

2019–20  
global fund  
partners:



GLOBAL FUND TO  
FIGHT AIDS, TUBERCULOSIS  
AND MALARIA

**\$220m**

2017 TO 2019



GAVI—THE VACCINE  
ALLIANCE

**\$250m**

2016 TO 2020



GLOBAL PARTNERSHIP  
FOR EDUCATION

**\$90m**

2018 TO 2020



GLOBAL  
ENVIRONMENT  
FACILITY

**\$76.67m**

2018 TO 2022



MONTREAL  
PROTOCOL

**\$23.5m**

2018 TO 2020



## Global funds and multilateral organisations

In 2019–20, Australia will continue to work in partnership with global funds and multilateral organisations to promote the development, prosperity and security of the Indo-Pacific region.

Australia leverages the financial resources, expertise and geographic reach of global funds and multilateral organisations to achieve greater development outcomes than can be achieved by acting alone. These organisations often bring financial resources, policy influence and convening power that complement and enhance Australia’s bilateral programs.

### World Bank Group

Australia’s membership of, and financial contributions to, the World Bank Group provide Australia with the opportunity to influence policies and priorities. An ongoing objective of our relationship is to ensure that the activities of the World Bank Group recognise and actively target key development priorities in the Indo-Pacific region.

The Australian Government supports economic development in the Indo-Pacific region through contributions to the World Bank’s International Development Association (IDA). IDA is the largest pool of concessional finance in the world, providing grants and highly concessional loans to 74 of the world’s poorest and most vulnerable countries. It is closely aligned with Australia’s aid program priorities: promoting private sector development; boosting women’s economic empowerment; effective governance; supporting fragile states; and developing climate solutions for our region.

The most recent replenishment (IDA18, 2017 to 2020) raised USD75 billion, with approximately one-third coming from donor grants, one third from repayments of past loans by IDA clients and the final third from the issuance of bonds. Australia will contribute \$774.45 million, over nine years, to the IDA18 replenishment. This includes contributions to World Bank-managed debt relief schemes (the Heavily Indebted Poor Countries Initiative and Multilateral Debt Relief Initiative).

The Government will support a capital increase for the International Bank for Reconstruction and Development (IBRD)—the World Bank’s non-concessional lending arm—and a proposed capital increase for the IFC—the Bank’s private sector lending arm. The capital increases will allow the IBRD and the IFC to maintain lending operations, including in the Asia-Pacific region, and are accompanied by operational and administrative reforms.

Australia’s contribution to the IBRD capital increase is:

- » \$154 million paid-in capital
- » \$1 billion callable capital which will be reflected as a contingent liability.

If the capital increase for the IFC is formally endorsed by the World Bank Group Governors (expected in 2019), Australia’s contribution will be \$144 million paid-in capital.

The IFC will also convert its retained earnings into paid-in capital from which Australia will receive fully-paid-in shares with an estimated value of \$402.6 million in 2019.

Australia’s capital contributions will have no direct impact on the underlying cash or fiscal balance, as it reflects a change in the composition of the Australian Government’s assets.

In 2019–20, Australia will participate in negotiations for the next replenishment of IDA, expected to conclude in December 2019. We will continue to advocate for increasing allocations to the Pacific, engaging the private sector and optimising the IDA balance sheet.

## Asian Development Bank

Australia's membership and financial contributions to the ADB provide Australia with the opportunity to engage and influence policy for strengthened regional development outcomes. In 2019–20, Australia will commence negotiations for the next replenishment of the Asian Development Fund (ADF).

The ADF also provides grants to developing countries with moderate to high risk of debt distress. ADF finances development projects and programs in infrastructure, human development, policy reform and regional cooperation.

The volume of ADB's lending and grants programs to the Pacific has approximately doubled every five years since 2005, and is expected to reach \$4 billion by 2020.

## Asian Infrastructure Investment Bank

Australia is a founding member of the Asian Infrastructure Investment Bank (AIIB). The AIIB is helping to fill the large infrastructure financing gap in the region, with an estimated USD26 trillion of financing needed in the Asia-Pacific through to 2030. In addition to its own lending, the AIIB leverages private sector funds for infrastructure projects.

The AIIB became operational on 16 January 2016 and has a total authorised capital of USD100 billion. It is steadily building its portfolio of projects in Asia, encompassing energy, transport, urban development and other infrastructure sectors.

Australia is contributing USD738 million paid-in capital to the AIIB over five years, and is the sixth largest shareholder.

## The Global Fund to Fight AIDS, Tuberculosis and Malaria

Australia is a longstanding supporter of The Global Fund, the largest multilateral funder of health programs to eliminate HIV, tuberculosis and malaria. The Fund is active in the Indo-Pacific region, enabling critical work to address drug-resistant malaria including through a new USD243 million initiative in the Mekong. Our contribution will also help reach the millions of people annually who contract tuberculosis and would otherwise not be treated, putting not only their own health at risk but also risking spreading the disease to others.

## Gavi, The Vaccine Alliance

Australian support to Gavi, The Vaccine Alliance, has helped Gavi immunise 700 million children, saved an estimated 10 million lives and delivered an estimated economic benefit of USD150 billion. Gavi's work with the private sector and vaccine markets has resulted in significantly reduced vaccine prices for lower-income countries. Countries in the Indo-Pacific region receive around 40 per cent of Gavi funds. In 2019–20, Gavi will continue to strengthen routine immunisation in PNG and support the Government of Timor-Leste to introduce rotavirus vaccines.

## Global Partnership for Education

Australia works with the Global Partnership for Education to ensure children receive a quality basic education. Priorities include support for girls' education, inclusion for children with disabilities and helping to ensure children in fragile and conflict-affected states can go to school. The Partnership is active in the Indo-Pacific region. The program in Myanmar supports education in disadvantaged townships and improves the skills and practices of teachers. In Afghanistan, the Partnership supports girls' access to basic education and the distribution of teaching and learning materials. The Pacific program is helping the governments of Federated States of Micronesia, Marshall Islands and Vanuatu to strengthen their long-term education plans.

## Global Environment Facility

Australia has supported the Global Environment Facility (GEF) since its inception in 1991. Through our contributions, Australia meets its obligations under several international environment agreements to assist developing countries address issues of land degradation, desertification, loss of biodiversity, contamination by persistent organic pollutants, mercury contamination, and climate change. For every dollar of funding, the GEF leverages an additional USD7.50 from the private sector. In 2019–20, Australia will continue to advocate for the GEF to focus on the Indo-Pacific region, where current programs include a USD31 million Pacific Islands Region Oceanscape Program working to curb biodiversity loss and declining fish stocks.

## The Multilateral Fund for the Implementation of the Montreal Protocol

Australia is a leading supporter of global efforts to protect the ozone layer. Over the period 2018 to 2020, Australia will contribute \$23.5 million to the Multilateral Fund for the Implementation of the Montreal Protocol (Montreal Protocol) which assists developing countries to phase out ozone depleting substances. By the end of 2017, the Montreal Protocol had supported the phase-out of almost half a million tonnes of ozone depleting substances. A major priority for 2019–20 is assisting countries to meet their new obligations to reduce the use of global warming gases under the Kigali Amendment to phase down hydrofluorocarbons.

## United Nations

Australia provides core funds to UN development and humanitarian organisations including the United Nations Children's Fund (UNICEF), the UNDP, United Nations Women (UN Women), the United Nations Population Fund (UNFPA), the World Health Organization (WHO), Joint United Nations Programme on HIV/AIDS (UNAIDS) and the World Food Programme (WFP) to deliver lifesaving humanitarian and development activities.

In 2019–20, Australian funding to UN agencies will continue to support the implementation of the *2030 Agenda for Sustainable Development* and respond to humanitarian crises with a focus on gender equality, disability inclusiveness and human rights.

To ensure the UN remains relevant and more effective into the future, Australia is supporting and actively engaging in the UN Secretary-General's efforts to reform and strengthen UN peace and security, management and development systems including:

- » participating in a review of UN presence—especially in the Pacific—given the significant development needs across the Indo-Pacific region
- » providing \$5.5 million over the next two years to support the new UN Resident Coordinator arrangements, which will deliver a stronger, more coordinated 'one UN' approach in the region.

Australia will continue to leverage its global, bilateral and regional investments to encourage the UN to better coordinate activities and become more field-focused, efficient, transparent and accountable. Nowhere will this be more important than in the Pacific to help countries meet the ambitions set by the 2030 Agenda and respond to unique humanitarian challenges.

## United Nations Volunteers

Over two years to 2019–20, Australia will provide \$1.5 million to the United Nations Volunteers program to sponsor Australian nationals to complete UN volunteer assignments in the Indo-Pacific region and UN headquarters in New York.

This will provide Australian volunteers with the opportunity to gain valuable experience within the UN system, sharing their expertise and skills while serving as interlocutors between the UN, development partners, local governments, civil society and the private sector.

Working with UN partners and others, United Nations Volunteers aims to integrate qualified, highly motivated and well-supported volunteers into development programming and promote the value and global recognition of volunteerism.

## The Commonwealth

The Commonwealth is a voluntary association of 53 independent states united by shared values and principles as inscribed in the Commonwealth Charter. As a founding member of the modern Commonwealth, Australia provides core funding to the Commonwealth Secretariat, Commonwealth Foundation, and Commonwealth of Learning, as well as funding for specific projects in line with Australia's development assistance priorities. Australia's funding to the Commonwealth in 2019–20 will continue to support the promotion of democracy, rule of law, human rights, gender equality and sustainable economic and social development.

## Climate change

Australia is making targeted climate change investments and integrating climate-change considerations across the development program.

At the Paris climate conference in 2015, Australia committed to providing at least \$1 billion to developing countries over five years (to 2020) to address climate challenges. Australia remains on track to meet this commitment. In 2019–20, Australia will invest more than \$200 million through multilateral, bilateral, regional and global programs to help developing countries reduce their carbon emissions and build resilience to the impacts of climate change, so it does not exacerbate existing development challenges and constrain economic growth.

In Australia's immediate neighbourhood, Pacific island countries are at great risk of the adverse consequences of climate change and we have shown collective leadership in the region to address the challenges. The Pacific Islands Forum's Boe Declaration on Regional Security acknowledges climate change as the greatest threat to the livelihoods, security and wellbeing of peoples of the Pacific. In 2016, Australia committed to provide \$300 million over four years for climate change and disaster resilience support specifically to the Pacific.

Australia will continue work on several new climate initiatives in the Pacific during 2019–20. The Australia Pacific Climate partnership, an investment of \$75 million over four years to 2022, will ensure that Australia's development assistance across a range of sectors strengthen climate and disaster resilience in the Pacific. Over three years to 2021, Australia will invest \$6 million to boost efforts to protect and manage coastal blue carbon ecosystems in the Pacific in partnership with Fiji and other Pacific countries, regional institutions and private sector organisations. Approximately \$2 million will also be spent to improve sharing of knowledge, experience and innovation between countries through the International Coral Reef Initiative.

Australia's investment priority on infrastructure is an opportunity to tackle bottlenecks in the region through supporting climate resilient infrastructure development. This can help create the right conditions for the private sector to expand trade and advance development, while providing strong opportunities for low emissions investments. Developing countries in the Indo-Pacific seek support for increasing renewable technologies in their energy mix, encompassing solar, wind, hydro, biomass, wave and geothermal. Australia has strong capabilities in these areas, including for smaller scale, off-grid hybrid systems and in transmission technologies and information technology solutions for grid integration.

Australia also supports efforts for our partners to adapt to climate impacts through energy, food and water security, including sustainable agricultural in developing countries in South and Southeast Asia. Examples of Australia's key climate change investments in 2019–20 will include Phase 2 of the Sustainable Development Investment Portfolio, valued at \$10 million over three years to 2019, to promote integrated management of water, energy and food in three major Himalayan river basins, with a focus on addressing climate change risks in these areas. Another major ongoing project is the Indonesia–Australia Partnership for Environmental Governance (\$10 million, 2017–19) through which Australia is partnering with the Indonesian Government to prevent the recurrence of forest and land fires and reduce greenhouse gas emissions.

While the focus of Australia's development assistance will remain on the Indo-Pacific, Australia will also work with others at the global level to strengthen the rules-based system for international climate action, support countries to meet their Paris Agreement commitments, and address the humanitarian needs of least developed countries. We will collaborate with effective multilateral organisations to extend our reach.

## Cyber Cooperation Program

The Australian Government has increased its total investment to the Cyber Cooperation Program from \$15 million in 2018–19 to \$34 million in 2019–20 to support activities that deliver innovative solutions or test new approaches in cyber cooperation. In 2019–20, Australian funding will continue to support activities that align with the priorities identified in Australia's International Cyber Engagement Strategy, delivering a strategic and comprehensive package of assistance in priority countries and regionally, across ASEAN and the Pacific.

In 2019–20, Australia will work closely with core delivery partners that have demonstrated capacity to deliver positive outcomes across ASEAN and the Pacific, including Australian Government agencies, think tanks, universities, the private sector and civil society.

The focus is on delivering activities against areas that have been identified by ASEAN and Pacific island countries and Australia as the most urgent, including:

- » delivering training and courses to improve understanding of the application of agreed international law and norms that apply in cyberspace
- » strengthening cybercrime prevention, prosecution and cooperation through the delivery of cybercrime investigative training and support to strengthen cybercrime legislation
- » enhancing cyber incident response capability for a strong and resilient cybersecurity posture through workshops, mentoring and information sharing across the region
- » promoting best practice use of technology to support economic growth and sustainable development, including supporting activities that promote e-governance and integrate cybersecurity by design
- » fostering respect for human rights, democracy online and a multi-stakeholder model of Internet governance.

### Case study: Cyber Capability Engagement Program

The inaugural Cyber Capability Engagement Program was successfully delivered to 17 Indonesian officials in partnership with the ANU's National Security College. The Program was the first outcome of the *Memorandum of understanding between the Government of the Republic of Indonesia and the Government of Australia cyber cooperation*.

The Program aims to support Australia's International Cyber Engagement Strategy, which advocates for an open, free and secure Internet to drive economic growth, protect national security and foster international stability.

The Program is a two week training course to build knowledge awareness on critical national and international cyber issues. The program showcases how Australia coordinates cyber policy and incident response across government, highlights the importance of public—private partnerships and promotes best practice. While in Australia, participants learn directly from Australian cyber policy and operational specialists across government, academia and the private sector, participating in workshops, exercise scenarios, industry site visits, and discussions. Participants are required to implement a workplace project as part of the Program.

Governments in the Indo-Pacific recognise the importance of the Internet to their economic growth and prosperity and are increasingly aware of the need to address associated challenges. They are reaching out to Australia, other donors, institutions, multilateral organisations and the NGO community to help develop and strengthen their institutional capacity to respond to new threats, vulnerabilities and risks, and understand their obligations online, while making best use of the Internet.

## Non-government organisations and volunteers

Australian development assistance supports Australian NGOs to implement a wide range of community development programs overseas. NGOs have unique relationships with local organisations that support the Australian Aid program to meet the needs of some of the most disadvantaged communities in the Indo-Pacific region and globally. The Government also supports more than 1,100 volunteers to work with local community organisations overseas and share their expertise in the areas of health, education and disability services to name a few.

The **Australian NGO Cooperation Program** is a partnership between the Australian Government and highly effective Australian NGOs. The White Paper identifies NGOs as important partners in Australia's effort to encourage greater prosperity and stability in our region. Australian NGOs bring deep development expertise and strong connections with communities in Australia and overseas. They also contribute funds raised from their Australian supporters, improving the value of money, quality of outcome and level of community engagement.

Through the Program, 57 trusted NGOs work with more than 1,800 local partners to deliver results and play a role in projecting Australia's soft power. In 2017–18, the Program reached 18.3 million people including more than 350,000 peoples with disability. The Program has a strong focus on promoting gender equality and leveraging partnerships to promote locally led and sustainable development in our region and beyond.

The **Australian Volunteers Program** connects everyday Australians to people and experiences in the Indo-Pacific region, fostering a safe, secure, connected and inclusive global community. A broad set of skills are needed to contribute to sustainable development in our region, requiring a diverse range of Australian volunteers. Volunteers support partner organisations to achieve their own development goals, ensuring development is locally-led and locally-driven.

In Solomon Islands, volunteers have worked with the Solomon Islands Government to prevent gender-based violence and educate communities about family law. In PNG, Australian volunteers have raised awareness and improved disability-inclusive services for women and children in remote communities. The program supports the White Paper by deepening and strengthening our relationship with countries in our region.

In 2019–20, the Australian Government will support more than 1,100 volunteers in 26 countries in the Indo-Pacific region, empowering Australians from all walks of life to become part of our development program.

The **Australian Aid: Friendship Grants** reflects the White Paper's recognition that a wide variety of civil society actors can add to the effectiveness of Australian development assistance. In May 2018, the Government announced the new grants, to bring a new and diverse group of Australian community organisations into our development program. This announcement recognised the fantastic overseas development work of many small community organisations across Australia, and the strong relationships they have with local communities in our region.

In its first round, the program attracted more than 200 applications, for which 46 Australian community organisations were awarded a Friendship Grant to expand or enhance their overseas development activities, to help improve health, education, economic opportunities and more.