Australian Government

Department of Foreign Affairs and Trade

EFFECTIVE GOVERNANCE

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. Governance influences the extent to which governments develop and implement good policy, citizens have access to basic services, and businesses flourish.

Strategic direction

Our approach to governance is set out in DFAT's *Effective Governance Strategy*. This strategy guides our official development cooperation expenditure in governance, and supports our staff to make informed investment choices.

Australia invests in building systems that have a direct role to play in promoting **stability**, **inclusive economic growth** and **poverty reduction**, and in advancing **gender equality**. The focus of Australia's development cooperation investments in governance will depend on the context but may include:

* strengthening transparent and accountable law and justice systems;
* improving the regulatory environment for business;
* supporting efforts to tackle corruption;
* building fair, broad-based tax systems;
* enabling quality public service delivery; and
* preventing conflict and contributing to inclusive peace-building initiatives.

Australia's work on effective governance contributes towards achieving the Sustainable Development Goals (SDGs), particularly SDG 16 on peace, justice and effective institutions.
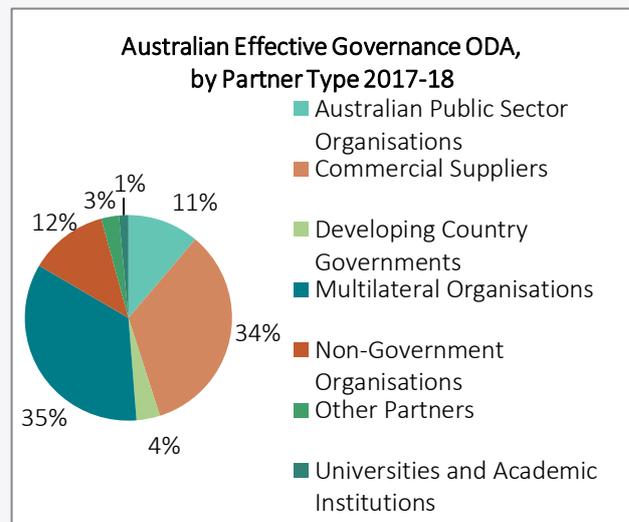
Governance program results

* Providing logistics, policy, and technical advice for the conduct of credible elections, including in Timor Leste in 2018 and Solomon Islands in 2019.

* 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.
* Conflict resolution and violence reduction through peace support programs in Myanmar, the Philippines and the Autonomous Region of Bougainville.
* Providing the Indonesian Government with research-based evidence to support better decision-making through the Knowledge Sector Initiative.
* Helping to eliminate violence against women, including in Timor-Leste where the the Nabilan Ending Violence against Women (EVAW) program improves the quality of services for survivors of violence.
* Delivering training, including justice training to 934 police and justice officials in the Solomon Islands.

For more details

Effective Governance: Strategy for Australia's aid investments

Australian Effective Governance ODA, by Partner Type 2017-18

- 1%
- 11% Australian Public Sector Organisations
- 34% Commercial Suppliers
- 4% Developing Country Governments
- 35% Multilateral Organisations
- 12% Non-Government Organisations
- 3% Other Partners
- Universities and Academic Institutions

Australian Effective Governance ODA by region 2016-17 to 2019-20

Region	2016-17 Actual $m	2017-18 Actual $m	2018-19 Estimated Outcome $m	2019-20 Budget Estimate $m
Pacific	386.0	363.1	365.5	359.1
Southeast and East Asia	238.5	245.7	263.6	256.0
South and West Asia	35.6	61.9	76.6	70.2
Africa and the Middle East	17.9	8.6	7.8	6.3
Rest of the World*	96.0	112.1	113.2	101.4
Australian Effective Governance ODA Total	**774.0**	**791.4**	**826.7**	**793.0**

*Includes ODA that is not attributed to particular countries or regions.

Percentage of Governance programs rated satisfactory

	Effective governance	Whole of aid program
Effectiveness	97	92
Efficiency	92	88
Relevance	100	99
Gender equality	69	75
Monitoring and evaluation	73	76
Sustainability	90	90