2019–20 TOTAL AUSTRALIAN ODA TO SOUTHEAST AND EAST ASIA*

$1 BILLION

Program highlights

- **MYANMAR**
  - Decentralising Funding for Schools Project
  - Improving access to quality education
  - **$84m**
  - 2013–14 TO 2020–21

- **SOUTHEAST ASIA**
  - Nabilan—Ending Violence Against Women in Timor-Leste—Phase 2
  - Helping to prevent violence and provide services and access to justice for survivors of violence
  - **$14.2m**
  - 2018–19 TO 2021–22

- **PHILIPPINES**
  - Child Protection
  - Creating a safer environment for children
  - **$8m**
  - 2018–19 TO 2023–24

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Australian ODA by investment priority

- General development support 3.0%
- Building resilience 8.3%
- Health 6.4%
- Education 21.5%
- Infrastructure and trade 25.5%
- Agriculture, fisheries and water 9.8%
- Effective governance 25.5%

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*T Total Australian ODA, from all agencies and programs, attributable to partner countries and regions in Southeast and East Asia.
Australia has a fundamental and enduring interest in the prosperity of Southeast Asia.

Southeast Asia frames Australia’s northern approaches and is of profound significance to our future. Many of Australia’s closest trading partners are in this region, and its prosperity and security are closely intertwined with our own. Through Australia’s development assistance, we seek to support a Southeast Asia that is peaceful, resilient and growing, and where its people benefit from equitable, inclusive and transparent rules and systems.

The economies of Southeast Asia are diverse. Despite strong progress, economic growth is not fast or inclusive enough for countries to meet their own development goals. Our neighbours face continuing development challenges, including the complex economic, social and structural reforms required to sustain high levels of economic growth. It is in Australia’s interests to support countries in our region to meet these challenges.

About 80 per cent of the people of Southeast Asia live on less than USD10 per day and many remain vulnerable to falling back into poverty. Serious conflicts endure and regional challenges include violent extremism, maritime and cyber security and transnational crime.

Australia is a trusted partner recognised for our technical expertise and pragmatic approach to solving complex development challenges. We will work to deliver effective programs to promote economic reform and inclusive growth, reduce poverty and address inequality. By doing this, we empower millions of people to lead healthy, productive lives, and promote self-reliance.

Our development partnerships in Indonesia, the Philippines and Vietnam are evolving into economic partnerships and we maintain strong programs in the least developed countries: Cambodia, Laos, Myanmar and Timor-Leste. We are continuing to shift our focus from funding services to addressing institutional weaknesses and fostering accountable governance. We work with our neighbours to catalyse investment and use their resources more effectively. We strive to be a source of innovation, ideas and expertise, not a substitute provider of services.

Investment in human development is correlated with inclusive economic growth. Australia will help our partners in Southeast Asia to build human capital by supporting education and training, and the systems that enable effective delivery of health and other critical services. Our focus on gender equality is critical to our efforts to strengthen human capital. We will continue to build strong links with future leaders through Australia Awards Scholarships.

Australia will continue to provide humanitarian assistance, to help our neighbours during significant humanitarian crises. This includes delivering humanitarian assistance to at least 250,000 people in Kachin, Rakhine and Shan states in Myanmar, and to those affected by conflict in the Southern Philippines.

Australia has committed to a Southeast Asia Economic Governance and Infrastructure Initiative that will help unlock our region’s next phase of economic growth. Through this initiative, Australia will provide countries with technical advice to support economic growth, on issues such as taxation and competition policy and debt management. It will also support infrastructure project selection and preparation and help governments to mobilise finance. This investment will provide countries within the Association of Southeast Asia Nations (ASEAN) access to public and private-sector specialists and support regional dialogue on economic and infrastructure issues.

Australia is also committed to working more closely with our partners in Southeast Asia to address transnational crime, people smuggling, cybercrime and illicit drugs. A primary focus will be building technical capacity and strengthening regional cooperation and information sharing to support regional responses.
Indonesia

More than 72 million people in Indonesia live below the USD3.20 per day poverty line. World Bank, 2018.

Indonesia’s success is of fundamental importance to Australia and the broader region. While Indonesia has been growing strongly, it faces challenges in infrastructure, skills and institutions that could threaten the rate and sustainability of growth. Large scale and recurring disasters and gaps in essential services make it difficult for Indonesia to reach its potential.

In 2018, Australia and Indonesia elevated their relationship to a Comprehensive Strategic Partnership. This provides a framework to build even closer ties, including through our development cooperation. Because of the importance of the relationship, the size of the country and scale of ongoing development challenges, Indonesia is Australia’s second-largest bilateral development partner.

Australia works with Indonesia, sharing experiences, ideas and expertise to help develop policies and new approaches to inclusive economic growth. The Aid Investment Plan for Indonesia is under review, and we will work with stakeholders in Australia and Indonesia to design the next phase of the partnership.

In 2019–20, Australia’s development partnership with Indonesia will focus on:

» Improving economic institutions and infrastructure as key enablers for economic growth. This includes promoting the benefits of international trade and investment and private sector growth, and lowering the costs of conducting business in Indonesia, especially for infrastructure projects. Because nearly two-thirds of Indonesia’s poor live in rural areas, we will continue to focus on making agricultural markets work better.
» Supporting Indonesia’s work to improve human development. An investment in people— their health, skills and knowledge—is an investment in economic growth. We will focus on improving education outcomes by improving teacher quality and children’s learning. Through Australia Awards Scholarships, we are building a network of Indonesian leaders with specialist skills from Australian education institutions. We are also assisting Indonesia prepare for disasters and emerging health threats.

» Promoting an inclusive and fair society. Australia’s support for effective and inclusive governance and informed public policy helps Indonesia to tackle complex development challenges. This includes better targeting of Indonesia’s poverty reduction programs and increasing women’s empowerment and access to jobs. Our work also focuses on increasing access to justice for the poor, people with disability and vulnerable children, and helping to counter violent extremism.

**Case Study: A partnership for prosperity**

Over the past decade, Indonesia has achieved steady economic growth and substantial development progress. However, development across the country is uneven and inequality remains a pressing challenge for the government. To lift its population out of poverty, provide jobs for its ‘youth bulge’ and improve living standards across the archipelago, Indonesia needs faster and more inclusive economic growth.

Australia is working with Indonesia to expand its economy and markets, opening mutually beneficial opportunities for two-way trade and investment between our countries. The centrepiece of Australia’s economic partnership with Indonesia is Prospera, a five-year $145m program that commenced in 2018. Prospera builds on two decades of Australian support for strong, sustainable and inclusive economic growth. It aims to expand markets and create jobs, safeguard economic and financial stability, and improve public financial management and government performance. It combines the use of international advisers with twinning arrangements and the fostering of institutional linkages between 12 Australian government agencies and their Indonesian government counterparts.

In recent years we have supported Indonesia to open sectors to foreign investment, improve the ease of doing business, secure revenue from state-owned enterprises to fund infrastructure investment, meet international standards for combatting financial crime, and improve air safety leading to the European Union lifting a decade-long ban on Indonesian airlines.

Prospera’s priorities for 2019–20 include supporting Indonesia to: modernise its tax system; ratify and implement trade agreements; simplify licensing requirements and increase e-government service provision for businesses; improve government budgeting and spending; and establish regulatory settings to enable businesses to take advantage of the digital economy.

Our economic and trade partnership will deepen over the coming years. This is recognised in the **Joint Declaration on a Comprehensive Strategic Partnership** announced by the Australian Prime Minister and Indonesian President on 31 August 2018, and the **Indonesia-Australia Comprehensive Economic Partnership Agreement** signed on 4 March 2019.
Timor-Leste

**FRIENDSHIP GRANTS**

ESTABLISHMENT OF A HOUSEHOLD WATER FILTER DISTRIBUTION NETWORK IN TIMOR-LESTE

ACT community partner

Abundant Water Incorporated

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**Program** | **Budget Estimate**
--- | ---
Country | $73.0m
Regional | $11.1m
Global | $14.3m
Other Government Departments | $2.3m
Total ODA to Timor-Leste | $100.7m

**TOTAL ODA TO TIMOR-LESTE BY INVESTMENT PRIORITY (%)**

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget Estimate</th>
<th>2019–20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>$73.0m</td>
<td>73.0</td>
</tr>
<tr>
<td>Regional</td>
<td>$11.1m</td>
<td>11.1</td>
</tr>
<tr>
<td>Global</td>
<td>$14.3m</td>
<td>14.3</td>
</tr>
<tr>
<td>Other Government Departments</td>
<td>$2.3m</td>
<td>2.3</td>
</tr>
</tbody>
</table>

*Difference in values due to rounding and/or percentages below 2 per cent are not labelled.

Australia and Timor-Leste are close neighbours with shared history and democratic values. Strong links exist between our nations, including through defence, economic and development cooperation. The signing of the historic *Maritime Boundary Treaty* in March 2018 has opened the way for a new chapter in our relationship and provides an opportunity to deepen our collaboration.

Timor-Leste has made significant development progress since independence in 2002, but there is still a long way to go before it meets the development goals in its *Strategic Development Plan 2011–2030*. Timor-Leste’s human development challenges include high stunting rates, inadequate sanitation and significant maternal and child mortality rates. Literacy rates are low, with 70 per cent of children in early schooling unable to read. Government services are not accessible for everyone, particularly disadvantaged groups and those living in rural areas. Timor-Leste is heavily dependent on oil and gas revenue, and economic diversification is a major priority for its government.

Australia is committed to working with Timor-Leste to address these challenges as a long-term partner.

In 2019–20, Australian development support to Timor-Leste will focus on:

» economic diversification by building a stronger private sector, helping more people become workforce-ready and boosting rural incomes

» improving people’s lives through higher quality and more accessible frontline services, and ensuring that more women and girls are safe and empowered

» strengthening government decision making and its use of evidence to develop policy.
Australian programs will continue to deliver results in 2019–20. Our work on important policy reforms will continue, including on public financial management and public sector reform through the Governance for Development Program. We continue to work on nutrition, education, health and social inclusion through the Partnership for Human Development.

Consistent with development needs in Timor-Leste, we will also work with its government to deliver services in health care, road maintenance and rural water supply. We will continue to prioritise social inclusion and gender equality, including through the flagship Nabilan Program: Ending Violence Against Women. This program uses best-practice approaches to influence gender norms while directly assisting women and girls experiencing violence. We will work with communities to increase farm incomes and enable villages to plan and build village infrastructure through our ongoing support for the Timor-Leste National Program for Village Development.

Australia will continue to strengthen ties by increasing opportunities for people from Timor-Leste to live and work in Australia. The skills and jobs these programs create are essential to help Timor-Leste maximise its human potential, diversify its economy and build its private sector. Remittances from Timorese workers overseas, including in Australia, are now the country’s biggest economic contributor behind oil and gas. Participant numbers have expanded steadily year-on-year, with further growth expected following Timor-Leste’s 2018 entry into the Pacific Labour Scheme.

Timorese participating in the Seasonal Workers Program.
Photo: DFAT
### The Philippines

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget Estimate $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>63.7</td>
</tr>
<tr>
<td>Regional</td>
<td>6.8</td>
</tr>
<tr>
<td>Global</td>
<td>6.4</td>
</tr>
<tr>
<td>Other Government Departments</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>Total ODA to the Philippines</strong></td>
<td><strong>79.7</strong></td>
</tr>
</tbody>
</table>

**2019–20**

The Philippines’ economy has grown strongly in recent years. The Philippine Government’s economic reform agenda yielded important progress on tax reform in 2018. Complex economic and institutional reforms are required for Philippine institutions to become more effective and accountable and to sustain growth in the medium term.

In 2019–20, Australian development support to the Philippines will focus on:

- **Security and stability**, through investing in:
  - improving governance and public service delivery in the southern Philippines, including support for improved access to, and attainment of, conflict-sensitive basic education
  - reducing the drivers and incidence of conflict and violent extremism
  - increasing humanitarian assistance to the post-conflict recovery and reconstruction of Marawi City and neighbouring areas.

- **Effective and accountable institutions**, through investing in:
  - improving public financial management, particularly in relation to infrastructure
  - building institutional capacity to address poverty and inequality and respond to shocks
  - enhancing the protection of human rights, including the rights of children.

- **A strong, open and inclusive economy**, through investing in:
  - improving the environment for business and trade, including by better aligning secondary and vocational education to industry needs
  - strengthening the environment for private infrastructure development
  - harnessing the private sector for women’s economic empowerment.

- **The SaferKidsPH initiative** will enhance the protection of the rights of Filipino children by helping to keep them safe from online sexual exploitation. It will also increase public awareness of the risks of online sexual exploitation of children, strengthen the capacity of national law enforcement agencies and family courts to respond to the issue, and improve prevention, particularly in areas where children are commonly targeted.

<table>
<thead>
<tr>
<th>Investment Priority</th>
<th>Budget Estimate $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health, education, and training</td>
<td>$9.7m</td>
</tr>
<tr>
<td>Infrastructure and trade</td>
<td>$7.7m</td>
</tr>
<tr>
<td>Effective governance</td>
<td>$11.6m</td>
</tr>
<tr>
<td>Building resilience</td>
<td>$22.8m</td>
</tr>
<tr>
<td>Education</td>
<td>$39.1m</td>
</tr>
</tbody>
</table>

**TOTAL ODA TO THE PHILIPPINES BY INVESTMENT PRIORITY (%)**

<table>
<thead>
<tr>
<th>Priority</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure and trade</td>
<td>28.6%</td>
</tr>
<tr>
<td>Effective governance</td>
<td>14.5%</td>
</tr>
<tr>
<td>Building resilience</td>
<td>36.6%</td>
</tr>
<tr>
<td>Health, education, and training</td>
<td>12.1%</td>
</tr>
<tr>
<td>Education</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

* Difference in values due to rounding and/or percentages below 2 per cent are not labelled.
Vietnam

Vietnam, one of our fastest-growing trade partners, is central to regional security in Southeast Asia. Our partnership extends across political, security, economic and people-to-people activities.

Vietnam has experienced rapid economic growth during the past two decades, although challenges remain. Inequality, particularly for women and ethnic minorities, remains significant, and more than nine million people continue to live below the national poverty line.

Reflecting our maturing economic partnership, Australia’s development assistance will continue to support Vietnam to take advantage of its significant domestic resources and foreign investment to support their efforts to enter a new phase of economic development.

In 2019–20, we continue to build on our long history of engagement in economic and governance reform in Vietnam. Our most recent Aid Program Performance Report outlines how Australia has helped the Vietnamese Government to make significant reforms to improve Vietnam’s competitiveness.

Our development assistance program is transitioning from directly funding major infrastructure to working with the Vietnamese Government to procure infrastructure, including crowding-in alternative financing. This change recognises Vietnam’s significant development achievements, and the leadership of the Vietnamese Government in spurring infrastructure investment and promoting regional connectivity, including its participation in regional trade liberalisation.

**FRIENDSHIP GRANTS**

DECREASING GENDER-BASED VIOLENCE THROUGH AWARENESS CAMPAIGNS IN VIETNAM

VIC community partner
Hagar Australia Ltd

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<table>
<thead>
<tr>
<th>Program</th>
<th>Budget Estimate</th>
<th>2019–20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>$58.4 m</td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td>$7.5 m</td>
<td></td>
</tr>
<tr>
<td>Global</td>
<td>$8.2 m</td>
<td></td>
</tr>
<tr>
<td>Other Government Departments</td>
<td>$4.1 m</td>
<td></td>
</tr>
<tr>
<td><strong>Total ODA to Vietnam</strong></td>
<td><strong>$78.2 m</strong></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL ODA TO VIETNAM BY INVESTMENT PRIORITY (%)**

* Difference in values due to rounding and/or percentages below 2 per cent are not labelled.
In 2019–20, Australian development support to Vietnam will focus on:

» encouraging the private sector to drive sustainable growth and promoting better resource allocation through more efficient and competitive markets

» making Vietnam’s education system more responsive to industry needs and addressing policy skills gaps in government through Australia’s skills development program, including promoting a more inclusive leadership agenda

» advancing the economic and social benefits of gender equality through our work to promote women’s economic empowerment in Vietnam’s strategically-important agriculture and tourism industries

» supporting Vietnam to realise the opportunities offered by the fourth industrial revolution through building long-term partnerships, and strengthening Vietnamese capability in digital foresighting, scenario planning, science commercialisation and innovation policy

» providing Vietnam’s next generation of leaders with long-term study opportunities in Australia, with a focus on women, people with disability and ethnic minorities.
Cambodia

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget Estimate $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>43.4</td>
</tr>
<tr>
<td>Regional</td>
<td>6.3</td>
</tr>
<tr>
<td>Global</td>
<td>14.2</td>
</tr>
<tr>
<td>Other Government Departments</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total ODA to Cambodia</strong>*</td>
<td><strong>66.0</strong></td>
</tr>
</tbody>
</table>

**TOTAL ODA TO CAMBODIA BY INVESTMENT PRIORITY (%)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure and trade</td>
<td>16.9%</td>
</tr>
<tr>
<td>Education</td>
<td>17.5%</td>
</tr>
<tr>
<td>Health</td>
<td>18.6%</td>
</tr>
<tr>
<td>Effective governance</td>
<td>19.2%</td>
</tr>
<tr>
<td>Agriculture, Forestry and Fishing</td>
<td>23.6%</td>
</tr>
</tbody>
</table>

* Difference in values due to rounding and/or percentages below 2 per cent are not labelled.

Cambodia is the second-poorest nation in Southeast Asia by most measures. Its strong economic growth over two decades comes off a very low base. Despite progress alleviating absolute poverty, approximately 70 per cent of Cambodia’s population remain in poverty, or close to it, and vulnerable to shocks.

Australia is delivering development cooperation programs to improve the everyday lives of Cambodian people. In 2019–20, our work will seek to reduce poverty in Cambodia through improving infrastructure and health systems, increasing incomes in rural communities and supporting private sector-led economic growth.

In 2019–20, Australian development support to Cambodia will focus on:

* assisting poor Cambodians to access quality public health care, such as maternal and neo-natal medical services, through improvements to health sector financing and means testing mechanisms
* expanding access to basic utilities for Cambodian households and businesses, through incentivising private investment in electricity and piped water connections in rural and semi-rural areas
* working to ensure rural communities are not left behind amid Cambodia’s economic growth, through improved irrigation and farming practices for smallholder farmers
* empowering people with disability and women affected by gender-based violence, through building capacity to deliver services to these groups
* reducing the risk of death and serious injury for Cambodians living in areas affected by landmines and other explosive remnants of war, through supporting cost-effective demining methods
» equipping Cambodia’s future leaders with critical knowledge, skills and networks, by offering long and short-term opportunities to study in Australia, with measures to assist women, people with disability and people from rural areas

» building Cambodia’s resilience within a rapidly changing region, by promoting effective strategies for managing issues such as water security and trade policy.

Case Study: Australia and Cambodia’s demining partnership

Saving lives and Supporting Development: A deminer from the Cambodia Mine Action Centre (CMAC). Photo: DFAT

Cambodia has some of the highest concentrations of anti-personnel mines in the world in its north western provinces. It aims to be free of all landmines and explosive remnants of war by 2025. Demining saves lives and reduces injuries, and supports economic development and poverty reduction by freeing up land for agricultural activity.

Continuing Australia and Cambodia’s long-standing and practical partnership to remove landmines, Australia is providing $9 million funding for Clearing for Results Phase III, over five years to 2019, a multi-donor project managed by the United Nations Development Programme (UNDP)*. This helps the Cambodian Mine Action and Victim Assistance Authority to: build capacity to better manage, monitor, regulate, and lead mine action; conduct detailed mapping and clearance operations; and provide support to individuals and communities affected by mines. Australia’s support also helped Cambodia develop its National Mine Action Strategy 2018–2025, creating a framework for the Cambodian Government to achieve its goal of a mine-free Cambodia.

In 2018, Clearing for Results Phase III cleared or released 17.21 square kilometres of land in the most affected provinces of Battambang, Banteay Meanchey and Pailin. Mine action operations found and destroyed 1,803 anti-personnel mines, 17 anti-tank mines and 2,994 explosive remnants of war—providing 11,689 households with access with safe land to rebuild livelihoods.

Australia’s assistance and investment in the Cambodian Mine Action and Victim Assistance Authority also helps Cambodia to implement its Anti-Personnel Mine Ban Convention obligations, reinforcing the value of international rules and norms, vital for the future stability and security of our region.

* Other donors include the Swiss Agency for Development and cooperation (USD3.5 million) and Canada (USD 132,000)
As one of the poorest countries in Southeast Asia, Myanmar’s humanitarian and development needs are enormous. The UN reports that more than 940,000 people need humanitarian assistance, while more than one-third of Myanmar’s population live in extreme poverty.\(^4\) Having emerged from five decades of military rule, Myanmar faces formidable challenges in building more democratic institutions with continuing conflicts in Kachin, Rakhine and Shan states.

A stable and prosperous Myanmar is a long-term endeavour, but one that is firmly in Australia’s national interest to support. Australian development assistance is helping to create an environment conducive to inclusive economic growth and increased trade by strengthening government capacity, promoting peace and stability and supporting the development of an educated and competitive workforce. We are continuing to work to strengthen democratic institutions such as Parliament, embed the rule of law, and promote peace and reconciliation. These activities complement and reinforce other elements of the bilateral relationship, including our support for human rights, and people-to-people links.

Australia will continue to provide humanitarian assistance and promote respect for human rights and full accountability for the human rights violations that have occurred in Kachin, Rakhine and Shan states.

In 2019–20, Australian development support to Myanmar will focus on:

- improving the school learning environment for more than 10 million Myanmarese students by providing grants to more than 47,000 government and monastic schools
- increasing access to adequate and affordable finance for 129,800 smallholders and landless people, of whom 90 per cent are rural women

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\(^4\) UNICEF, Myanmar Humanitarian Situation Report #1, 2019.
» delivering humanitarian assistance to at least 250,000 people in Kachin, northern Shan, Rakhine and on the Thai border
» promoting social cohesion and efforts to support peace dialogue
» supporting Myanmar to prepare for inclusive and credible national elections in 2020.

Australia’s efforts to promote peace and stability in Myanmar encompass development assistance for peace and democratic governance, humanitarian assistance and diplomatic engagement on human rights, humanitarian access, peacebuilding and democratic reform.

**Case Study: Preventing gender-based violence in Myanmar**

Coffee and Tea Sessions are fostering supportive relationships within households with participants preparing rice for dinner, which is traditionally a woman’s role. Photo: DFAT

The UN estimates that more than 940,000 people in Myanmar are in need of humanitarian assistance, including around 600,000 Rohingya in Rakhine State and more than 200,000 people affected by increased fighting in Kachin and northern Shan.

Sexual and gender-based violence is widespread, as are trafficking, early and forced marriage, and other human rights violations.

In Myanmar, Australian development assistance supports the United Nations Population Fund (UNFPA) and the International Rescue Committee to work with women and men to improve women’s health, safety and dignity. Australia recognises that men have an important role to play in changing community attitudes about women’s rights.

In central Rakhine and northern Shan, ‘Coffee and Tea Sessions’ provide an environment for men to reflect on: how power differences between men and women drive gender-based violence; how such violence affects their community; and how they can commit to standing up against discrimination and violence against women.

UNFPA trains security personnel and justice officials in how to prevent and respond to sexual and gender-based violence. This includes sessions on masculinity and the exercise of power, particularly raising awareness of how male officers are perceived by survivors of gender-based violence.

By helping to prevent gender-based violence through our humanitarian assistance, Australia is promoting human rights and gender equality in support of a safe, prosperous and inclusive Myanmar.

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5 Ibid.
Other Southeast and East Asia

Laos

2019–20 Total ODA to Laos: $37.9 million

Laos is one of the poorest countries in ASEAN. Twenty-three per cent of its 7 million population live under the national poverty line. The share of women in wage employment is low in all sectors. Approximately 36 per cent of children are malnourished. Literacy and numeracy rates lag behind the region.

Australia’s development assistance supports Laos to participate in the region’s growing prosperity and brings valuable support to the challenges of primary education and human capital development in the country.

In 2019–20, Australia’s development assistance to Laos will focus on:

» improving learning outcomes for primary school children (especially those experiencing disadvantage), particularly by supporting the implementation of a new primary curriculum, and by supporting training for teachers and principals in the country
» improving human resources through scholarships and organisational capacity building
» strengthening trade and the private sector, including by commencing a new aid-for-trade program in support of Laos’ integration into regional and global economies
» a comprehensive Gender, Disability and Social Inclusion Strategy and Action Plan.

Mongolia

2019–20 Total ODA to Mongolia: $9.8 million

Australia and Mongolia have a strong partnership based on people-to-people links, a shared commitment to democracy and an interest in an open, rules-based regional order. Our development assistance invests in promoting inclusive, well-governed, and efficient public and private sectors that enable Mongolia to benefit from resource-driven growth.

The mining industry drives Mongolia’s economic growth, with copper, gold and coal providing about 20 per cent of GDP and around 90 per cent of exports. A well-managed mining and resources sector is therefore key to realising sustainable economic growth and reducing the poverty rate. In this context, Australian expertise and experience in resources governance and tertiary education is helping the Mongolian Government achieve its development objectives.

Phase two of the Australia–Mongolia Extractives Program will begin in 2019 with an increased focus on improving the environment for domestic and foreign investment in the mining industry and strengthening the technical skills of young Mongolians through tertiary and vocational training. It will build upon previous projects to support Mongolia to better manage its resources, such as Geoscience Australia’s development of an online geospatial application, Mongecat. This application assists the Government to manage mining licences and provides open-access metadata for companies interested in exploring for minerals.

Mongolia’s economy depends on increasing the supply of skilled workers. Our highly successful Australia Awards Scholarships provide opportunities for eligible Mongolian citizens to study in Australia through long-term Masters-level scholarships and short courses. In 2019–20, the program will focus on enhancing the in-Australia study experience and expanding skills, experience and linkages for Australian Awards scholars. This will emphasise the impact alumni have on development in Mongolia following their return.

ATTENDANCE AT SCHOOL IS LOW IN LAOS BUT IMPROVING

<table>
<thead>
<tr>
<th>Attendance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>78%</td>
</tr>
<tr>
<td>Secondary</td>
<td>45%</td>
</tr>
</tbody>
</table>

An Australia Awards Scholarship alumni recently established the Mongolian Cancer Council which is now working with the Mongolian Ministry of Health to roll out the Human Papilloma Virus vaccine to reduce cancer rates.
## Association of Southeast Asian Nations and Mekong

### 2019–20 total ODA allocation: $33.7 million

<table>
<thead>
<tr>
<th>Investment Priority</th>
<th>Allocation (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building resilience</td>
<td>$3.7m</td>
</tr>
<tr>
<td>General development support</td>
<td>$2.7m</td>
</tr>
<tr>
<td>Agriculture, fisheries and water</td>
<td>$5.5m</td>
</tr>
<tr>
<td>Effective governance</td>
<td>$11.6m</td>
</tr>
<tr>
<td>Infrastructure and trade</td>
<td>$12.7m</td>
</tr>
<tr>
<td><strong>TOTAL ODA TO ASEAN AND MEKONG BY INVESTMENT PRIORITY (%)</strong></td>
<td><strong>37.6</strong></td>
</tr>
</tbody>
</table>

* Difference in values due to rounding and/or percentages below 2 per cent are not labelled.

The ASEAN and Mekong Program supports ASEAN in its development efforts to build an open, prosperous and inclusive Southeast Asia. It tackles cross-border challenges that cannot be addressed through country-specific investments alone. Such challenges include trade, connectivity, transboundary water management, human trafficking and safe migration.

In March 2018, fifteen new initiatives were announced at the historic ASEAN-Australia Special Summit in support of *The Sydney Declaration*. The initiatives address issues across the full range of ASEAN’s priority areas—human security, regional economic integration and building links through education.

In 2019–20, Australia’s ASEAN and Mekong Program will:

- Build on Australia’s 15-year history of supporting improved criminal justice sector responses to stamp out human trafficking in the region. The 2018 ASEAN-Australia Counter-Trafficking Investment aims to ensure ASEAN countries have effective justice systems that provide just punishment of traffickers and protect the human rights of victims.

- Support a new phase of the Greater Mekong Water Resources Program with Australia’s strong expertise in water resource management. This program facilitates regional cooperation and contributes to regional economic development through improved water, food and energy security.

- Intensify Australia’s engagement to remain a leading partner for Southeast Asia’s sustainable connectivity agenda. The ASEAN-Australia Infrastructure Cooperation program, announced at the ASEAN-Australia Special Summit, is supporting the establishment of a rolling priority pipeline of potential ASEAN regional infrastructure projects and identifying sources of funding.

- Promote digital trade and support inclusive economic growth in the region. The ASEAN-Australia Digital Trade Standards Initiative will provide a framework for Australia and ASEAN countries to cooperate in developing, adopting and using international standards.
Southeast and East Asia Regional

2019–20 total ODA allocation: $14.6 million

Australia's Southeast and East Asia Regional Program works with the 21 member economies of the APEC Forum. APEC's agenda of trade and investment liberalisation and facilitation underpins economic growth and prosperity in APEC economies, including Australia, and aligns with Australia's trade and economic priorities.

Through our APEC engagement, Australia contributes development support to a broad-based program of capacity building across developing APEC economies. These practical activities seek to empower developing APEC economies to pursue trade and investment liberalisation and facilitation, and work towards open economies and regional economic integration.

Australia-funded APEC activities align with the development priorities articulated in the White Paper, and support inclusive, sustainable and innovative investments.

In 2019–20, Australian support for APEC’s capacity building program will build on existing activities, including:

- advancing digital trade, including through shaping digital rules and frameworks
- increasing women’s participation in the economy, including through improving access to international trade and export markets
- economic reforms to boost productivity and strengthen inclusive economic development and growth
- addressing barriers to services trade, including through the participation of professionals in professional services trade
- encouraging and supporting the active involvement of business in developing human resource potential, creating jobs and supporting broader APEC objectives.