

Considerations for the Government of Australia's New International Development Policy

Public Submission



1. Tetra Tech International Development

Tetra Tech International Development (Tetra Tech) is an Australian organisation, headquartered in Adelaide. We currently deliver over AUD1 billion in aid investments across the Indo-Pacific on behalf of the Australian Government. We have a demonstrated legacy of high-quality support to donors including the Department of Foreign Affairs and Trade (DFAT), delivering lasting impact and solidifying Australia as a valued partner to sovereign governments and communities in the Indo-Pacific. Over several decades we have designed, delivered, and evaluated programs that educate, train, and strengthen policy, governance and institutional capacity across the Indo-Pacific, including within Australia.

As a long term, high performing¹ managing contractor, Tetra Tech has in-depth insight and working knowledge of:

- **DFAT's priorities, structure and ways of working:** Understanding of DFAT's policies, systems, processes and organisational culture, including the importance of integrating foreign policy, trade and development objectives and horizontal learning.
- **Managing contractors:** Unique insights from designing, delivering and evaluating investments on managing contractor, multilateral and Non-Government Organisation (NGO) led projects.
- **Policy environment:** Significant experience working across Commonwealth departments and Official Development Assistance (ODA) and non-ODA funded investments.
- **Data quality:** Deep technical expertise in management information systems, development of performance assessment frameworks, research approaches and methodologies and data quality. This is balanced with an appreciation of how evidence is used and a pragmatic approach to results-based management.

Our extensive history of program delivery and achieving complex outcomes makes us well placed to submit practice-informed recommendations for the New International Development Policy.

2. Overview of Tetra Tech's recommendations

Recommendation 1: Expand initiatives that strengthen economic cooperation, especially in areas of research, innovation, digital development, climate finance, and cybersecurity. (2.1)

Recommendation 2: Actively enhance Australia's sub-national relationships. (2.1)

Recommendation 3: Reset policies and practices for local NGOs and CSOs to reduce administrative and compliance barriers. (2.1)

Recommendation 4: Adopt a justice focussed, human rights-based approach that puts the flourishing and wellbeing of people, especially those who continue to be marginalised and oppressed at the centre. (2.2)

Recommendation 5: Re-design and decolonise international development architecture and processes as a key step in localising development and improving effectiveness. (2.3)

Recommendation 6: Lay out an education strategy that goes beyond transactional educational engagement, adopts a stronger developmental focus and more fully leverages the strengths of Australia's education system. (2.4)

Recommendation 7: Enhance focus on capacity development of local institutions, including through active partnerships with Australian universities, to deliver long-term sustainability of education investments in meeting labour market needs. (2.4)

Recommendation 8: Formulate a distinct soft power strategy that includes public diplomacy efforts to build awareness in the Australian public. (2.5)

Recommendation 9: Re-establish an agency mechanism that supports evidence-based leading-edge development practice, promotes whole of government coordination, and creates greater transparency. (2.5)

Recommendation 10: Invest in the workforce including by attracting emerging and established international development professionals to strengthen DFAT's capacity. (2.6)

Recommendation 11: Offer locally employed staff (LES) stronger career pathways and equitable salary scales, aligned to the need for a decolonised, equitable and inclusive international development architecture. (2.6)

Recommendation 12: Set an intention to improve whole-of-government collaboration and coordination to strengthen development effectiveness and enable the Australian Government to tell a whole-of-government story, to our development partners and to the Australian public. (2.7)

Recommendation 13: Design Pacific labour mobility with a greater development lens that addresses 'brain

¹ Based on DFAT Partner Performance Assessments where Tetra Tech has consistently achieved above industry average performance for many years

drain' impacts and expands sustainable economic opportunities for returning workers. (2.8)

Recommendation 14: Adopt a strong and clear focus on climate justice that will promote nature-based solutions, rooted in indigenous knowledge and skills coupled with scientific ways to protect people, property and wildlife. (2.9)

2.1 Position Australia as a trusted partner in the face of increasing geostrategic competition

Emerging trends in our region point to weakened commitments to liberal and democratic reforms and increased access to development funding from autocratic states that are undermining democracy. Australia has aligned itself with liberal democracies; however, navigating relationships across Southeast Asia requires Australia to engage sensitively and respectfully with partners from a spectrum of regimes, most of whom prefer not to be lectured by Australia, nor made to feel like they must "pick sides" in a US-China power struggle.

Contributing to the growth and prosperity of our region (especially as ASEAN's reach and influence grows and its member economies graduate from Least Developed Country status or seek to avoid the infamous middle-income trap) will be a defining feature of Australia's role in the next ten years.

In the midst of a digital transformation, climate crisis, and increasing security risks the Development Program must work harder to deliver a comparatively valuable and contribution to our region's growth. **Tetra Tech recommends that the Development Program expand initiatives that strengthen economic cooperation, especially in areas of research, innovation, digital development, climate finance, and cybersecurity.**

This work should maximise cross-agency engagement and make use of non-ODA funding and should also be continually reinforced by an evidence-base that promotes inclusive, equitable economic growth.

Establishing ourselves as a trusted partner also requires fostering deeper ties beyond city centres. **Tetra Tech recommends that in both development and diplomatic activity, DFAT actively enhances sub-national relationships.** In recent years, under successive budget cuts and resourcing constraints, this has reduced. Engagement with remote communities and provincial and local-level governments can enable better quality development outcomes, ensuring efforts are not skewed towards central areas with greater existing economic opportunity. By building broader touchpoints across our partner countries DFAT's political economy analysis can also be enhanced. This also offers greater opportunities for government-to-government linkages that promote stable and high-quality governance norms, and business opportunities in new markets that can offer diversification and more inclusive growth.

For DFAT to secure stronger and more meaningful partnerships - especially in non-democracies - greater engagement with and support of civil service organisations (CSO) will be crucial to securing

sustainable development outcomes. Modalities like the Australian NGO Cooperation Program are shown to be effective and relatively flexible modalities for supporting NGO work. However, this approach tends to primarily support delivery by Australian NGOs and not local NGOs that may face greater challenges meeting the administrative, financial, risk, and reporting requirements of the Australian Government.

Tetra Tech recommends that DFAT consider a reset of policies and practices for NGO and CSO partnerships that streamlines administrative requirements, allows for more flexible funding, reduce power imbalances in dialogue, and provides for low absorptive capacity in monitoring and reporting.

2.2 Amplify equality, social inclusion and a justice focussed human-rights based approach

Our region is changing - socially, economically and geopolitically - and ultimately Australia's policy response must adapt and change. An increasing wealth divide and growing economic inequality is generating disenchantment and creating opportunities for populism and threats to liberal democracies. Disruption and conflict are challenging the international rules-based order and opening space for human rights violations.

These shifts can create conditions for human right violations in situations of low accountability and transparency, poor governance, and weak legal protections and safeguards. For example, opening regional trade which increases demand for resources such as land, can contribute to land grabs, dispossession of disadvantaged communities, and civil unrest.

Tetra Tech recommends that the New Development Policy adopts a justice focussed, human rights-based approach that puts the flourishing and wellbeing of people, especially those who continue to be marginalised and oppressed, at the centre of Australia's development policy.

The policy should ensure a strong commitment to equality and inclusion outcomes by requiring development investments to have gender equality objectives (as per the current requirement for programs over AUD3m) and for stronger levels of consistency with scores 1 and 2 of the OECD Development Assistance Committee gender equality policy marker. There is also an urgent need to prioritise gender diversity and purposefully practice intersectionality which moves beyond the dominant 'women and girls' framing.

2.3 Decolonise DFAT's international development architecture

DFAT is pursuing a more ambitious localisation agenda, seeking to reset ties with regional partners based on listening and trust, and beginning important work to create its own First Nations Foreign Policy and recruit a First Nations Ambassador. It is therefore timely that the New Development Policy embeds principles of decolonisation and aligns with our First Nations Foreign Policy.

To achieve these aims, Tetra Tech recommends that DFAT re-design and decolonise international development architecture as a key step in localising development and improving effectiveness.

A crucial first step in creating a New International Development Policy is to include the principles, frameworks, and goals likely to be set out in the First Nations Foreign Policy. DFAT must be proactive and transparent in their approach to connecting and integrating the priorities of each document/process, infusing the Australian Government's approach to development assistance with First Nations knowledge and principles.

The New International Development Policy should be proactively anti-racist and intentionally embed equity, diversity and inclusion in all structures, systems, policies, investment designs, implementation, and learning.

This should be consistently implemented, with clear accountabilities, across all Posts. 2.6 In pursuing greater localisation and correcting historic power imbalances, the New International Development Policy should develop partnership approaches that are based on mutuality and reciprocity – aligned to First Nations values and ethos. This requires deconstructing the 'risks' narrative that views local partners as risks and interrogating the administrative and compliance burdens that at times restrict the involvement of local delivery partners.

For example, adaptation to climate change is likely to be inefficient and inequitable if it does not consider the multidimensional and differentiated nature of poverty and vulnerability, one that is rooted in historical contexts of colonisation. Adaptation strategies are highly context-specific and culturally bound; they should build on capacity, assets, and traditional responses to climate variability and not erode long-standing adaptive capacities of partners and communities. While serving immediate needs is important, structural reforms should address vulnerability and its causes, as well as incentives and capacity building for institutional and governance structures. Finally, to drive collective accountability and track positive progress DFAT should promote collaboration and lessons sharing between Australia and other donors, national governments, local actors and the public at large. This can be achieved through regional dialogues and public diplomacy activity, but also through regular qualitative and quantitative reporting on progress towards localisation, decolonisation, and the First Nations Foreign Policy.

2.4 Leverage the strengths of our education system to grow the regional workforce

Despite the interruption to educational access over the pandemic, Australia's reputation in the region as a high quality and prestigious education provider is strong. In our work delivering Australia Awards programs for DFAT across 10 countries, Tetra Tech continues to see high demand and a demonstrated need for education services. We observe firsthand the power of education in interrupting the intergenerational cycle of poverty and supporting those who are disadvantaged and lack opportunity to

access these benefits: education is truly transformative.

Many countries in our region are striving to educate youthful populations and position their economies for maximum demographic benefit in the coming decades. Australia is ideally positioned to offer a point of educational difference. However, this means stepping beyond use of scholarships and educational experiences as transactional soft power tools. A longer term and strategic view is needed that effectively aligns education to specific labour market needs. Greater funding certainty will support going beyond short-term temporary gains towards longer term more beneficial strategic outcomes.

Tetra Tech recommends that the New International Development Policy lay out an education strategy that goes beyond transactional educational engagement, adopts a stronger developmental focus and more fully leverages the strengths of Australia's education system.

In addition, Australia should incentivise and support education providers to extend their operations in the region. We are seeing opportunities in key partner countries, such as where the Government of Indonesia is active in attracting and smoothing pathways for educational institutions to establish campuses and facilities in-country. This creates opportunities for new educational models – such as the split-site Masters program delivered through the Australia Awards Indonesia program.

The lessons of COVID-19 suggest that innovative thinking is needed beyond the belief that scholars undertaking an education experience in Australia are required to build ties with Australia. A stronger in-country presence and diverse education options will create both profile and reach, and opportunities for greater alignment of education to local industry and labour market needs.

Tetra Tech recommends a stronger focus on capacity development of local institutions, including through active partnerships with Australian universities, to deliver long-term sustainability of education investments in meeting labour market needs.

An example of how this can work through ODA investment is the Partner Tertiary Institution model that is managed through the Australia Awards Papua New Guinea program. This approach brokers productive partnerships between institutions in both PNG and Australia, and provides direct assistance to support curriculum development, teacher training, and strengthening university governance and quality standards. An education system that is adaptive, agile and capable of responding to the needs of partners in our region will support value for money delivery of Australia's educational investment.

2.5 Strengthen trust and transparency in the development program

While public diplomacy has become an increasingly important feature in development programs in the region, when it comes to the Australian public, very little effort is given to public diplomacy at home. Political will is influenced (rightly or wrongly) by public

awareness and concern and, in the absence of such awareness and corresponding action by the Australian Government, we are at risk of failing to adequately prioritise and invest in the region.

Tetra Tech recommends that the New International Development Policy formulate a distinct soft power strategy that includes direct public diplomacy efforts to build awareness and understanding in the Australian public.

Regaining the trust of the Australian public also requires increasing transparency and accessibility of information and evidence about Australia's development program. The closure of the Office of Development Effectiveness in 2020 has contributed to a reduction of the evidence base necessary to drive development effectiveness. This has also impacted the transparency necessary for the Australian public to see how public funds are used to deliver the international development program. The ODE closure has also reduced the capacity for whole of government coordination of both ODA and non-ODA development assistance, adding to an already fragmented development environment.

Tetra Tech recommends the re-establishment of an agency mechanism that supports evidence-based leading-edge development practice, promotes whole of government coordination, and creates greater transparency by ensuring that the Australian public can access information about the programs and benefits delivered.

2.6 Build the workforce of the future, now

Australia's capacity to deliver the scope and complexity of the New International Development Policy requires a highly skilled technical and culturally competent workforce, both within DFAT and within the commercial marketplace. The future workforce must be capable of stepping beyond a reliance on technical expertise, to those that are embedded in local engagement, knowledge and leadership.

Tetra Tech recommends that DFAT invest in the workforce including by attracting emerging and established international development professionals to strengthen DFAT's capacity.

This can be through recruitment of existing international development expertise, or through the establishment of an international development focussed DFAT graduate program.

It is imperative for DFAT to build internal capabilities on intersectionality that account not only for gender, but for ethnicity, coloniality, patriarchy and other systems of power. DFAT staff should upskill in intersectional power analysis, going beyond simple inclusion to include an understanding of the way that systems of power perpetuate inequality, injustices and oppression.

Recruitment must be inclusive and accessible with clear intentions to attract a diverse workforce, with a strong cultural quotient, including experience living and working in the region, with family ties in the region, and/or with linguistic capabilities (or a desire to develop them). Recruitment efforts should encourage applications from people with technical skills, such as from the STEM sectors, on which the future economy

of our region will rely. DFAT should look at ways to streamline its recruitment and onboarding process. It currently takes up to 12 months to obtain a security clearance which discourages many people from following through on ambitions to join DFAT.

Tetra Tech recommends that locally employed staff (LES) be offered stronger career pathways and equitable salary scales, aligned to the need for a decolonised, equitable and inclusive international development architecture required to successfully implement the New International Development Policy.

To assist with recruitment, retention and succession planning for LES, DFAT should consider including budget for professional development as well as managing contractors being able to engage local and/or Australian interns.

2.7 Whole-of-government coordination and information sharing

Australia's international engagements are delivered by a broad range of Australian Government agencies, sometimes with little to no engagement or direct coordination with DFAT. This has led to fragmented program delivery, lost opportunities and, at an extreme, development investments at cross purposes. A more integrated systems-led approach will offer pathways for non-ODA funding to be channelled through programs with a longer-term strategic trajectory, such as through a DFAT funded development program. In this way, additional funding streams and activities can be utilised to best effect in delivering the required long-term outcomes.

Tetra Tech recommends that the New International Development Policy sets an intention to improve whole-of-government international collaboration and coordination to strengthen development effectiveness, enabling the Australian Government to tell a whole-of-government story - to our development partners, and to the Australian public.

DFAT is well-placed to provide further cross-agency leadership in integrating outcomes into a broader sector or country-level evaluation framework. This already occurs, for example, where the Defence Cooperation Program and Police Development Partnerships regularly work alongside DFAT's development programming in the region.

Greater integration of strategic outcomes across all government investments into a country-level evaluation framework will support better harmonisation and enable monitoring and evaluation toward shared objectives.

2.8 Reshape Labour Mobility with a more deliberate development focus

Tetra Tech recommends that Pacific labour mobility is viewed with a greater development lens with transparent processes across the cycle of selection, mobilisation and return, and greater investments in skills development (including life skills) for individual workers beyond experiential workplace learning.

Australia's sluggish responses to rising complaints of poor treatment of Pacific Islanders and the 'brain drain' impact in home countries have seen the quality of our labour mobility and seasonal worker programs undermined. There are important adjustments that must be made to the design of these schemes, especially as Australia intends to broaden the number of industry opportunities available.

As labour schemes ramp up in Australia, continued investments in the region in technical and vocational education and training and secondary education will be crucial to fill skills gaps left by workers pursuing opportunities in Australia and New Zealand.

In pursuit of a whole-of-government policy approach, more comprehensive partnerships between federal, state and local agencies who deliver key services for Pacific Island workers in Australia should also be explored. When in Australia, employees come into contact with a full breadth of social service providers and government bodies. Yet, in many instances, these interactions are hindered by cultural or language barriers that can impact effective delivery or cause social or psychological harm. This will become increasingly crucial as visa provisions expand to allow dependent family members, including children. The New Development Policy should consider an expanded role for diaspora associations, churches, and other community-based organisations that form a core informal welfare support structure for many Pacific Islanders. Improved implementation of the full breadth of DFAT development policies including for Health, Safety and Security, Prevention of Sexual Exploitation, Abuse and Harassment, Safeguarding, and Child Protection is also crucial.

Our engagement with key stakeholders in South Australia, including the Pacific Islands Council of South Australia, also highlights the urgent importance of skills development and enhancement whilst in Australia that has far-reaching positive economic and social impacts upon return. Whilst currently there are opportunities for education and qualification in some technical and trades-related skills, these do not always provide a pathway to long-term job opportunities when back in-country. Other skills development opportunities and short courses that can be pursued in conjunction with work could be considered.

Lastly, while reintegration at completion of a labour mobility experience should focus on support for long-term employment and economic opportunities for returning workers, there is also an important need for improved communications and public diplomacy that can highlight the positive experiences that often emerge from Australia's labour programs. Public diplomacy efforts should showcase successful "alumni" stories, but also provide an ongoing conversation that highlights Australia's open dialogue with Pacific partners and the continual and relevant refinements to the quality of the schemes.

2.9 Climate justice, a requisite framing for climate action

Tetra Tech recommends that the New International Development Policy adopt a strong and clear focus on climate justice that will promote nature-based solutions, rooted in indigenous knowledge and skills, coupled with scientific ways to protect people, property and wildlife.

As climate change and its disasters continue to increase in frequency and severity, the impact it has on the general population is disproportionate between genders, people living with disabilities, and other communities who continue to experience marginalisation. Climate change-induced losses and damages affect everyone, but not equally, and climate justice can only be achieved when based on the foundations of intersectional gender justice.

The Development program will need to increase focus on building resilience, adaptive and absorptive capacity – with focus on Water, Sanitation and Hygiene, livelihoods, and inclusion. Additionally, there is an urgent need for a strategy refresh on the role and accountabilities of public and private sector in providing climate financing.

In 2022, the Australian Government committed to a First Nations Foreign Policy approach embedding Indigenous perspectives, experiences and interests into Australia's foreign policy. This is a welcome step. The actions co-created on climate justice must include indigenous knowledge and skills and draw on key lessons from all of DFAT's work with indigenous communities in the Indo-Pacific. This makes it imperative, therefore, to have such partnerships on the ground overseas and at home.

Through key partnerships, the broader development community of actors and partners should commit to promoting climate change mitigation and adaptation measures through their work. As a key domain of work under the Climate Action Strategy, working to keep climate change on the public agenda should be prioritised. Actors and partners of the Australian development program should increase reporting requirements, prioritising climate change and embedding its considerations across programs.

Climate change and the COVID-19 pandemic illustrate the cyclical nature of crises and the need for humanitarian and development programs to have an increased focus on resilience and adaptation that benefits vulnerable communities. Attention needs to be paid to how investments and various modalities within the Australian development program can better support climate-smart infrastructure and clean energy, including stabilisation and resilience through greater risk informed design and program cycle management.

Access to climate financing in the Indo-Pacific is a gap that we recommend the Australian Government explore. There is an urgent need for innovative finance solutions that can unlock investment to tackle some of the most difficult climate and sustainable development challenges and investment opportunities for a net zero economy.