<sup>14</sup> OECD-DAC, *Peer Review of Australia*, 2013, <http://www.oecd.org/dac/peer-reviews/peer-review-australia.htm>

<sup>15</sup> Commonwealth of Australia, *Independent Review of Aid Effectiveness*, 2011, <http://www.aidreview.gov.au/publications/aidreview.pdf>

This directly impacts on our ability to effectively respond to humanitarian crises.

Syria is experiencing the world's worst humanitarian crisis in decades. The UN estimates that 6.5 million people are internally displaced and a total of 9.3 million people are in need of humanitarian assistance, 46 percent of whom are children.<sup>16</sup> Although not in our immediate neighbourhood, the crisis in Syria is destabilising the middle-east region with grave ramifications for global security. At the Second Kuwait pledging Conference in January 2014, the United Nations urgently sought \$US 6.5 billion to meet the needs of people inside Syria and among refugees in neighbouring countries. Australia pledged just \$10 million, along with \$2 million for the prohibition of chemical weapons.

By contrast, the response to Typhoon Haiyan in the Philippines has been commendable. Funds have been rapidly released for agencies on the ground, and through a wide diversity of mechanisms. Pledges have been honoured and programs are not at risk of being cut. This is making a real difference to Save the Children's ability to plan and deliver a three year strategy that will build local capacity to respond to future disasters, and make breakthroughs in access to health and education for children.

Along with funding to Australian NGOs which have a proven capacity to respond effectively, and efficiently to crises, maintaining a commitment to multilateral funding should remain a national priority given the role of the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) in coordinating humanitarian response, and the role of the Office of the United Nations High Commissioner for Refugees (UNHCR) in providing assistance to people on the move in our region.

Within humanitarian response, Australia has the potential to be a world leader in education in emergencies and in recent times has been the main bilateral agency directing funds to this area. Save the Children recommends that at least 4 percent of the humanitarian and emergency response budget be quarantined for this critical area to ensure that children continue to be educated and have the potential to thrive, despite the crisis going on around them.

### Recommendation

Reinstate adequate funding for **humanitarian and emergency response** - at least 10 percent of total Official Development Assistance

## 4.2 Reducing the impact of disasters

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Between 2000 and 2012, 1.2 million people were killed by disasters.<sup>17</sup> In 2011 alone, natural disasters costs the world \$366.1 billion and around 80 percent of these losses were in Asia.<sup>18</sup> Whilst the overall numbers of people being killed by disaster events has reduced over the past decade, alarmingly, the numbers killed by small scale disaster between 1970 and 2009 has actually increased in our region in countries such as Laos and Indonesia.<sup>19</sup> Children are disproportionately affected by disasters as they are

<sup>16</sup> UN OCHA, Syria Crisis Humanitarian Response, <http://www.unocha.org/cap/appeals/syria-crisis-humanitarian-response-2014>

<sup>17</sup> UNISDR Disaster Impacts 2000/2012

<sup>18</sup> ESCAP and UNISDR. 2012, Reducing Vulnerability and Exposure to Disasters, Asia-Pacific Disaster Report 2012.

<sup>19</sup> As above



physically and cognitively less developed than adults and therefore less equipped to deal with stress and exposure to risks.<sup>20</sup>

Eight Pacific Island countries are among the top 20 countries globally in terms of annual economic impacts of disasters as a percentage of GDP.<sup>21</sup> The economic impacts are not limited to single countries. Global trade, financial markets and supply chains have become increasingly interconnected. For example, the 2011 floods in Thailand resulted an estimated drop in GDP from 4.1 percent to 2.9 percent<sup>22</sup> and a tripling of the price of computer hard drives on the global market.<sup>23</sup>

In addition to saving lives, disaster risk reduction saves money. By way of illustration, in 2013, our DFAT funded program in Bulacan Province, Philippines,<sup>24</sup> worked with nine schools and six communities to improve their early warning systems and response preparedness, which included emergency drills and classes on what to do in an emergency. Our program directly contributed to the timely and orderly evacuation of communities before the devastating floods in August, getting them out of harm's way before the water hit. The Department of Education also reported that – for the first time in recent memory – the schools did not have to ask the central government for more school supplies following the flooding, because the children and school staff had moved their materials to safe locations on higher floors before the flood hit.

It is not yet clear whether the government will meet commitments made in June 2012 to allocate \$100 million to Disaster Risk Reduction over five years. We strongly recommend this commitment is retained. Investment in disaster risk reduction saves lives, safeguards development investments and protects economic growth. In the past 35 years, Bangladesh has invested over US\$10 billion in Disaster Risk Reduction and is one of the regions 'good news stories' with an overall decline in disaster losses in terms of life and economy.<sup>25</sup>

Relatedly, adapting to climate change is an important area for the people we work with. As the impacts of climate change intensify – harsher and longer heat waves, more unpredictable weather patterns, and increasingly intense tropical storms – more children will be put at risk.

Internationally, Australia has committed to meeting its fair share of global climate change finance.<sup>26</sup> Whilst the 2013-2014 revised budget figures released by DFAT do not provide clear detail, commentators have suggested that funding for global environment and climate change programs has been cut from \$92 million in 2012-13 to \$500,000 in 2013-14.<sup>27</sup>

Save the Children recommends, at a minimum, that core funding for climate change adaptation is preserved – whether through the overall allocation to Disaster Risk Reduction or other means.

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<sup>20</sup> For instance, children under 15 are 44 percent more likely to die because of environmental factors than the population at large. Bartlett, S. (2008) "Climate Change and urban children impacts and implications for adaptation in low and middle income countries", in *Environment & Urbanization*, Vol. 20 (2) International Institute for Environment and Development

<sup>21</sup> UNISDR. 2013, *The Pacific Experience in Developing Policy and Legislation on Disaster Risk Reduction and Climate Change Adaptation*. Bangkok, Thailand. United Nations International Strategy for Disaster Reduction.

<sup>22</sup> UNISDR. 2012, *Background Paper Prepared for the Global Assessment Report on Disaster Risk Reduction 2013*

<sup>23</sup> ESCAP and UNISDR. 2012, *Reducing Vulnerability and Exposure to Disasters*, Asia-Pacific Disaster Report 2012.

<sup>24</sup> *Enhancing the Resilience of Urban Communities in the Philippines to Disasters and Climate Change*

<sup>25</sup> ESCAP and UNISDR. 2012, *Reducing Vulnerability and Exposure to Disasters*, Asia-Pacific Disaster Report 2012.

<sup>26</sup> <http://www.climatechange.gov.au/international/actions/australias-contribution/international-climate-finance/long-term-finance>

<sup>27</sup> Stephen Howes, devpolicy blog 18 January 2014, <http://devpolicy.org/in-brief/africa-the-environment-and-disaster-relief-bear-the-brunt-of-coalition-aid-cuts>

### Recommendation

Ensure core funding for **Disaster Risk Reduction**, including the commitment to allocate \$100 million over five years.

## 4.3 Protecting children from abuse

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All children have the right to be protected from all forms of violence, injury, abuse or exploitation.<sup>28</sup> Save the Children works to protect children from harm so that they can enjoy a safe, healthy and happy childhood and access opportunities to reach their full potential.

Australia could be a world leader in child protection. In 2008, the Australian Government was the first to implement a child protection policy in international development. The revised 2013 Child Protection policy puts the issue firmly on Australia's agenda and is a powerful example of how DFAT can influence global practice. Obligations for safeguarding children cascade down to all international development contractors, NGOs and other partners to the Australian aid program.

However, much more needs to be done. The area is significantly under-resourced in terms of personnel, strategy and practical initiatives to deliver on our child protection aims. We commend the government on the highly successful *Development for All* strategy which took Australia to the forefront of practical measures to enhance the lives of people with a disability. Along the same lines, Save the Children recommends DFAT capitalise on its world leadership status gained by implementing the first ever child protection policy linked to international aid. Violence against children is preventable. Investing in innovative prevention programs now will reduce social and economic disadvantage by breaking the cycle of inter-generational violence in homes, communities and institutions.

### Recommendation

Become a world leader on **child protection** in international development. Invest now to put our Child Protection Policy into practice along with initiatives to protect children in their homes, communities and institutions.

## 4.4 Investment in nutrition

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Millions of children become sick or die because they do not have access to basic health services or proper nutrition, and treatable diseases like pneumonia, diarrhoea, measles and malaria are the biggest causes of child deaths. We know that children should not die from preventable illnesses, especially when there are simple and low-cost solutions that can help. Save the Children works to improve the health of mothers and children on many fronts. Here, we have singled out one area that is at risk of being underfunded as a direct result of cuts to the aid budget.

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<sup>28</sup> United Nations *Convention on the Rights of the Child* (1990), Article 19.

The 2011–12 Annual Review of Aid Effectiveness identified under-nutrition, in particular child under-nutrition, as a significant challenge in many places where Australia delivers aid, and as an emerging issue for the aid program. During 2013, DFAT commenced the process of developing a cohesive policy framework to guide Australian aid investments towards addressing nutrition in the region.

At the Nutrition for Growth Summit in June 2013, Australia committed to join the Scaling Up Nutrition movement, and contribute \$40 million over four years to nutrition measures in the Asia-Pacific region.

The cross-generational effects of investing in simple, cost-effective interventions means nutrition is one of the smartest development investments we can make. For example, based on very high cost-benefit ratios, an expert panel of economists ranked interventions to reduce chronic under-nutrition in pre-schoolers as the number one response to the world's most important development challenges.<sup>29</sup>

Save the Children recommends delivering on Australia's commitment to tackle under-nutrition, with priority given to boosting investment in life-saving interventions for mothers and children in the *crucial 1,000-day window* (from the start of a woman's pregnancy until her child's second birthday) – such as distribution of vitamin A, iodised salt and zinc supplements, and the promotion of healthy behaviour, including hand washing, exclusive breastfeeding and complementary feeding practices.

#### **Recommendation**

Deliver on Australia's commitment of \$40 million towards tackling **under-nutrition**, with priority given to boosting investment in life-saving interventions for mothers and children at risk of malnutrition.

## **5. Integration into DFAT**

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The overarching objective of Australia's aid program is to assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.

Whilst Save the Children agrees that our aid should be aligned with our national interest, the concept of national interest must be interpreted more broadly than Australia's immediate foreign affairs and trade objectives. Aid is about contributing to long-term regional prosperity and sustainability. As an Executive Agency, AusAID had a distinct humanitarian identity, housed a dedicated body of expertise on aid and development policy and programs, was one step removed from short-term political objectives, and was a highly visible demonstration of Australia's commitment to international development.

Save the Children accepts it is unlikely that AusAID's autonomy will be restored. However, we strongly recommend the Australian aid program should remain a distinct and visible branch within DFAT – important elements for both Australia's international standing and public support.

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<sup>29</sup> <http://www.copenhagenconsensus.com/projects/copenhagen-consensus-2012/outcome>

## Recommendation

Maintain a **distinct identity for the Australian aid program within DFAT**, with aid used for long-term objectives aligned with our national interest.

## 6. Other issues

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The Government has signalled a greater emphasis on transparency, performance and accountability in the aid program. This is to be applauded. There are two immediate areas where transparency could be improved.

First, strengthening the Office of Development Effectiveness and more timely release and scrutiny of the Annual Review of Aid Effectiveness. An Annual Review should be published by around October in order to meaningfully feed into Cabinet's yearly consideration of progress against the government's four year budget strategy. The 2011-12 Annual Review was released in January 2013. A review for 2012-13 has not been released.

Second, there has been a lack of detail over budget figures, particularly in the latest round of revisions. For instance, Save the Children is not clear on the total spend to date of various budget lines and remaining unallocated funds. If the Cabinet has taken decisions in relation to ODA outside the normal budget cycle and publicly announced that decision, full details of the budgetary implications should be published immediately rather than waiting until the May Budget. There is no clear policy rationale to withhold such detail once the overall decision has been taken and announced.

The absence of such data limits our ability to plan and deliver programs. Better information will facilitate more efficient allocation of resources - an important precursor to a more effective aid program.

## Recommendations

Ensure more timely release and scrutiny of **Annual Review of Aid Effectiveness** reports, ahead of the Federal Budget cycle.

Ensure greater transparency and **more detail around budget figures** for Official Development Assistance.