

INVESTMENT PRIORITIES AND CROSS-REGIONAL PROGRAMS

Infrastructure, trade facilitation and competitiveness

2017–18 Budget Estimate: \$543.9 million

Program Highlights
(2017–18 Budget Estimate)



PHILIPPINES:
TRADE AND INCLUSIVE
ECONOMIC GROWTH
FACILITY

\$80.0m

(2017–18 TO 2024–25)



VANUATU:
PORT VILA URBAN
DEVELOPMENT
PROJECT

\$7.5m

(2017–18)



SRI LANKA:
ECONOMIC
OPPORTUNITIES
PROGRAM

\$12.5m

(2017–18)

Program	2017–18 Budget Estimate \$m
Pacific	179.9
South-East and East Asia	135.3
South and West Asia	36.4
Africa and the Middle East	2.1
Global*	190.3
Total ODA to Infrastructure, trade facilitation and competitiveness**	543.9

Contributes to:

**SUSTAINABLE
DEVELOPMENT
GOALS**



* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

** Difference due to rounding.

Infrastructure

Inadequate infrastructure is one of the largest constraints to development in the Indo-Pacific region. The ADB has stated developing countries in the Asia Pacific 'will need to invest US\$ 1.7 trillion per year until 2030 to maintain its growth momentum, tackle poverty and respond to climate change'².

As outlined in the Government's *Strategy for Investments in Economic Infrastructure*, Australia is committed to tackling infrastructure bottlenecks to help create the right conditions for sustainable economic growth and to enhance trade and investment opportunities across the region.

In 2017–18, Australian development support to investments in Infrastructure will focus on:

- » mobilising the private sector to finance and deliver infrastructure to meet the needs of the region;
- » improving access to infrastructure services to facilitate private sector and human development and promote women's participation and empowerment; and
- » enhancing trade and connectivity throughout the region.

² ADB, Meeting Asia's Infrastructure Needs, 2017

Trade facilitation and competitiveness

Trade facilitation and competitiveness is a pillar of Australia's strategic framework for the aid program. They are also a key element of the SDGs.

Australia's work in this area is guided by the Government's *Strategy for Australia's Aid for Trade Investments*, which provides a framework to ensure that aid for trade investments are well-planned and effective, meet the needs of developing country partners and are aligned with Australia's interests.

Australia is on track to meet its target to invest 20 per cent of the total aid budget in aid-for-trade projects by 2020. Australia's aid for trade investments are expected to increase to \$771.1 million in 2017–18, or 19.7 per cent of total ODA.

Australia's aid for trade priorities focus on trade facilitation, trade and investment policy, global value chains, infrastructure, private sector development, economic empowerment of women agriculture, and services.

In 2017–18, Australian development support to the multilateral aid-for-trade program will focus on:

- » trade facilitation: through partnerships with the World Bank and Global Alliance, which will help developing countries to export their goods more efficiently;
- » trade finance: in partnership with the ADB, which will help to increase access to trade finance in developing countries by improving prudential and governance practices of their banks. Australia's work will extend to include more banks in Asia and for the first time banks in Pacific countries;
- » innovation: in partnership with the World Intellectual Property Organization, which will help developing countries in our region strengthen their intellectual property systems to enable domestic innovation, inward investment and technology transfer; and
- » sustainable supply chains: in partnership with the International Labour Organization, which will improve labour standards and reduce gender discrimination in apparel and footwear factories in developing countries in our region.

Case Study: Implementing the Agreement on Trade Facilitation

The World Trade Organization (WTO) Agreement on Trade Facilitation (ATF) was endorsed in February 2017. It is the first new agreement among WTO members in more than 20 years. The OECD has estimated that full implementation of the ATF could reduce trade costs globally between 12.5 per cent and 17.5 per cent. Full implementation of the ATF by developing countries will boost economic growth and create millions of jobs.

In ratifying the ATF, countries commit to a series of reforms to reduce red-tape at borders — from measures on the release and clearance of goods, through to enhanced cooperation between border agencies. Cooperation between government and the private sector can play an important role in implementing reforms. The private sector can support governments by identifying local challenges and opportunities to enhance logistical and commercial links to global value chains. It can also deliver technical expertise and resources to support targeted reform efforts.

In 2017–18, Australia will assist developing countries to implement the ATF through the Global Alliance on Trade Facilitation, which is a partnership between the private sector (the World Economic Forum, International Chamber of Commerce and Centre for International Private Enterprise) and key donor governments.

The Global Alliance partners have established a public-private platform to leverage business expertise, leadership and resources to support trade facilitation reforms.

In 2017–18, Australian development support for work on trade facilitation will focus on:

- » building understanding of the benefits of trade facilitation within both the public and private sectors;
- » establishing sustainable multi-stakeholder dialogues on trade facilitation;
- » mobilising public-private partnerships to drive change, engaging local businesses and associations;
- » technical and financial assistance in support of capacity building; and
- » benchmarking and evaluation based on established business metrics.

This work will complement Australia's trade facilitation investments that are continuing in 2017–18, including a partnership with the World Bank's Trade Facilitation Support Program, which is assisting developing countries to undertake at-the-border reforms, such as improving their customs procedures.

Agriculture, fisheries and water

2017–18 Budget Estimate: \$339.5 million

Program Highlights (2017–18 Budget Estimate)



**AUSTRALIA
INDONESIA
PARTNERSHIP:
RURAL ECONOMIC
DEVELOPMENT
PROGRAM**

\$23.1m
(2017–18)



**CAMBODIA:
AGRICULTURAL
VALUE CHAIN
PROGRAM PHASE II**

\$18.5m
(2017–18)



**PACIFIC REGIONAL:
COMMUNITY
BASED FISHERIES
MANAGEMENT**

\$1.5m
(2017–18)

Contributes to:

**SUSTAINABLE
DEVELOPMENT
GOALS**



	2017–18
Program	Budget Estimate \$m
Pacific	60.0
South-East and East Asia	121.5
South and West Asia	37.4
Africa and the Middle East	29.0
Global*	91.6
Total ODA to Agriculture, fisheries and water	339.5

* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

Agriculture is a key driver of pro-poor growth in support of the 2030 Agenda. The agriculture and fisheries sectors are an important source of jobs, income and exports. They play an important role in economic growth and poverty reduction and are key to the achievement of the SDGs, most especially global goal 2: Zero Hunger.

Meeting future food demand in a sustainable way will require major advances in productivity, market systems, natural resource management and governance. Australia will, in line with 2030 Agenda continue to promote agricultural, fisheries and water development through innovative partnerships with the private sector, civil society and partner governments.

In 2017–18, Australia's aid investments in agriculture will contribute to enhancing global food security, promote sustainable and resilient agricultural practices and support improved agricultural productivity. The aid program will address the impediments that prevent producers from linking effectively to domestic and international markets. Market based approaches will increase employment and incomes in the Indo-Pacific, contributing to regional stability and prosperity.

Australia will draw on its experience in managing water resources to assist developing countries to address water scarcity through Australia's participation in the High Level Panel on Water established in early 2016 by the UN, the World Bank and through the *Australian Water Partnership*.

Australia will also focus on ensuring the sustainability of fish stocks, maximising economic returns to PICs from their tuna fisheries and improving livelihoods and food security. Australia will do this by supporting the work of regional fisheries management agencies, national governments and coastal communities that rely on healthy coastal ecosystems. Australia will also continue to support the scientific monitoring and assessments needed to ensure the future sustainability of valuable offshore fish stocks.

In 2017–18, Australian development support to the agriculture, fisheries and water sector will focus on:

- » supporting small scale farmers, fishers and entrepreneurs to meet their livelihood and food security needs;
- » working with partner governments and international organisations to support private-sector led agricultural development in low income countries, especially in the Indo-Pacific region;
- » helping conserve the genetic diversity of food crops in gene and seed banks;
- » drawing upon our considerable expertise in agriculture, fisheries and water management by investing in agricultural and fisheries research. Through the Australian Centre for International Agricultural Research (ACIAR), Australia will improve nutrition and health outcomes, promote sustainable and resilient agricultural systems and increase agricultural productivity;
- » advocating for more open agricultural trading systems, through international and regional organisations;
- » promoting demand for ethically and sustainably produced goods in Australia and in our region, thereby driving faster and more pro-poor private sector-led growth in the Indo-Pacific;
- » leading international efforts on three priority issues identified by the High Level Panel on Water: increased water use efficiency through improved water management promoting innovative technologies and practices and establishing international standards for collection and sharing of water data using the expertise of the Bureau of Meteorology, CSIRO and Geoscience Australia;
- » involving women and girls especially in the provision of safe water, sanitation and hygiene services to the poorest communities;
- » supporting Indo-Pacific countries to increase revenues from the fisheries sector and maximise the potential of the blue economy;
- » strengthening regional efforts in the Pacific to combat illegal, unreported and unregulated fishing; and
- » supporting coastal communities in PICs to manage coastal ecosystems and develop alternative livelihoods where fish stocks are under pressure.

Case Study: A better agricultural sector in Pakistan

The majority of the poor in Pakistan live in rural areas and rely on agriculture for their livelihoods. While demand for agricultural products is growing, the poor are often unable to respond to the opportunities it presents for them. The Market Development Facility (MDF) is working in partnership with the private sector to facilitate commercially sustainable, inclusive business models that link poor farmers with these opportunities.

For example, MDF is helping livestock farmers to supply the growing demand for milk by improving their access to silage, a nutritious storable livestock food that increases milk production. Silage was previously out of reach for smallholder farmers because it was sold in volumes that they were unable to afford and store and because they lacked information about its benefits. MDF has worked in collaboration with silage seed producer Dupont Pioneer to introduce small bale silage-making facilities. These are operated on a commercial basis by rural entrepreneurs who also provide information and advice to their smallholder customers. Other businesses have observed this model and are now servicing the smallholder silage market.

A change is now occurring in the way the dairy sector operates in Pakistan. Businesses are seeing opportunities in servicing smallholder farmers with quality inputs (seed, fodder and vaccines). MDF is exploring new opportunities to further facilitate this pro-poor change including a partnership with finance providers to introduce products designed specifically for female livestock farmers.



Improving the livelihood of farmers in Pakistan through innovative sustainable farming techniques.
Photo: Mudabbir Majid

Case Study: Improving the livelihoods of Kenyan cotton farmers

In 2017–18, the Business Partnerships Platform continues to build Australia's collaboration with business and civil society in addressing development challenges.

For example, the Kwale County sustainable cotton partnership is improving the livelihoods of 1,500 cotton farmers in Kenya by helping local communities to participate in the local economy through the production and sale of their cotton, establishing community-owned businesses and creating employment opportunities. The Business Partnership Platform brings together: Base Resources, an Australian-listed, Australian Securities Exchange global resource company in Africa; the Cotton On Group, one of Australia's fastest growing fashion retailers globally; and, Business for Development who coordinate the local activities through their expertise in developing pro-poor value chains. These Australian companies are committed to improving economic development as a key driver of poverty reduction in Kwale County.

New farms are being set up and farmers are being trained and mentored in the production of commercial quality cotton. The cotton is then purchased by the Cotton On Group and exported into its global supply chain improving the sustainability and traceability of their supply chain.



Kenyan cotton farmers being mentored in commercial cotton production, 2017.
Photo: DFAT

Effective governance

2017–18 Budget Estimate: \$823.7 million

Program Highlights (2017–18 Budget Estimate)



PACIFIC LEADERSHIP
AND GOVERNANCE
PRECINCT

\$33.0m

(2017–18)



SOLOMON ISLANDS:
GOVERNANCE
PROGRAM

\$7.5m

(2017–18)



ASIA-PACIFIC:
REGIONAL
ANTI-CORRUPTION
PROJECT

\$2.5m

(2017–18)

Contributes to:

**SUSTAINABLE
DEVELOPMENT
GOALS**

8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



	2017–18
	Budget Estimate
Program	\$m
Pacific	399.6
South-East and East Asia	207.8
South and West Asia	69.3
Africa and the Middle East	13.5
Global*	133.6
Total ODA to Effective governance**	823.7

* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

** Difference due to rounding.

Australia supports effective governance in partner countries in Asia and the Pacific. Australia's support is focused on creating the conditions for growth through a rules-based and stable investment environment, supporting development through better public policy and financial management and helping to promote more accountable and transparent government in our region. We recognise that peace, development, stability and economic growth will not occur in the absence of strong, effective and inclusive institutions in our partner countries. We also recognise improving governance and addressing fragility and conflict are inherently political problems, requiring a holistic (foreign policy, development and security) response. Australia's efforts will continue to address the drivers of conflict, fragility and poor governance and not just their symptoms.

In 2017–18, Australian development support to effective governance will focus on:

- » improving public financial management, regulatory reform, economic governance and a better investment environment in partner countries, including through the Solomon Islands Governance Program, the Australia-Indonesia Partnership for Economic Governance and the Governance for Development program in Timor-Leste;
- » increasing transparency in government by supporting the implementation of freedom of information laws, including through the UN-Pacific Regional Anti-Corruption Program's work in Vanuatu;
- » supporting countries in our region implement their obligations to combat corruption, fraud and misuse of power under the UN Convention Against Corruption;
- » strengthening international efforts to deny safe havens for corrupt funds, and facilitate the return of stolen state assets;
- » providing logistics, policy and technical advice for elections in partner countries, including the 2017 elections in PNG;
- » influential policy and research in Asian partner countries, including through the Knowledge Sector Initiative in Indonesia;
- » research and analysis that helps guide Australia's approach to engagement with emerging donors and middle-income country partners in Asia through The Asia Foundation;
- » strengthening reform coalitions in Asia and the Pacific to achieve gender equality outcomes, going beyond more traditional technocratic approaches to influence underlying power dynamics, supported by research from the Developmental Leadership Program;
- » enhancing global efforts to implement global goal 16 on peace, justice and strong institutions, including a particular focus on measuring peace in the Pacific;
- » conflict resolution and violence reduction through peace support programs in Myanmar, the Philippines and the Autonomous Region of Bougainville in PNG; and
- » influencing the international agenda on governance, conflict and fragility through the OECD's International Network on Conflict and Fragility and Governance Network, including through stronger coherence between development, humanitarian, peace and state building actors at country level.

Australia prioritises investments in governance because, where governance is poor, development outcomes are also poor. This is particularly true in fragile and conflict-affected settings.

In 2017–18, Australia will enhance its capacity to support improved governance in extractive economies in developing countries including:

- » playing a lead role in global initiatives such as the Extractive Industries Transparency Initiative and the Extractives Global Programmatic Support Multi-Donor Trust Fund managed by the World Bank to promote the open and accountable management of natural resources;
- » promoting and strengthening norms and standards in the extractives sector consistent with transparency, good governance and sustainability through Australia's Chairing of the Kimberley Process Certification Scheme for trading rough (unpolished) diamonds, targeting the illegal trafficking in 'conflict diamonds' and the Voluntary Principles on Security and Human Rights in the extractives sector; and
- » drawing on Australia's domestic experience and global reputation for good extractives governance to develop new approaches to help resource rich developing countries transform their oil, mining and gas resources into long term economic and social development gains.

Health

2017–18 Budget Estimate: \$495.7 million

Program Highlights
(2017–18 Budget Estimate)



GLOBAL FUND
TO FIGHT AIDS,
TUBERCULOSIS
AND MALARIA

\$220.0m

(2016–17 TO 2018–19)



WORLD BANK
MULTI-DONOR TRUST
FUND FOR ASIA AND
THE PACIFIC

\$52.0m

(2014–15 TO 2018–19)



WATER FOR WOMEN:
ENHANCING THE LIVES
OF WOMEN AND GIRLS
AND PEOPLE WITH
DISABILITIES

\$100.0m

(2017–18 TO 2023–24)

Contributes to:

**SUSTAINABLE
DEVELOPMENT
GOALS**



	2017–18
	Budget Estimate
Program	\$m
Pacific	157.9
South-East and East Asia	54.4
South and West Asia	24.4
Africa and the Middle East	19.4
Global*	239.6
Total ODA to Health	495.7

* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

Strengthened, resilient health systems are a foundation for country and regional health security and prosperity. Investment in health contributes to economic growth in our region. Healthier adults are more able to participate in the economy and children free of disease are better able to learn at school and gain the skills needed to break out of poverty. Poor health, health systems and emerging diseases pose threats to the ongoing stability of Australia and our region, including economic shocks arising from the suspension of trade and movement of people in the face of diseases that cross borders.

The *Health for Development Strategy 2015–2020* guides Australia’s policy engagement and investment decisions with a focus on strengthening country-level systems and services tailored to people’s health needs and regional preparedness and capacity to respond to emerging health threats. The Strategy prioritises investments in the following areas:

- » core public health systems and capacities in key partner countries, including service delivery, the health workforce, health information systems, medicines, financing and governance;
- » combatting health threats that cross national borders, such as preventable infectious diseases and drug resistant strains of malaria and tuberculosis;
- » a more effective global health response, through contributing to and influencing the work of global health initiatives and organisations;
- » access to clean water, sanitation and hygiene and good nutrition as pre-conditions for good health; and
- » innovations in health that respond to the complex health challenges of our region, including through the introduction of the first-ever child-friendly paediatric formulated treatment for tuberculosis (TB) by the TB Alliance under the Product Development Partnerships.

In making health investments, Australia works at country, regional and global levels to respond to partner country and regional health needs.

In 2017–18, Australian development support to the health sector will focus on:

- » strengthening health systems, with Australia’s largest bilateral country health investments being PNG, the Solomon Islands, Cambodia and Timor-Leste;
- » improving the quality and accessibility of clinical care in PICs by supporting the delivery of essential hospital care;
- » assisting countries in South-East Asia and the Pacific to strengthen their public health systems and to sustainably finance and manage disease and immunisation programs;
- » implementing a new Regional Health Security commitment announced in June 2016 that will support partnerships and research with academia, medical institutions and the private sector to address priority health security challenges and improve health outcomes in our region;
- » supporting malaria elimination in the Asia-Pacific region by fostering regional partnerships and supporting the Asia Pacific Leaders’ Malaria Alliance Secretariat;
- » investing in health and medical research which leads to new and improved therapies to combat major global disease challenges as well as those in our Asia-Pacific region;
- » supporting global public-private partnerships, multilateral agencies and international NGOs to extend the reach of our aid program to more countries and people and to promote health investment in our region. For example, through contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization (WHO) and the UN Population Fund; and
- » improving access to safe and affordable water and improved sanitation and hygiene practices and improved nutrition through the Water for Women Initiative.

Case Study: Water for Women

Programs that improve access to water, sanitation and hygiene (WASH) enhance the lives of women and girls. Putting women at the centre of WASH programs leads to greater dignity, personal safety and better health outcomes. Women can go through menstruation, pregnancy and childbirth without shame or humiliation and there is less exposure to harassment, sexual abuse and other forms of violence. When personal hygiene is easier to maintain women gain greater confidence and self-esteem.

Recognising this, in September 2016, at the High Level Panel on Water, Prime Minister Turnbull announced Water for Women, a \$100 million, five-year initiative. Water for Women follows on from the current Civil Society WASH Fund and will commence in the first half of 2018. It will work with NGOs on innovative ways to improve water, sanitation and hygiene services, focusing on women, girls and people with disabilities in the poorest communities.

A key principle of Water for Women is that it will ensure that women and girls have equal opportunity, representation, work and involvement in WASH programs and benefit equally from their outcomes. This makes sense for many reasons, not least of which is that full participation of women significantly improves the sustainability of WASH services for everyone and has many added benefits including contributing to economic growth, better health and better nutrition.

The challenge is large: globally in 2015, 663 million people still lacked access to clean drinking water and 2.4 billion people lacked access to improved sanitation facilities (2015 Update and MDG Assessment — Progress on Sanitation and Drinking Water, UNICEF & WHO). Water for Women will work across Asia and the Pacific and will contribute to Australia's continued global leadership in the promotion of gender equality.

Education

2017–18 Budget Estimate: \$675.3 million



**PACIFIC REGIONAL:
AUSTRALIA PACIFIC
TECHNICAL COLLEGE**

\$32.1m

(2017–18)



**LAOS: BASIC
EDUCATION, QUALITY
AND ACCESS**

\$10.7m

(2017–18)



**EDUCATION
CANNOT WAIT**

\$10.0m

(2017–18 TO 2019–20)

Program Highlights
(2017–18 Budget Estimate)

	2017–18
Program	Budget Estimate \$m
Pacific	206.9
South-East and East Asia	265.5
South and West Asia	78.7
Africa and the Middle East	43.9
Global*	80.3
Total ODA to Education	675.3

Contributes to:

**SUSTAINABLE
DEVELOPMENT
GOALS**



* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

A quality education is transformational — it empowers people to improve their own future and is one of the best investments to drive economic growth and to achieve stronger communities and societies. Educating women and girls is particularly transformative; it leads to reduced rates of maternal mortality, better educated and healthier children and increased household incomes. With the right education and skills in the population, countries in the region can boost their productivity and economic growth potential.

Unfortunately, too many children in the Indo-Pacific region are still missing out on the opportunity to attend school, to develop functional literacy and numeracy skills and to continue their education to secondary level and beyond. Many young people and adults in Australia’s region are also not getting the opportunity to use and develop their skills for employment and job creation. Girls, people with a disability and those who face geographic, ethnic or socioeconomic constraints are particularly disadvantaged.

Australia and its neighbours benefit from aid program investments in education that support human resource development, economic growth and stability across the region. The *Strategy for Australia’s Aid Investments in Education 2015–2020* establishes how Australia will work with partner countries to help them deliver comprehensive and high-quality education services.

In 2017–18, Australian development support to the education sector will focus on:

- » enabling those most marginalised in society, including girls, ethnic minorities and children with a disability, to receive a quality education in Indonesia, Myanmar, Bangladesh, Laos, Pakistan, the Philippines and across the Pacific;
- » championing multiyear studies, including in Timor-Leste, to ensure programs improve teacher quality and student learning;
- » increasing knowledge and evidence on what works best in education to strengthen the performance of education systems;
- » improving the measurement of learning outcomes to support work on monitoring global goal 4; and
- » targeting education in emergencies by partnering with Mexico, Indonesia, Republic of Korea and Turkey on the MIKTA Education Challenge to increase access to education in emergencies, particularly for girls.

Case Study: Australia Awards

Australia Awards are prestigious international scholarships and fellowships funded by the Australian Government. They offer the next generation of global leaders an opportunity to undertake study, research and professional development in Australia.

The 2017 Australia Awards include 1,980 Fellowships and short course programs for professionals from developing countries, 1,240 scholarships for Australian tertiary institutions and a further 280 scholarships for universities in the Pacific islands.

The *Australia Awards Global Strategy: Investing in the next generation of global leaders for development 2016–18*, launched in November 2016, details the Australian Government's strategic framework and priorities for the Australia Awards. The Strategy outlines five investment principles:

- » alignment with Australia's development, economic and public diplomacy priorities;
- » equity of access;
- » merit-based selection;
- » value for money and evidence-based decision making; and
- » promote the Australia Awards.

Australia Awards build capacity of our partner countries to address development challenges and provide opportunities for strengthening strategic partnerships, through Awards that:

- » utilise Australian education and training expertise;
- » target critical skills gaps to address constraints to sustainable economic growth and poverty reduction; and
- » target activities that strengthen existing partnerships and develop new connections at the individual, country, regional and multilateral levels.

Australia Awards are a whole of Australian Government initiative bringing together scholarships, fellowships and short courses administered by DFAT; the Department of Education; and ACIAR.

Building resilience

2017–18 Budget Estimate: \$618.3 million



EMERGENCY FUND

\$150.0m

(2017–18)



IRAQ: HUMANITARIAN AND STABILISATION ASSISTANCE

\$100.0m

(2017–18 TO 2019–20)



PARTNERSHIPS WITH AUSTRALIAN NGOS AND THE AUSTRALIAN RED CROSS TO PREPARE FOR AND RESPOND TO DISASTERS IN OUR REGION

\$14.5m

(2017–18)

Program Highlights
(2017–18 Budget Estimate)

	2017–18
Program	Budget Estimate \$m
Pacific	37.5
South-East and East Asia	62.2
South and West Asia	32.4
Africa and the Middle East	144.8
Global*	341.4
Total ODA to Building resilience	618.3

Contributes to:

SUSTAINABLE DEVELOPMENT GOALS



* Includes core contributions to multilateral organisations and ODA not attributable to particular countries or regions.

Humanitarian and disaster risk reduction

Humanitarian crises reverse hard-won development gains, increase poverty and can result in instability that can last for decades. Since 2005, more than 720,000 people have been killed in disasters and the number of people in need of humanitarian assistance has more than doubled. An unprecedented number of people — more than 65 million — are currently displaced by conflict and persecution. In 2017, the World Bank estimated global natural hazards cost over \$670 billion in annual consumption loss, with our region being the most exposed to these disasters. Climate change, urbanisation and population growth are significant drivers of increased risk exposure in our region.

Australia’s humanitarian program saves lives, alleviates suffering and enhances human dignity. We prioritise the protection of the most vulnerable, including women, children and people with a disability. We work closely with partner governments in our region to support their capacity to plan for and manage disasters, as demonstrated by our response to Tropical Cyclone Winston in Fiji last year. Australia will continue to respond generously in times of need. And we will also use our official development assistance to build resilience against future shocks. Helping countries recover after disasters is an important area for improvement in our work; recovery is an opportunity to build back better and reduce vulnerability to future disasters.

Australia works with a wide range of trusted humanitarian partners to deliver life-saving assistance and to build resilience. Our partnerships with UN humanitarian and disaster risk reduction agencies and the International Committee of the Red Cross provide predictable, multi-year funding which allows these partners to respond to the most urgent humanitarian needs globally.

Under the new Australian Humanitarian Partnership (AHP), we will work with trusted Australian NGOs, led by CARE, Caritas, Oxfam, Plan International, Save the Children and World Vision to deliver humanitarian assistance. Through the AHP and our existing partnership with the Australian Red Cross, Australia will also increase its focus on prevention and preparedness, working with PICs and local communities to strengthen response capabilities, build resilience and accelerate post crisis recovery and reconstruction.

As humanitarian crises become more frequent and complex, Australia is identifying new ways to respond: increasing the engagement of the private sector, supporting more effective and accountable humanitarian delivery and advocating for reforms to the international humanitarian system that ensure it is fit for purpose to meet both current and emerging needs. The Government is taking steps to implement the commitments it made at the 2016 World Humanitarian Summit, by providing more support for local responders on the ground. We are also increasing our use of cash programming and implementing initiatives like the Humanitarian Supplies Challenge to find better ways of delivering humanitarian assistance in the Indo-Pacific region.

At the forefront of our humanitarian effort is the deployment of Australian civilian experts overseas. Through the Australian Civilian Corps and our partnership with RedR Australia the Government provides surge support to humanitarian agencies and partner governments as they prepare for, respond to and recover from crises and instability. This includes pre-deploying specialists into the Pacific ahead of the cyclone season, providing electoral expertise across the region and supporting the delivery of humanitarian assistance in the Middle East.

Table 3: Estimated breakdown of Australian Humanitarian Program funding

	2016–17 Budget Estimate \$m	2017–18 Budget Estimate \$m
Disaster risk reduction, preparedness and response	39.0	39.0
Protracted crises and strengthening humanitarian action	38.4	78.4
Emergency Fund	130.0	150.0
International Committee of the Red Cross (ICRC)	27.5	27.5
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)	8.8	8.8
World Food Programme (WFP)	40.0	40.0
United Nations Central Emergency Response Fund (UNCERF)	11.0	11.0
United Nations High Commissioner for Refugees (UNHCR)	25.0	25.0
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	20.0	20.0
Total	339.7	399.7

Syria

Now in its seventh year, the Syria conflict remains one of the biggest humanitarian, peace and security crises facing the world today. The UN estimates that 13.5 million people in Syria need humanitarian assistance, including 6.3 million who are internally displaced. Humanitarian access remains a pressing issue and an estimated 4.9 million people reside in hard-to-reach areas. The crisis has also displaced over 4.9 million Syrian refugees to countries in the surrounding region, including Turkey, Lebanon, Jordan, Iraq and Egypt. Almost 90 per cent of refugees reside in host communities outside formal refugee camps.

In May 2016, the Australian Government announced a three-year \$220 million package of assistance to address the humanitarian and longer-term needs arising from the crisis. Entering its second year, this package has continued Australia's humanitarian assistance inside Syria and to refugees residing in Jordan and Lebanon, including with the provision of food, shelter, medical assistance, protection and access to clean water. The package is supporting the governments of Jordan and Lebanon to continue hosting large numbers of Syrian refugees through programs to strengthen education systems and improve livelihoods for refugees and vulnerable host populations. Australia will provide \$70 million under the package in 2017–18 through trusted UN agencies, international humanitarian organisations and Australian NGOs to reach people in need.

Case Study: Syria

In 2016, the Australian Government funded the deployment of an Australian civilian specialist to work with the UN Office for the Coordination of Humanitarian Affairs in Jordan. As the civil-military coordinator, the specialist liaised with the Jordan Armed Forces and UN agencies to negotiate access to displaced Syrians residing along Jordan's northeast border in an area (known as the berm).

Over 50,000 people at the berm were cut off from humanitarian assistance in June 2016 when the border was sealed following an attack by Daesh on a Jordanian guard post. Following negotiations with Jordanian authorities, aid flows to the stranded population recommenced in late 2016.

Since access was restored, an aid distribution point has been established and the UN and its partners are providing life-saving assistance, including food, water, shelter and emergency medical treatment.



Australian civilian specialist providing assistance to UN Office for the Coordination of Humanitarian Affairs in Jordan. Photo: DFAT

Iraq

The humanitarian situation in Iraq remains grave with 10 million people in need of humanitarian assistance. An estimated three million Iraqis have been displaced by the conflict since 2014. While people are able to return to many liberated cities and towns, significant work is necessary to restore basic services in these areas and protection of civilians affected by the conflict remains the key humanitarian challenge.

Australia has provided \$70 million in humanitarian assistance to Iraq since 2014. Australia's assistance has been delivered through UN agencies and international humanitarian organisations. Working through these partners, Australia has been able to provide food, shelter, medical assistance, protection and access to clean water to people affected by the crisis.

Social protection

Social protection aims to enhance an individual's resilience and improve their livelihood opportunities. Australia's approach involves leveraging partner governments' own funding to improve social protection for the poor and vulnerable, contributing to human development, reduced vulnerability and economic growth outcomes. The Strategy for Australia's aid investments in social protection aims to improve the coverage of social protection in the Indo-Pacific, improve the quality of social protection systems and enhance our partner governments' ability to make their own informed choices.

In 2017–18, the Australian Government will continue to work with stakeholders in the Pacific on shock responsive social protection programs to assist the poor and vulnerable. Australia is researching how social protection systems can be used for disaster response to decrease the level of hardship experienced by vulnerable populations during crises and how social protection can assist in speeding up the recovery process. Australia is also building knowledge and experience on how social protection programs can link with sustainable employment and is bringing together developing countries from across the globe to discuss this priority issue and learn from each other.

Australia will continue working with partners in the region to improve the efficiency of their social protection systems. For example, Australia is assisting the Government of Indonesia to improve its Unified Database of Beneficiaries, which is the basis of data for most major social assistance programs. This improvement alone has contributed to trillions of Rupiah in savings to the national budget through improved targeting of transfer programs and also reductions in fuel and electricity subsidies. Further, through the MAKHOTA program, Australia will assist the Indonesian Vice President's National Team for Accelerating Poverty Reduction to actively monitor and evaluate the implementation of the new Non-Cash Food Assistance program which will impact millions of poor Indonesian households, replacing the long running less efficient Rice for the Poor program.

Case Study: Supporting reproductive health of women and girls during crises

During humanitarian crises, women and girls face added health and safety risks. Over 500 women and girls die each day in humanitarian and fragile settings from complications related to pregnancy and childbirth. In addition, humanitarian emergencies often exacerbate levels of gender-based violence and diminish means of protection. An estimated seven out of every 10 women are exposed to sexual and gender-based violence in crises. The need for sexual and reproductive health services in crises is high, yet often overlooked.

Since 2007, Australian Governments have partnered with the International Planned Parenthood Federation to deliver the Sexual and Reproductive Health Program in Crisis and Post Crisis Situations (SPRINT). SPRINT has provided over 890,000 people with sexual and reproductive health services in crisis-affected places — preventing avoidable maternal deaths, reducing unplanned pregnancies, preventing illness and deaths of newborns and reducing rates of Human Immunodeficiency Virus (HIV) and other diseases.

In 2017–18, the Government's third phase of support (\$9.5 million, 2017–2019) brings Australia's total contribution to the SPRINT to more than \$26 million.

This phase will address the needs of women and girls in crisis through the provision of basic health and protection services and supplies. SPRINT will provide safe birthing environments, family planning services, HIV prevention and treatment, protection against sexual violence and assistance to survivors of rape and violence in crisis-affected places.

SPRINT is a key part of the Government's support to sexual and reproductive health and rights, which are critical to empowering women, improving gender equality and reducing maternal and child mortality. These services help women and girls to stay healthy, remain in education and contribute to the speedy recovery of communities following disasters.

Gender equality fund and empowering women and girls

2017–18 Gender Equality Fund: \$55.0 million

Program Highlights
(2017–18 Budget Estimate)

 <p>PAPUA NEW GUINEA: SUPPORTING WOMEN AND GIRLS IN ELECTIONS</p> <hr/> <p>\$1.5m (2017–18)</p>	 <p>VANUATU: ENDING VIOLENCE AGAINST WOMEN AND GIRLS</p> <hr/> <p>\$1.0m (2017–18)</p>	 <p>PAKISTAN: SUPPORTING WOMEN'S AGRICULTURAL ENTERPRISES</p> <hr/> <p>\$1.2m (2017–18)</p>
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Contributes to:
**SUSTAINABLE
DEVELOPMENT
GOALS**



Gender equality and the empowerment of women and girls are critical in achieving development, prosperity, peace and security. Better educated women have fewer, healthier and better educated children. Providing female farmers with equal access to resources could reduce hunger for an extra 100–150 million people. In conflict situations, women are often instrumental in brokering ceasefires and can help to deliver longer lasting peace. Yet gender inequality persists around the world, undermining economic growth, human development, poverty reduction and even security and stability.

It is for this reason that Australia’s Gender Equality and Women’s Empowerment Strategy applies across our foreign policy, economic diplomacy and development efforts. Gender equality and women’s empowerment are one of six priority areas for Australia’s development program. The Strategy sets an ambitious target requiring that at least 80 per cent of all Australia’s aid investments, no matter what their primary objectives, must perform effectively in promoting gender equality.

The Strategy has three key priorities:

- » enhancing women’s voice in decision-making, leadership and peace-building;
- » promoting women’s economic empowerment; and
- » ending violence against women and girls.

Australia established the Gender Equality Fund in 2015–16 to strengthen work on gender equality and women’s empowerment in the aid program. The Fund maintains flagship investments that promote gender equality in the Pacific and South-East Asia. It also supports innovative, new investments, including through partnerships with the private sector and civil society. It is playing an important role in reshaping Australia’s development program to drive stronger gender equality performance and results.

In 2017–18, Australian development support from the Gender Equality Fund will focus on:

- » improving women’s influence over benefits of the extractive industry in PNG;
- » strengthening women’s leadership in Laos;
- » reducing child marriage in Indonesia; and
- » supporting female victims of acid attacks in Bangladesh.

The Fund will continue to support Pacific Women Shaping Pacific Development (\$320 million over 10 years, 2012–2022) focused on enabling women and men across 14 PICs to improve the political, social and economic opportunities for women.

The Fund is also supporting a new flagship initiative, Investing in Women (\$46 million over four years) to promote economic growth, business development and gender equality in South-East Asia by strengthening employment practices for women and increasing investment in women-led small and medium sized enterprises (SMEs).

Disability-inclusive development

The Australian Government is committed to playing a leadership role in disability-inclusive development to enable people with disabilities in developing countries to find pathways out of poverty and realise their full potential. This commitment is articulated in *Development for All 2015–2020*, Australia's strategy for strengthening disability-inclusive development in the aid program.

People with disabilities constitute the world's largest and most disadvantaged minority group, making up an estimated 15 per cent of the global population. They are disproportionately represented among the poorest people. To be effective in reducing poverty, development must actively include and benefit people with disabilities.

In 2017–18, Australia will continue to Co-Chair the Global Action on Disability (GLAD) Network alongside the International Disability Alliance. The GLAD network brings together bilateral governments, multilateral agencies, foundations and private sector organisations, in collaboration with disabled people's organisations and partner governments. GLAD advances the rights of people with disabilities and ensure their full participation in international development and humanitarian action. We will continue to advance work in the three thematic focus areas: disability-inclusive education, humanitarian action and social protection.

In 2017–18, Australian development support for disability-inclusive development will focus on:

- » supporting disabled people's organisations in developing countries to advocate for rights through small grants from the Disability Rights Advocacy Fund;
- » building global capacity to collect and analyse disability data through our disability data partnerships with the UN, including: UN Statistical Division; UN International Children's Emergency Fund (UNICEF); and the UN Washington Group on Disability Statistics, which will continue to deliver training and develop guidelines and resources for national statistics offices and other partners;
- » bringing together national stakeholders, particularly governments and disabled people's organisations, to effectively implement legislation, policies and programs on disability rights, through the UN Partnership to Promote the Rights of Persons with Disabilities;
- » strengthening community-based rehabilitation guidelines and services and the provision of related technical assistance in our region through the World Health Organization (WHO);
- » advancing the rights of children with disability in East Asia and the Pacific, with a focus on access to quality education and humanitarian support, through a partnership with UNICEF; and
- » working in partnership with the Pacific Disability Forum (PDF), an umbrella organisation of Pacific disabled people's organisations (DPOs), to support their members to advocate for and advance their rights.

Case Study: Disability-Inclusive Development Fund

Seven Australian aid investments in a range of sectors are receiving additional funding and technical assistance to enhance their approach to disability inclusion. The Disability-Inclusive Development Fund, launched in March 2016, aims to provide catalytic support to strengthen inclusion of people with disabilities in aid investments and generate and share evidence and lessons.

The Fund's multi-year commitments include:



\$4.0m

to support inclusive education approaches to promote education opportunities for all of PNG's children



\$3.3m

to build disability-inclusive health services in Tonga, including increasing access to mainstream health services, piloting community-based rehabilitation and increasing mental health support



\$3.0m

to include people with disabilities across the breadth of our human development work in Timor-Leste so that they can access and benefit from a range of vital services — including education, health and sanitation — alongside others in the community



\$1.1m

to strengthen the national disability-inclusive skills sector in Vanuatu to promote economic opportunities for all



\$0.5m

to build English skills for representatives of disabled people's organisations in Laos to assist them to more effectively advocate for their rights

Sport for development

The Sport for Development program makes a positive contribution to community development and public diplomacy outcomes in the Asia-Pacific region through effective sports partnerships

In 2017–18, the Sport for Development program will focus on:

- » Pacific Sports Partnerships (PSP) program (\$4 million in 2017–18) which: encourages health-promoting behaviours including physical activity and good nutrition; supports inclusion of and advocacy for people living with disability; and provides participation and leadership opportunities for women and girls; and
- » Asia Sports Partnerships small grants fund (\$2 million in 2017–18) which: aims to replicate the success of the PSP program across Asia; and has an additional goal of encouraging positive social outcomes including peacebuilding.

Case Study: Volleyball program a game changer for women and girls in Fiji



Women and girls are under-represented in sports in Fiji.
Supplied: Fiji Volleyball Federation

The Volley4Change program, delivered through the PSP in Fiji and Vanuatu, harnesses the popularity of volleyball across Pacific communities to make a positive impact on people's health and to challenge attitudes toward women and girls.

The Fiji Volleyball Association delivers community-based programs that are built on a foundation of research into barriers and motivation to participation in sport. By providing safe and inclusive spaces in which people of all abilities can gather and play sport, the program has contributed to more Fijians being physically active, more often. This is important given that physical inactivity is a contributing cause of non-communicable diseases, which account for up to 80 per cent of preventable deaths in the Pacific.

While participation in physical activity is a positive outcome in itself, Australian sport for development programs use the platform of mass participation to deliver targeted wellbeing and nutrition programs and to foster dialogue around women's equality and gender-based violence.

The Fiji Volleyball won two prestigious international awards in 2015–16 for good governance and gender equality research, recognising its approach to engaging male champions of change in the Fijian community to advocate against gender inequality.