

Chapter 6

Supporting the SDGs through official development assistance

6.1 The committee heard that supporting the implementation of the SDGs in other countries offers Australia the opportunity to promote the prosperity and stability of its region, and bolster its international reputation.¹ Former Minister for International Development and the Pacific, Senator the Hon Concetta Fierravanti-Wells, connected funding the SDGs in Australia's region with regional security and Australia's national interest, stating:

The stability, prosperity and security of our region is second only to the defence of Australia. And so therefore, we share very much our interest in ensuring particularly our Pacific partners lift their economic growth and prosperity. For that reason, Australia has stepped up its engagement in the Pacific...We invest our funds in this way not only because Australians are generous, we believe in supporting our neighbours, but more importantly, this is for us an important way of achieving the Sustainable Development Goals, which are not just in our regional interest, but more importantly in our own national interest.²

6.2 Professor John Thwaites, Chair of the Monash Sustainability Development Institute (MSDI) explained that Australia is:

...surrounded by developing countries where the Sustainable Development Goals are a very high priority. The classic example of that is Indonesia, where the whole Sustainable Development Goals process is led by the President...For Australia, if we're going to build our relationship in the region, the goals are a fantastic platform to do that. We can provide a lot of real assistance in implementing the goals across Asia, and for that I think there'll be huge benefits to Australia in terms of trade, business, soft power and better security.³

6.3 This chapter addresses the integration of the SDGs into Australia's aid program, and summarises perspectives about the extent to which Australian aid should be targeted towards particular goals. It ends with various views on how to fund Australia's support for the SDGs overseas.

1 PwC, *Submission 30*, [p. 6]; Australian Bureau of Statistics (ABS), *Submission 96*, p. 3.

2 Minister for International Development and the Pacific, Senator the Hon Concetta Fierravanti-Wells, 'Commonwealth Human Rights Initiative: The Big Picture on Small States', *Speech*, Chatham House, London, 16 April 2018.

3 *Committee Hansard*, 29 October 2018, p. 8.

Integration of the SDGs in Australia's aid program

6.4 Submissions generally supported the integration of the SDGs into Australia's official development assistance (ODA) program. For example, the Australian Council for International Development (ACFID):

...strongly advocates for the SDGs to be affirmed in the purpose of Australia's aid program, and integrated across its thematic and geographic policies, programs, reporting, and performance benchmarks. The SDGs provide internationally consistent goals that should be at the heart of Australia's overseas development assistance.⁴

6.5 A few submissions argued that changes are needed to make achieving the SDGs the primary purpose of the ODA program.⁵ WFF-Australia noted that 'there is little indication that aid investment decisions are in any way guided by the Goals', and posited that the 'aid program prioritisation is often inconsistent with the SDGs' commitment to 'reach the furthest behind first'.⁶ However, submissions largely agreed that aspects of the ODA program, particularly relating to gender equality and disability inclusive development, are in alignment with the SDGs.⁷ The Department of Foreign Affairs and Trade (DFAT) was congratulated for integrating the SDGs through its ODA program by Mr Lachlan Hunter, National Executive Director of the United Nations Association of Australia (UNAA).⁸

6.6 The *2017 Foreign Policy White Paper* 'highlights the centrality of the SDGs in providing the framework for global efforts and notes the opportunity that the SDGs provide for Australia to share our experience with partners around the world'.⁹ DFAT stated that the 'ODA program is aligned with and makes a strong contribution to the SDGs', and addresses each goal in some way.¹⁰ The specific details are outlined in DFAT documentation, including online Aid Fact Sheets and the annual public performance of Australian aid reports.¹¹ This documentation is being gradually updated, and references to the SDGs are expected to increase as the SDGs are further embedded into DFAT policies'.¹² The aid investment plans in place for all bilateral development partners will also integrate the SDGs as they are progressively updated.¹³

4 *Submission 135*, p. 10.

5 ACFID, *Submission 135*, p. 11; Global Citizen, *Submission 22*, p. 7; World Vision Australia, *Submission 25*, p. 1.

6 *Submission 79*, p. 7.

7 ACFID, *Submission 135*, p. 11.

8 *Committee Hansard*, 24 August 2018, p. 2. See also Oxfam Australia, *Submission 18*, p. 10.

9 DFAT, *Submission 60*, p. 3.

10 *Submission 60*, pp. 3–4, 12.

11 DFAT, *Submission 60*, pp. 6, 11; Dr Cate Rogers, Assistant Secretary, Development Policy and Education Branch, *Committee Hansard*, 7 December 2018, p. 14.

12 DFAT, *Submission 60*, p. 11.

13 Ms Stephanie Aeuckens, Director, Global Development Branch, DFAT, *Committee Hansard*, 24 August 2018, p. 38.

DFAT indicated that this approach to gradually incorporating the SDGs is shared by many other countries including Switzerland, South Korea, Turkey and the United Kingdom (UK).¹⁴

6.7 DFAT described supporting developing country partners to engage with the SDGs.¹⁵ It noted Australia's contribution of funds through a range of mechanisms, including Indonesia's SDG Secretariat, the Asia Pacific Development Effectiveness Facility and international efforts to help Pacific Island countries mobilise development finance and implement the SDGs. Australia also supported the development of the *Pacific Regional Roadmap for Sustainable Development*.¹⁶

Examples of how Australia is supporting the SDGs

6.8 The table below maps Australia's six investment priorities against the specific SDGs with which they align.¹⁷

Table 1—Alignment of the Australian Government's development policy investment priorities with the Sustainable Development Goals

Investment priority	Relevant SDG
Infrastructure, trade facilitation and international competitiveness	2, 7, 8, 9, 11 and 17
Agriculture, fisheries and water	1, 2, 6, 12, 13, 14 and 15
Effective governance: policies, institutions and functioning economies	8, 10, 16 and 17
Education and health	3, 4, 5 and 6
Building resilience: humanitarian assistance, disaster risk reduction and social protection	1, 11 and 13
Gender equality and empowering women and girls	All SDGs in particular 5 and 1, 2, 3, 4, 6, 8 and 11

Source: DFAT, *Submission 60*, p. 11.

6.9 DFAT and other submitters provided examples of how the ODA program has contributed to the SDGs overseas, some of which are summarised briefly below.

14 Submission 60, p. 5.

15 Submission 60, pp. 3–4.

16 DFAT, *Submission 60*, pp. 11–12.

17 DFAT, *Submission 60*, p. 11.

Economic resilience: SDGs 5, 6, 8, 9, 11, 16 and 17

6.10 DFAT outlined its commitment to offering aid for trade, supporting infrastructure development, improving workplace safety and equality and contributing to economic resilience in the Pacific. The Australian Government committed to increase aid for trade to 20 percent of the total ODA budget by 2020.¹⁸ Oxfam Australia cautioned that though 'well-managed international trade is important for economic growth, it does not guarantee poverty reduction', and argued that Australia's current focus 'does not appear to be sufficiently inclusive to maximise poverty reduction benefits'.¹⁹ The International Women's Development Agency (IWDA) further suggested that gender analysis be integrated into aid for trade activities.²⁰

6.11 DFAT described its support for 'infrastructure development in the region in transport, energy, large-scale water and communications, including through co-financing projects such as the Cao Lanh bridge in Vietnam, and better linking communities to markets and services'.²¹ Australia has also worked with 'innovative organisations that help partner governments prepare investment-ready projects for the private market'.²² Moreover, Australia 'is helping improve workplace safety and reduce gender discrimination in the global supply chain' through the International Labour Organization's Better Work Programme, which has 'has benefited more than 1.5 million workers (80 percent of whom are women) in factories across Asia'.²³

6.12 Other economic development programs include Australia's Market Development Facility, which 'stimulates investment, business innovation and regulatory reform to create additional jobs and increase income for poor women and men in rural and urban areas in five countries in the Indo-Pacific region'.²⁴ DFAT asserted that the 2017 Pacific Agreement on Closer Economic Relations (PACER) Plus 'will promote the economic development of Pacific Island Forum countries through greater regional trade and economic integration'.²⁵

Education: SDGs 4, 5, 16 and 17, and contributes to all SDGs

6.13 Education exchange programs such as the Australia Awards and the New Colombo Plan 'build genuine two-way engagement, advancing development and deepening economic, academic and cultural links'.²⁶ DFAT has also worked with partner countries to 'help them deliver comprehensive and high-quality education

18 DFAT, *Submission 60*, pp. 9–10.

19 *Submission 18*, p. 12.

20 *Submission 98*, pp. 6–7.

21 *Submission 60*, pp. 9–10.

22 DFAT, *Submission 60*, pp. 9–10.

23 DFAT, *Submission 60*, pp. 9–10.

24 DFAT, *Submission 60*, p. 12.

25 *Submission 60*, pp. 9–10.

26 DFAT, *Submission 60*, pp. 10–11.

services', including 'a particular focus on enabling those most marginalised in society, including girls, ethnic minorities and children with a disability, to receive quality education'.²⁷ In 2016–17:

Australian ODA assisted over 965,000 more children to enrol in schools across the region, trained approximately 126,000 teachers to help improve education quality and helped almost 5,200 women and men to gain recognised post-secondary qualifications, with programs demonstrating strong links to labour market needs.²⁸

Environmental goals

6.14 Australia donated \$93 million to the Global Environment Facility over 2014-18, assisting developing countries to 'undertake activities to improve biodiversity conservation and protection, land regeneration, protection of international waters, climate change mitigation and adaptation, and management of persistent organic pollutants and the ozone layer'.²⁹

6.15 Australia also supports the Sustainable Development Investment Portfolio, which 'seeks to improve the integrated management of water, energy and food in three major Himalayan river basins covering Pakistan, northern India, Bangladesh, Nepal and Bhutan'.³⁰ DFAT noted that it 'includes a strong cross-cutting focus on both gender and climate change issues'.³¹

Gender equality: SDGs 5, 8, 10 and 16 and underpins all SDGs

6.16 Many submissions highlighted Australia's commitment to supporting gender equality as a cross-cutting issue and 'driver' of development. IWDA recognised that Australia 'has shown a clear commitment to SDG 5 and to the importance of gender equality for sustainable development'.³² The recent OECD peer review of Australian aid described Australia's commitment to mainstreaming gender as 'strong' and 'particularly noteworthy', and stated that 'Australia continues to champion gender equality internationally, regionally and bilaterally'.³³

6.17 DFAT referred to specific policies that prioritise gender equality, including the Gender Equality and Women's Empowerment Strategy and National Action Plan on Women, Peace and Security.³⁴ DFAT also provided examples of how it supports gender equality in the region. For example, the Australia-Indonesia Partnership for

27 DFAT, *Submission 60*, pp. 10–11.

28 DFAT, *Submission 60*, pp. 10–11.

29 Department of the Environment and Energy (DoEE), *Submission 115*, p. 8.

30 DFAT, *Submission 60*, p. 12.

31 *Submission 60*, p. 12.

32 *Submission 98*, pp. 2–3.

33 OECD, *OECD Development Co-operation Peer Reviews: Australia 2018*, OECD Publishing, Paris, 2018, p. 19.

34 *Submission 60*, p. 10.

Gender Equality and Women's Empowerment (2012–2020) 'works to increase the participation of women in the workforce, improves access to social protection programs and empowers women to influence change at the grassroots level'.³⁵

6.18 Gender equality is mainstreamed across DFAT's activities, and it has 'a target that at least 80 percent of all its development efforts effectively address gender equality', regardless of sector.³⁶ Submissions were supportive of this target, though Oxfam Australia suggested it could be made 'more meaningful' by increasing the assessment process and allocating additional funding for programs prioritising gender equality.³⁷ IWDA further proposed that DFAT contractually require international organisations and contractors to work with local women's organisations.³⁸

Health: SDGs 3, 5, 16 and 17

6.19 Australia 'supports countries to build strong, functioning health systems, which are critical to promoting stability and achieving sustainable economic growth'.³⁹ Examples include supporting the training of specialist non-communicable disease nurses in Tonga, improvements to family planning and maternal health services in Timor-Leste, and the Cambodian Government and other partners to provide free essential health care to the poorest 20 percent of Cambodians.⁴⁰

6.20 The Indo-Pacific Health Security Initiative (\$300 million, 2017–22) will 'support efforts to prevent and contain disease outbreaks in the Indo-Pacific that have the potential to cause social and economic impacts on a national, regional or global scale'.⁴¹ DFAT has worked with multilateral health organisations including the World Health Organization, United Nations Population Fund and UNAIDS, and has donated to partnerships such as the Global Fund to fight AIDS, TB and Malaria.⁴²

Other areas in which Australia has expertise

6.21 Australia's first Voluntary National Review (VNR) noted that the ODA program already 'reflects the relevant experience and expertise Australia can provide'.⁴³ CSIRO contended that:

...a key question to consider should be less about which SDGs Australia is best suited to achieving through our ODA program and more about

35 *Submission 60*, p. 13.

36 DFAT, *Submission 60*, p. 10.

37 Save the Children, *Submission 84*, p. 26; IWDA, *Submission 98*, p. 6; WWF-Australia, *Submission 79*, p. 7; Oxfam Australia, *Submission 18*, pp. 18-19.

38 *Submission 98*, pp. 2–3.

39 DFAT, *Submission 60*, p. 9.

40 DFAT, *Submission 60*, p. 9.

41 DFAT, *Submission 60*, p. 9.

42 DFAT, *Submission 60*, p. 9.

43 Australian Government, *Report on the implementation of the SDGs*, 2018, p. 110, [original emphasis removed].

introducing a process that is informed by complex systems analysis and helps to guide and consolidate investment decisions on transformational opportunities as they arise.⁴⁴

6.22 Nevertheless, a few submissions identified particular areas of expertise and argued that these should receive more attention and resourcing through Australia's ODA program, such as agriculture, road safety, or water, sanitation and hygiene.⁴⁵

6.23 Many submissions acknowledged Australia's statistical capabilities and expertise and called for the Australian Government to continue to invest in the collection of data (disaggregated by sex, age, income and geographic location) and building the capacity of national statistics offices across the region.⁴⁶ The committee heard that '[l]imited human and institutional capacity to collect and analyze quality data is one of the major challenges prevalent in Indo-Pacific countries'.⁴⁷ Data gaps are a particular problem in the Pacific.⁴⁸ Several submissions called specifically for better data collection on adolescents.⁴⁹

6.24 Australia has been assisting 'developing country partners to strengthen their statistical capacity, and engaging in initiatives to improve data collection'.⁵⁰ For example, DFAT funds the Australian Bureau of Statistics to 'support regional statistical capability development and institutional strengthening' through five long-term partnerships with national statistics offices in Indonesia, Timor-Leste, Papua New Guinea, Fiji and the Pacific region.⁵¹ DFAT has also provided some funding to the Pacific Association of Supreme Audit Institutions, which is 'supporting Pacific audit offices to identify gaps in national system preparedness and to provide national parliaments with practical recommendations to strengthen institutional arrangements

44 *Submission 85*, p. 17.

45 See, for example, Business Call to Action (BCtA) and Business for Development, *Submission 101*, [pp. 7–8]; Crawford Fund, *Submission 8*, [p. 1]; Australasian College of Road Safety, *Submission 160*; Water Services Association of Australia, *Submission 38*.

46 See, for example, Mr Cameron Allen, Professor Graciela Metternicht and Associate Professor Thomas Wiedmann, *Submission 17*, p. 7; Oxfam Australia, *Submission 18*, p. 5; IWDA, *Submission 98*, p. 11; ACFID, *Submission 135*, pp. 11–12.

47 The University of Melbourne Centre for Disaster Management and Public Safety and Centre for Spatial Data Infrastructures and Land Administration's, *Submission 75*, [p. 5].

48 See, for example, Peacifica, answer to question on notice, 2 November 2018 (received 27 November 2018), [p. 2]; Pacific Islands Forum Secretariat, Pacific Community and the Pacific SDG Partnership at UNDP, *2018 Pacific SDGs Progress Wheels*, 2018.

49 See, for example, Burnet Institute, *Submission 10*, p. 5; Oaktree, *Submission 42*, p. 2; UNICEF, *Submission 87*, pp. 24–27.

50 DFAT, *Submission 60*, p. 14. See also Australian Government, *Tracking Australia's progress on the SDGs*, p. 23.

51 ABS, *Submission 96*, p. 6; ABS, answer to question on notice, 7 December 2018 (received 17 January 2019).

to enable them to achieve the SDGs'.⁵² Submissions provided a range of other examples of Australia's support for the data and reporting capacity of partner countries, such as:

- pioneering the Open Data Cube technology, which enables countries to freely access Earth observation data;
- providing \$12 million over the past five years to support the Ten Year Pacific Statistics Strategy;
- contributing to innovative gender data and statistics initiatives including the Individual Deprivation Measure, the Making Every Woman and Girl Count program, and the kNOwVAW data program on violence against women; and
- engaging with the UNESCO Institute for Statistics to develop inclusive indicators for SDG 4.⁵³

6.25 Australia has also contributed more broadly to the development of indicators and communicating these to partner countries.⁵⁴ For example, CSIRO has 'developed a comprehensive indicator set for Asia and the Pacific' and 'aims to support countries in that region to enhance their national policy efforts in achieving the SDG outcomes'.⁵⁵

Possible prioritisation of particular goals

6.26 The inquiry terms of reference question whether Australia's ODA should be consolidated to focus on achieving core SDGs. Many submissions emphasised the importance of particular SDGs, but only a minority suggested that they should be prioritised over other goals. For example, one witness suggested focusing on the first six SDGs until 2020 and then slowly building out to encompass other goals.⁵⁶ A few submissions argued 'peaceful and inclusive societies, justice and effective institutions are transformative components of the SDG framework' and so argued that Australia's ODA should be concentrated on achieving SDG 16, particularly in the Pacific.⁵⁷ However, some of these acknowledged Goal 16 should be pursued as part of a comprehensive approach, as its success depends on other SDGs such as 5 and 13.⁵⁸

52 Eastern Regional Organisation for Planning and Human Settlements (EAROPH) Australia, answer to question on notice, 7 December 2018 (received 18 December 2018), [p. 3].

53 Geoscience Australia, *Submission 74*, [p. 14], DFAT, *Submission 60*, pp. 14–15; Australian Government, *Tracking Australia's progress on the SDGs*, pp. 18–19.

54 Dr Rogers, *Committee Hansard*, 7 December 2018, p. 21.

55 CSIRO, *Submission 85*, p. 37.

56 Miss Sarah Meredith, Country Director (Australia), Global Citizen, *Committee Hansard*, 29 October 2018, p. 31.

57 Peacifica, *Submission 70*, p. 2; Global Organization of Parliamentarians Against Corruption (GOPAC), *Submission 107*, [p. 3]; UNSW Law Society, *Submission 20*, p. 10; Dr Jarrett Blaustein, Dr Kate Fitz-Gibbon and Professor Rob White, *Submission 46*, p. 5.

58 Peacifica, *Submission 70*, p. 3; Dr Blaustein, Dr Fitz-Gibbon and Professor White, *Submission 46*, p. 5.

6.27 While acknowledging the need to be responsive to the priorities and needs of aid recipients, the majority of submissions agreed that the SDGs are integrated and indivisible, and therefore argued that Australia's ODA should not be consolidated to focus only on some specific goals.⁵⁹ This aligns with the preamble to the 2030 Agenda declaration, which stated that the SDGs 'are integrated and indivisible' and that the 'interlinkages and integrated nature of the Sustainable Development Goals are of crucial importance in ensuring that the purpose of the new Agenda is realized'.⁶⁰ ACFID agreed, and provided the following example of interconnectedness:

...decades of experience in gender equality have shown that gender equality outcomes are indivisible, and achievements in one area substantially improve a wide range of other opportunities. If you seek to promote a woman's leadership and participation in decision making for example, you must also address barriers to her receiving a quality education or having meaningful control over her reproductive health.⁶¹

6.28 CSIRO reasoned that it is more effective to focus on actions that advance multiple goals at once, and that focusing on 'individual SDGs is likely to be counter-productive in the longer term'.⁶² For example 'pursuing certain forms of economic development (e.g. infrastructure development under Goal 8 and 9) without due consideration of environmental implications, and without addressing gender and social inclusion aspects, maximum benefit will not be realised, and there may be potential to do harm'.⁶³

6.29 Therefore, instead of 'cherry-picking' goals, many submissions suggested Australia's aid program should focus on cross-cutting issues and systemic drivers, such as climate change and gender equality, instead of only supporting specific goals in isolation.⁶⁴ Prioritising investments with benefits for multiple SDGs 'will ensure potential to create transformative change that links economic prosperity with environmental concerns and social equity'.⁶⁵ Dr Caroline Lambert, Director of Research, Policy and Advocacy, IWDA, emphasised the 'transformative potential of

59 See, for example, World Vision Australia, *Submission 25*, p. 8; Sustainable Development Solutions Network (SDSN) Australia/Pacific, *Submission 55*, p. 5; Western Sydney University, *Submission 57*, p. 3; Australian Civil Society Coalition on Women Peace and Security, *Submission 59*, p. 8; Plan International, *Submission 67*, p. 2.

60 UN, *Transforming our world: the 2030 Agenda for Sustainable Development—Resolution 70/1* pp. 1–2.

61 *Submission 135*, pp. 3–4. See also Mr Allen, Professor Metternicht and Associate Professor Wiedmann, *Submission 17*, p. 2.

62 *Submission 85*, p. 7.

63 Institute for Sustainable Futures, University of Technology Sydney (UTS), *Submission 102, Attachment 1*, p. 4.

64 See, for example, Edmund Rice Centre, *Submission 35*, p. 2, [original emphasis removed]; WWF-Australia, *Submission 79*, p. 8; IWDA, *Submission 98*, pp. 1–2; 350 Australia, *Submission 111*, p. 3; Josephite Justice Office, *Submission 113*, p. 2.

65 The Institute for Sustainable Futures, UTS, *Submission 102, Attachment 1*, p. 5.

the entire SDG agenda...being able to maintain a focus on all 17 is really important'.⁶⁶ Some submissions also argued the ODA program should embed the principles of leaving no one behind and reaching the furthest behind first.⁶⁷ A few suggested other potential priority areas, such as capacity building and enterprise development or supporting public institutions.⁶⁸

6.30 Submissions reiterated that these focus areas should be identified through consultation with partner countries on their priorities and local circumstances.⁶⁹ The committee heard that:

...we should focus on some goals in particular countries where the countries have also identified that they need support and assistance...We can't presume to know what the country particularly needs or wants.⁷⁰

6.31 Ms Kelly Dent, Food, Climate and Humanitarian Advocacy Manger, Oxfam Australia, said:

We also need to take into account the priorities of our development partners with the relevant specific SDGs being addressed on a project-by-project basis, depending on the context on which the program is being delivered and ensuring maximum impact. But our aid program needs to tackle the SDGs as a whole if the future is to be sustainable and extreme poverty ended by 2030.⁷¹

6.32 DFAT agreed that the SDGs 'are inter-linked, with all goals contributing to and mutually reinforcing the progress of others', and 'were designed to be complementary, rather than being implemented independently of each other'.⁷² DFAT explained its approach:

Each of Australia's developing country partners has a breadth of development priorities that intersect with numerous SDGs, with each country differing according to their national circumstances and needs. Therefore, the focus of Australian ODA is highly context specific and addresses the SDGs as a complementary package rather than seeking to prioritise one SDG over another. This allows us to address the complexity

66 *Committee Hansard*, 29 October 2018, p. 31.

67 See, for example, Fred Hollows Foundation, *Submission 36*, p. 6; Marie Stopes International, *Submission 82*, pp. 1–2.

68 See, for example, Dr Tapan Sarker, *Submission 15*, pp. 4–5; Business Council of Co-operatives and Mutuals, *Submission 151*, p. 8, [original emphasis removed]; Monash University, *Submission 120*, p. 5.

69 See, for example, Oxfam Australia, *Submission 18*, p. 10; University of Sydney, *Submission 52*, p. 3; Plan International, *Submission 67*, p. 3.

70 Professor Caroline Homer, Co-Program Director, Maternal and Child Health, Burnet Institute, *Committee Hansard*, 29 October 2018, p. 30. See also Mr Chris Turner, Executive Officer and Regional Director, Marie Stopes International Australia, *Committee Hansard*, 29 October 2018, p. 31.

71 *Committee Hansard*, 2 November 2018, p. 37.

72 *Submission 60*, p. 14.

of development challenges and ensure we are maximising our impact on promoting Australia's national interests by contributing to sustainable economic growth and poverty reduction in our region.⁷³

6.33 DFAT considers local priorities when delivering aid, noting that 'Aid Investment Plans set out the priorities at the country or regional program level, which reflect discussions held with partner governments on their development priorities'.⁷⁴ The recent OECD review of the Australian aid program suggested that:

Australia could give more attention to the policy aspirations of its partner countries in the articulation of regional and country strategy documents, however. While Aid Investment Plans 'must be informed by consultation, they are not formally negotiated with or endorsed by partner government[s]'.⁷⁵

6.34 Nevertheless, DFAT argued that Australia is working with 'partner countries to advance their development priorities, including the SDGs, particularly in our region and our immediate neighbourhood in Southeast Asia and the Pacific'.⁷⁶

Localisation and prioritisation in partner countries

6.35 It appears as though many of Australia's developing country partners have been engaging with the SDGs. For example, CSIRO noted that Goal 14 (life below water) was included in the 2030 Agenda only due to advocacy by Fiji and other countries.⁷⁷ Pacific nations are also 'localising' the SDGs and indicators for their circumstances and identifying local priorities.⁷⁸ A recent overview stated:

The Pacific has made a good start. Many countries have localised the goals, and aligned their own national plans and strategies. At a regional level, countries have worked together to select 132 SDG indicators (the Pacific Sustainable Development Indicators) that best tell the regional development story in the Pacific and have committed to regular reporting against these in order to closely monitor progress and focus attention where it is most needed.⁷⁹

6.36 This localisation process was illustrated in the 2017 *Pacific Roadmap for Sustainable Development*.⁸⁰ Australia participated in the Pacific SDGs Taskforce, led

73 *Submission 60*, p. 14.

74 *Submission 60*, p. 12.

75 OECD, *OECD Development Co-operation Peer Reviews: Australia 2018*, p. 81.

76 *Submission 60*, p. 11.

77 *Submission 85*, p. 18.

78 Mr Allen, Professor Metternicht and Associate Professor Wiedmann, *Submission 17*, p. 8.

79 Catrina Rowe, 'Harnessing the power of data to tell a regional story', Pacific Office in Fiji, UNDP website, 16 September 2018.

80 UNAA, *Submission 47*, p. 9. See also Pacific Island Forum, *Pacific Roadmap for Sustainable Development*, September 2017.

by the Pacific Island Forum, which guided the drafting of the Roadmap.⁸¹ The Roadmap identified a sub-set of 127 of the 232 SDG indicators, and five regional indicators.⁸² Pacific countries will select indicators from this sub-set to align with their local contexts.⁸³ Peacifica listed the Pacific's six regional priorities as:

- Climate change and disaster risk reduction;
- Oceans and fisheries;
- Poverty reduction, reducing inequality and improving quality of education;
- Improving connectivity (ICT);
- Non-communicable diseases; and
- Empowering women and girls, and people with disabilities.⁸⁴

6.37 There are a number of other regional strategies and roadmaps, including the 2017 *Regional Road Map for Implementing the 2030 Agenda for Sustainable Development in Asia and the Pacific*.⁸⁵ This included 'priority areas (including social development, disaster risk reduction, climate change, management of natural resources, connectivity and energy), implementation arrangements (with a focus on regional level cooperation), and a process to track progress on the SDGs'.⁸⁶

6.38 The *United Nations Pacific Strategy 2018–2022* outlines the collective response of the UN system to the development priorities in 14 Pacific Island Countries and Territories, to 'enable the targeting of valuable UN resources to areas where they are most needed'.⁸⁷ It identifies the following six outcomes: climate change, disaster resilience and environmental protection; gender equality; sustainable and inclusive economic empowerment; equitable basic services; governance and community engagement; and human rights.⁸⁸

6.39 Australia's partner countries are also localising the SDGs at the national level. For instance, PNG's new five year Medium Term Development Plan has been structured around the SDGs. The committee heard that 'all donor agencies are being asked to shift their own priorities within PNG, with a significant increase in funding being sought for infrastructure and activities which will contribute to inclusive

81 DFAT, answer to question taken on notice on 25 October 2018, Senate Foreign Affairs, Defence and Trade Legislation Committee.

82 Australian Government, *Tracking Australia's progress on the SDGs*, pp. 24, 26.

83 Mr Allen, Professor Metternicht and Associate Professor Wiedmann, *Submission 17*, p. 7.

84 *Submission 70*, p. 5.

85 Australian Government, *Tracking Australia's progress on the SDGs*, p. 26; UN Economic and Social Commission for Asia and the Pacific, *Regional Road Map for Implementing the 2030 Agenda for Sustainable Development in Asia and the Pacific*, 2017.

86 Australian Government, *Tracking Australia's progress on the SDGs*, p. 26.

87 UN in the Pacific, *United Nations Pacific Strategy 2018 – 2022*, 2017, p. 15.

88 UN in the Pacific, *United Nations Pacific Strategy 2018 – 2022*, UN in the Pacific, 2017, p. 15.

sustainable economic growth'.⁸⁹ Vanuatu also has an overarching national sustainable development plan that embraces the SDGs, and Australia's aid program aligns with the priorities identified in Vanuatu's plan.⁹⁰

6.40 Other nations including Timor-Leste, Cambodia, Fiji and the Solomon Islands are aligning their development strategies and policies with the SDGs.⁹¹ Timor-Leste has released an implementation roadmap and established a SDGs working group to localise them in national development efforts.⁹² While goals 5, 16 and 17 were identified as cross-cutting, IWDA did not indicate that Timor-Leste is prioritising only particular goals. Instead, a focal point for the SDGs has been identified in every line ministry and government agency, and responsible government agencies have been identified for each of the SDGs targets.⁹³ This consideration of how to implement all the SDGs is also illustrated in the report of the SDGs conference held in Timor-Leste with Victoria University in July 2017.⁹⁴

Increasing Australia's support for the SDGs overseas

6.41 This section includes suggestions from the evidence regarding the appropriate amount of Australia's ODA, and identifies various mechanisms for funding the implementation of the SDGs.

Amount of official development assistance

6.42 DFAT stated that 'Australia's \$3.9 billion overseas development program (2017–18) makes a strong contribution to the SDGs'.⁹⁵ This represented 0.22 percent of Gross National Income (GNI).⁹⁶ Oxfam Australia described this as 'significantly lower than the OECD Donor Assistance Committee (DAC) average of 0.32 percent of GNI' and 'a significant abrogation of Australia's commitment to international aid'.⁹⁷ Denmark, Germany, Luxembourg, Norway, Sweden and the United Kingdom all have aid budgets at the 0.7 target or above.⁹⁸

6.43 Many submissions suggested that to effectively support the implementation of the SDGs in partner countries, Australia needs to increase its ODA. A number argued

89 EAROPH Australia, answer to question on notice, 7 December 2018 (received 18 December 2018), [p. 2].

90 EAROPH Australia, answer to question taken on notice, 7 December 2018 (received 18 December 2018), [p. 2].

91 IWDA, *Submission 98*, p. 7.

92 IWDA, *Submission 98*, p. 7; Peacifica, answer to question on notice, 2 November 2018 (received 27 November 2018), [pp. 3–4].

93 *Submission 98*, p. 7.

94 Victoria University Timor-Leste Reference Group, *Submission 65, Attachment 1*.

95 *Submission 60*, p. 11.

96 Oxfam Australia, *Submission 18*, p. 49.

97 Oxfam Australia, *Submission 18*, p. 49.

98 Oxfam Australia, *Submission 18*, p. 49.

that 'the diminished funds available for aid have severely constrained DFAT's ability to effectively respond to the challenges of achieving the goals'.⁹⁹ UNICEF noted that from '2012–2015, child related ODA decreased by 24 percent as compared to 17 percent for all other ODA from Australia'.¹⁰⁰ World Vision Australia warned '[t]here is growing concern that if the Australian Government does not act soon to restore aid to previous levels, we will fail to meet our commitments under the SDGs'.¹⁰¹

6.44 ACFID argued that 'the Australian aid program must be rebuilt' to work with developing countries to achieve the SDGs.¹⁰² It proposed increasing Australia's ODA to 0.7 percent of GNI by 2030 through yearly increases to the budget.¹⁰³ This was also advocated by a range of other submissions, including development organisations and academics.¹⁰⁴ Oxfam Australia agreed on the need to increase the aid budget, but suggested this should be achieved 'well before 2030'.¹⁰⁵ The proposed increase aligns with the 2030 Agenda, which states that ODA providers will reaffirm their commitments:

...including the commitment by many developed countries to achieve the target of 0.7 percent of gross national income for official development assistance (ODA/GNI) to developing countries and 0.15 percent to 0.20 percent of ODA/GNI to least developed countries.¹⁰⁶

6.45 The recent OECD peer review of Australian aid recommended 'Australia should re-introduce an ambitious target for increasing ODA against gross national income and set out a path to meet the target'.¹⁰⁷ However, Senator the Hon Fierravanti-Wells noted the:

...Lowy Institute's 2017 poll found that, as with previous years, Australians as a whole were largely unconcerned by reductions in our aid program. Although most people overestimated the aid budget, almost three out of

99 University of Sydney, *Submission 52*, p. 6. See also Institute for Sustainable Futures, UTS, *Submission 102, Attachment 1*, p. 4; RESULTS Australia, *Submission 71*, p. 5; Burnet Institute, *Submission 10*, p. 2; Oaktree, *Submission 42*, [p. 2].

100 *Submission 87*, p. 19.

101 World Vision Australia, *Submission 25*, p. 21.

102 ACFID, *Submission 135*, p. 10.

103 ACFID, *Submission 135*, pp. 6, 10.

104 See, for example, IWDA, *Submission 98*, p. 10; Global Citizen, *Submission 122*, p. 7; Equality Rights Alliance, *Submission 149*, p. 4; CBM Australia, *Submission 93*, p. 2; Vision 2020 Australia, *Submission 19*, p. 15; the Fred Hollows Foundation, *Submission 36*, p. 2; Dr Nina Hall and Professor Karen Hussey, *Submission 76*, p. 13.

105 Oxfam Australia, *Submission 18*, p. 8.

106 Target 17.2, UN, *Transforming our world: the 2030 Agenda for Sustainable Development—Resolution 70/1*, pp. 11, 26.

107 OECD, *OECD Development Co-operation Peer Reviews: Australia 2018*, p. 23.

four feel that the Government still spends either too much, or about the right amount on aid.¹⁰⁸

Mobilising private sector investment

6.46 The Addis Agenda highlighted that international public finance, including ODA, can be used to mobilise additional resources from other sources.¹⁰⁹ It encouraged 'exploring additional innovative mechanisms based on models combining public and private resources such as green bonds, vaccine bonds, triangular loans and pull mechanisms and carbon pricing mechanisms'.¹¹⁰ Ms Helen Steel, Chief Executive Officer of the Shared Value Project, explained that this approach is relevant in the Australian context, stating:

Government funding is not increasing, and I think one of the things that impressed us about DFAT's approach was realising that issue and trying to be innovative in considering how that shortfall effectively could be made up. I guess that's why they've come to business as part of the solution.¹¹¹

6.47 ACFID also encouraged Australia to develop new and innovative blended finance approaches to 'lead the region in mobilising the trillions of dollars required to respond to specific strategic challenges that threaten to push vast numbers of people back into poverty, such as climate adaptation across the Asia Pacific'.¹¹² It suggested 'approaches might include developing intermediary financial instruments so that public aid funds can be used to leverage additional investment from private and philanthropic sources'.¹¹³ Such approaches 'should be accompanied by strong aid assistance in the areas of governance, regulatory oversight and financial and institutional capacity-building to avoid pushing risky public-private partnerships onto taxpayers in developing nations'.¹¹⁴

6.48 The committee heard that the private sector 'can bring to bear capital, creativity, innovation, and expertise to help meet the SDGs' using Shared Value and inclusive business models.¹¹⁵ Ms Steel described the Shared Value approach as 'a relatively new business strategy that puts achieving positive social and environmental

108 Senator the Hon Fierravanti-Wells, 'Address to the Australian Council for International Development National Conference', Melbourne, 1 November 2017.

109 UN, *Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda)—Resolution 69/313*, p. 17. See also UN, *Transforming our world: the 2030 Agenda for Sustainable Development—Resolution 70/1*, p. 11.

110 UN, *Addis Ababa Action Agenda*, p. 21.

111 *Committee Hansard*, 29 October 2018, p. 47.

112 *Submission 135*, p. 14.

113 ACFID, *Submission 135*, p. 14.

114 ACFID, *Submission 135*, p. 14.

115 Cardno International Development, *Submission 64*, p. 1.

impact at the core of business for competitive advantage and profit'.¹¹⁶ She explained to the committee that:

...we sense a danger of this becoming, in regard to the SDGs, a box-ticking exercise. Shared Value is very much a business strategy and something that companies embed, not a corporate social responsibility exercise, which is often a marketing exercise and an adjunct to normal business conduct.¹¹⁷

6.49 Cardno International Development stressed how such models can be used to 'identify and work towards mutually beneficial change for business and society'.¹¹⁸

6.50 Business Call to Action (BCtA) and Business for Development suggested that DFAT should seek to increase the number of companies engaged in the aid program using inclusive business approaches.¹¹⁹ They described how other countries are utilising inclusive business as a means of achieving sustainable development, including the Inclusive Business Action Network established by the Germany and the European Union 'to scale and replicate the development of inclusive business globally'.¹²⁰

6.51 The OECD peer review of Australian aid found that Australia is increasingly using its ODA program to 'leverage domestic resources and to engage the private sector'.¹²¹ For example, DFAT has supported the Shared Value Project, which promotes shared value approaches to business in the region.¹²² An example of a project supported by the Share Value Project is Digicel PNG, which works in partnership with DFAT to distribute solar systems to off-grid households and businesses.¹²³

6.52 Further, the Business Partnerships Platform (BPP) 'contributes directly to accelerating Australia's collaboration with business, to address development challenges in our region through co-funding'.¹²⁴ The BPP matches funding from business for projects that support commercial objectives and aid investment priorities, leveraging the experience and ability of business to address development challenges.¹²⁵ The InnovationXChange—Frontier Innovators also provides support for

116 *Committee Hansard*, 29 October 2018, p. 43.

117 *Committee Hansard*, 29 October 2018, p. 44.

118 *Submission 64*, p. 1.

119 *Submission 101*, [p. 11].

120 *Submission 101*, [p. 6].

121 OECD, *OECD Development Co-operation Peer Reviews: Australia 2018*, p. 19.

122 *Submission 60*, p. 7.

123 Shared Value Project, *Submission 49*, p. 5.

124 Business Call to Action and Business for Development, *Submission 101*, [p. 5].

125 DFAT, 'What is the Business Partnerships Platform?', <http://dfat.gov.au/aid/who-we-work-with/private-sector-partnerships/bpp/Pages/what-is-the-business-partnerships-platform.aspx> (accessed 11 July 2018).

'innovative businesses in the Asia-Pacific that are delivering impact through their work' supporting the SDGs.¹²⁶

6.53 DFAT has also supported other initiatives to mobilise private sector funding, including through multilateral partnerships such as the Green Climate Fund (GCF).¹²⁷ Australia contributed \$200 million over 2015–2018 to catalyse climate investments from the private sector, and DFAT reported 'USD1.3 billion has been approved for eleven private sector proposals, making up 50 percent of the GCF's total project portfolio'.¹²⁸

126 Business Call to Action and Business for Development, *Submission 101*, [p. 5].

127 DFAT, *Submission 60*, pp. 13–14.

128 DFAT, *Submission 60*, pp. 13–14.

