Question on notice no. 126

Portfolio question number: 127

2022-23 Budget estimates October and November

Foreign Affairs, Defence and Trade Committee, Foreign Affairs and Trade Portfolio

Senator the Hon. Simon Birmingham: asked the Department of Foreign Affairs and Trade on 10 November 2022—

(1. In August, Minister for the Pacific, Pat Conroy, committed $17 million for the Pacific Games:
   a. Where is that money coming from?
   b. What will that money go towards specifically?
   c. Was there a value for money assessment completed?
2. Under the Budget Item Pacific Security and Engagement Initiatives, Budget Paper 2 states the Australian Government "will provide funding to support the development of key economic sectors in the region, with the financial implications not for publication (nfp) due to commercial sensitivities."
   a. What economic sectors has the Australian Government identified as "key" in the Pacific, and what does it hope to achieve by investing in these sectors?
   b. Why is this spending not identified as ODA or channeled via the AIFFP?
3. Last month a state of emergency was declared in Tuvalu due to the ongoing drought - what support will the Australian government provide?
   a. Has the Foreign Minister and/or the Prime Minister contacted Tuvalu Prime Minister Kausea Natano since the emergency was declared?

Answer —
Answer attached.
QUESTION ON NOTICE / Written

127 – Budget Estimates

Topic: Pacific Relations

Senator Simon Birmingham

Question

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   a. Where is that money coming from?
   b. What will that money go towards specifically?
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2. Under the Budget Item Pacific Security and Engagement Initiatives, Budget Paper 2 states the Australian Government “will provide funding to support the development of key economic sectors in the region, with the financial implications not for publication (nfp) due to commercial sensitivities.”
   a. What economic sectors has the Australian Government identified as “key” in the Pacific, and what does it hope to achieve by investing in these sectors?
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   a. Has the Foreign Minister and/or the Prime Minister contacted Tuvalu Prime Minister Kausea Natano since the emergency was declared?

Answer

Question 1

   a. The money is coming from the 2022-23 Solomon Islands bilateral development assistance program, which is managed by DFAT.
   b. The money will fund the following:
      o Five positions at the Solomon Islands Games Organising Committee and two positions at the Solomon Islands National Sports Council;
      o Refurbishment of dormitories at six schools in Honiara that will accommodate visiting athletes and officials;
      o Sports equipment for the Solomon Islands National Institute of Sport to assist Solomon Islands athletes; and
      o A temporary marine centre that will be used as the venue for open water sports events.
   c. DFAT reviewed Solomon Islands Government’s request and reverted to Solomon Islands Government with detailed questions about their request, including seeking clarifications on cost breakdowns. DFAT followed a formal aid design process—as required in DFAT’s Aid Programming Guide—for the Games support which included
detailed analysis of risks and identification of appropriate risk mitigation measures, which are being applied.

Question 2
a. Key sectors that underpin connectivity are the focus – such as telecommunications, transport, energy and financial services. By analysing key sectors and evolving infrastructure needs of the region, particularly in Pacific countries, Australia’s investment can best support sustainable development, including investment decisions by AIFFP, bilateral, development and other government programs.
b. Funding to support “the development of key economic sectors in the region” comprises non-ODA funding for whole of government analysis to inform Australian investment decisions.

Question 3
• Tuvalu has been experiencing drought conditions since November 2021.
• On 8 November 2022, Tuvalu’s Foreign Minister Simon Kofe announced a State of Emergency for 14 days (ended on 22 November) due to “extreme drought conditions.”
• As at 28 November 2022, Australia has allocated $600,000 in drought assistance to Tuvalu
  o including support for water, sanitation and hygiene activities; humanitarian emergency relief supplies, transport and logistics; and a short-term technical adviser
  o Australian-funded equipment and supplies were transported to Funafuti via RAAF flights on 12 and 27 September, and 1 and 5 November 2022.
  o DFAT stands ready to work with the Government of Tuvalu and other development partners to respond to further needs, if required.
a. The Foreign Minister and Prime Minister have not been in direct contact with Tuvalu Prime Minister Kausea Natano since the State of Emergency was declared on 8 November 2022