FROM RHETORIC TO REALITY:
TOWARDS A FEMINIST FOREIGN POLICY

Gender equality and foreign policy in the
Australian Government Budget 2019-2020

April 2019
Executive Summary

Overall aid budget

- For the first time in more than ten years, the Australian Federal Budget is projected to have a surplus. When the Coalition Government came into power in 2015 and dramatically cut the aid budget, the growing national deficit was blamed. Despite this year’s Federal Budget projecting a surplus for 2019-20, the aid budget has been cut by $117 million.
- Australia’s public spending on ODA as a proportion of our Gross National Income (GNI) continues to decline. The current budget shows that the budget will fall from 0.21% of GNI in 19/20, to 0.19% of GNI in FY21/22.
- The Government has significantly cut ODA to Asia, most notably to Pakistan (by more than 50%), Nepal (by 42%), Bangladesh, Indonesia and Cambodia.
- Aid to the Pacific has increased from $1.28 million to $1.38 million
- The amount of aid funding set aside to support humanitarian crisis responses has grown to $450 million, and is expected to rise to $500 million in 2020-21

Gender equality in the aid program

- Globally, Australia remains a leader in gender equality through ODA: 60% of Australia's bilateral allocable aid has a significant or principal focus on gender equality and ranks 6th of OECD donors
- Aid programs fell short of the 80% gender target for the fourth year in a row. 75% of DFAT aid investments were assessed to have effectively addressed gender equality. This falls short of the 80% target and has slipped from last year’s result of 77%.
- Funding for the Gender Equality Fund in FY19/20 is unchanged from FY 17/18 and FY18/19, at $55million. Increased funding for women’s rights organisations is vital. It is not clear that this budget delivers such an increase.
- In dollar terms, Australia’s support for women's rights organisations has dropped to $29M in 2017, from a four-year high of $64M in 2015 according to OECD data

Infrastructure

- The Government will finance $1.5 billion of non-concessional loans rather than investing in ODA, through the Australian Infrastructure Financing Facility in the Pacific (AIFFP). There are gendered impacts of sovereign debt and gendered impacts of infrastructure projects, and there are also questions about decision making, and women’s participation in infrastructure project selection.

Climate Change

- The aid budget contains no new funding for climate change prevention, adaptation or mitigation, and the Government has announced it will not replenish Australia’s contribution to the Green Climate Fund following the final $19million contribution in December.
As part of the Federal Budget announcements, DFAT and the Government have released three documents which, taken together, provide some level of transparency on Australia’s overseas development assistance (ODA) commitments and its performance on gender equality objectives within the aid program:

- The pre-election Federal Budget delivered by the Treasurer looks at funding for all government departments over the next 4 years
- DFAT’s Australian Aid budget summary outlines how the aid program is allocated for the next financial year
- *Performance of Australian Aid* looks at past performance across the aid program for FY2017-18, including against strategic targets.

The analysis also draws on 2016-2017 data released by the OECD, tracking gender equality ODA expenditures.

So what does the first projected surplus Federal Budget in more than ten years tell us about Australia’s ODA priorities? Aid is, for the sixth year in a row, being cut; funding within the aid budget has been reallocated to support a new infrastructure investment facility; and new and additional funding for climate change is lacking.

The Australian Government and DFAT have articulated a strong commitment to gender equality, including through the 2017 Foreign Policy White Paper which highlights gender equality as a core national value and women’s empowerment as a ‘top priority’ in achieving global prosperity, stability and security.¹ However the budget, alongside the *Performance of Australian Aid*, shows an ongoing struggle to match commitment to practice.

It is the view of IWDA and CARE that women’s human rights and gender equality must be at the forefront of Australia’s foreign policy efforts, including our approach to ODA. Globally, there is increasing interest in the idea of Feminist Foreign Policy as an approach which provides the basis for an holistic agenda for the integration of gender equality into a broad spectrum of foreign policy settings, including ODA, diplomacy, security, trade and economic relations.

At its core, a feminist approach to foreign policy consists of embedding *gender equality as a goal*, and ensuring *analysis of the gendered impacts* of foreign policy decisions and approaches.² To be truly feminist, this analysis must involve an interrogation of the differentiated impacts of policy upon people based on their gender, as well as the harmful gender norms and power dynamics of patriarchy that have given rise to gender inequality. It must also be intersectional – considering the intersection of gender with other characteristics such as race, class, age, sexuality, and disability – and take a ‘do no harm’ approach, by mitigating the risk of negative impacts and side effects to policies and programs.

A Feminist Foreign Policy approach calls the priorities of this year’s Federal Budget into question: for instance, by 2022-23, for every $1 spent on Official Development Assistance (ODA), Australia will spend $11 on defence. Similarly, our gender analysis of the prioritisation of infrastructure investments and inadequate funding to address climate change suggest that the Australian Government’s budget does not adequately promote the advancement of gender equality, or take a holistic approach to integrating gender analysis across foreign policy efforts.

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¹ DFAT 2017, 92
² Government of Sweden 2015
1. STATE OF THE AID BUDGET

Despite years of justifying cuts to the aid program with reference to the budget deficit, the Government has this year decided to cut $117 million from Australia’s Official Development Assistance (ODA) budget, while announcing an overall budget surplus of $7.1 billion in 2019-20. This will bring Australia’s total aid budget down to $4.04 billion. A reduced aid budget will disproportionately affect diverse women and girls in our region and the world, as women and girls are more disadvantaged globally across many dimensions of poverty. While Australia’s aid program includes a strong commitment to advancing gender equality and women’s empowerment, cuts overall undermine our ability to meet these objectives and advance women’s human rights.

Forward estimates indicate the aid budget is set to remain at around $4 billion for the next three years, with increases to keep up with inflation (otherwise known as indexation) scheduled to commence only in 2022-23. This commitment to index the aid budget from 2022-23 was made as part of the 2018-19 budget announcement, which projected a surplus in 2022-23. Despite the fact the surplus is looking to be achieved in 2019-20, the arbitrary date of 2022-23 for indexing the aid budget has been retained. It is possible Australia will face at least two federal elections before the date for this increase is realised.

This decision locks in another three years of cuts to aid in real terms, without any attempt to provide a rationale for our lack of generosity. It also means that Australia’s ratio of ODA to Gross National Income (GNI) – the internationally agreed measure of a country’s generosity – will continue to decline. In 2019-20, Australia will dedicate just 21 cents for every $100 of national income to our aid program. By 2020-21, this will fall to 19 cents, placing Australia in the company of donors emerging from domestic financial crises such as Greece, Spain and Portugal. In comparison, Australia has experienced 27 years of uninterrupted economic growth. It is also in stark contrast to the commitment Australia reaffirmed in 2015 to dedicate 0.7% of GNI to ODA in order to help meet the Sustainable Development Goals (SDGs), and goes against the recommendations of the Interim Report of the Joint Standing

Figure 1: ODA to GNI ratio over time. Source: Australian Aid Tracker, n.d.

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3 There has been some inconsistency in reporting around the year-on-year difference in ODA between FY18/19 and FY19/20; this is due to the actual spend for FY19/20 exceeding what was previously announced, as scheduled multilateral payments were brought forward. ACFID 2019, 5
4 ACFID 2019, 9
5 Australian Aid Tracker n.d.
6 Howes 2019
7 AusTrade 2018
Committee on Foreign Affairs, Defence and Trade Inquiry into the strategic effectiveness and outcomes of Australia’s aid program in the Indo Pacific and its role in supporting our regional interests.

While there has been an overall cut of $117 million, in fact significant additional funds have been diverted from existing programs in Asia in order to fund the “Pacific Step Up”, a series of new and scaled-up initiatives across the Pacific region. This includes cutting DFAT-administered aid to Nepal by 40% and Pakistan by 50%, despite significant development challenges in both countries. Pakistan is classified by the OECD as having a “very high” level of gender inequality, with 85% of women experiencing domestic violence in their lifetime, and women making up just 8% of parliamentary representatives. Some have argued that shifting aid from Asia to the Pacific is misguided because performance evaluations indicate Australian aid is more effective in Asia, and Australia’s aid performance framework prioritises efficiency. However, this does not account for the significant challenges faced by Pacific nations, including in terms of gender equality, and the need to balance efficiency objectives against lasting development outcomes. Ultimately, while the Pacific Step Up represents a welcome investment in our immediate region’s development, it should not come at the expense of efforts to improve the lives of women and girls elsewhere.

2. DEFENCE AND WOMEN, PEACE AND SECURITY

In 2012 the Australian Government launched its first National Action Plan (NAP) on Women, Peace and Security (WPS). In 2019 it has promised to deliver a second, refreshed NAP, recognising ‘governments have a responsibility to make sure women and girls’ human rights are protected, and that women are empowered to participate in formal peace and security processes.’ However, despite consistent recommendations over the past seven years, the Australian Government has once again failed to deliver dedicated resourcing for the WPS agenda, and is building a foreign engagement approach that continues to prioritise defence above all else.

The Office for Women, which coordinates and oversees the WPS agenda, is facing a reduction in administered expenses of nearly 18% for 2019-20, with further reductions forecast, reflecting the fact that funds were temporarily injected in 2018 to support one-off activities under the (domestically focused) Women’s Economic Security Statement, without any commitment to ongoing work in this portfolio. The Office for Women holds an important role to look across government policy and actions advancing gender equality and ensuring women ‘feel safe and live without fear of violence’. It is clear that the current pool of funds for OfW is inadequate to support the implementation of the WPS NAP when finalised.

The Boe Declaration on Regional Security, adopted by Pacific Islander leaders, including Australian and New Zealand in September 2018 recognises an expanded concept of security, with an increasing emphasis on 4 key areas including ‘human security, including humanitarian assistance, to protect the rights, health and prosperity of Pacific people.’ The Pacific Step-Up includes a significant focus on military cooperation between Australia and

8 Joint Standing Committee on Foreign Affairs, Defence and Trade 2019
9 OECD 2019b
10 Howes 2019
11 Department of Prime Minister and Cabinet 2018; Department of Families, Housing, Community Services and Indigenous Affairs 2012
12 Australian Government 2016
13 Pacific Islands Forum 2018b
the Pacific, however the budget reveals that this cooperation is not being considered in terms of the expanded concept of security espoused in the Boe Declaration, as it prioritises traditional defence industries rather than the WPS agenda and development programs.

For example, in the Middle East region, ‘savings’ are being made with Defence ‘freeing up’ a billion dollars for expenditure elsewhere, as the cost of military operations winds down following the reported defeat of ISIS in Syria and Iraq. However, of concern is the winding down of development funds in this region. While resilience funding is growing for all other regions, it drops by over 30% in the Middle East and Africa in the coming year. There is no news of Australia’s commitment to Syria being extended, beyond 2018-19.

Overall the government will allocate Defence $38.7 billion in 2019-20, totaling $175.8 billion over the four years to 2022-23, achieving and maintaining the goal set in the 2016 Defence White Paper for 2% of GDP to be allocated to the defence budget.\(^{14}\) In 2019-20 for every $1 spent in development, $9 will be allocated to defence, growing to $11 by 2022-23 as the defence budget grows while the development budget stagnates. This reflects the choice of this government to prioritise one pillar of international relations at the expense of others.

### 3. GENDER EQUALITY IN THE AID PROGRAM: THE 80% TARGET, WOMEN’S RIGHTS ORGANISATIONS AND AID FACILITIES

The Australian Government is at the forefront of a global cohort of donors who have recognised the importance of gender equality as fundamental to securing global prosperity, stability and security. Australia continues to be represented in the top ten donors, and in the 2016-2017 data (the most recently available) Australia is ranked sixth globally for aid in support of gender equality and women’s empowerment.\(^ {15}\)

![Gender equality as a % of aid screened, 2013-2014 to 2016-2017 (ranking based on 16-17 data)](image)

Figure 2: Aid in Support of Gender Equality and Women’s Empowerment. Source: OECD 2019a

In the *White Paper on Foreign Policy* gender equality was recognised as a core Australian value. At a Departmental level, the *Gender equality and women’s empowerment strategy*

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\(^{14}\) Minister for Defence, the Hon Christopher Pyne, MP and Minister for Defence Industry, Senator the Hon Linda Reynolds CSC 2019

\(^{15}\) OECD 2019a
covers all areas of DFAT’s work including trade and foreign affairs, and establishes externally focused thematic pillars around women’s voice in decision-making, leadership and peace building, women’s economic empowerment and ending violence against women and girls, alongside an internal pillar focusing on corporate and human resources practices. In the Australian development program the commitment to gender equality has been institutionalised through the gender equality target in Making Performance Count: Enhancing the Accountability and Effectiveness of Australian Aid. The 80% target for investments to “effectively address gender issues in their implementation” aims to ensure Australia’s aid program is effectively addressing gender issues across all of its projects—not just projects with an explicit gender equality objective.

To that end, in the remainder of this document we put forward analysis that focuses both on the institutional mechanisms that support the 80% target, alongside some preliminary analysis of a broader range of DFAT aid delivery modalities and thematic focus areas.

3.1 PERSISTENT UNDERPERFORMANCE: ON NOT MEETING THE 80% GENDER EQUALITY TARGET

In this year’s Performance of Australian Aid (POA) report, the 80% gender target went unmet for the fourth year in a row, and continues to be the only target yet to be achieved. The baseline data from 2013-2014 showed 74% of DFAT’s investments addressed gender issues. From a high of 78% in the POA14-15 and POA15-16, the gender equality target has consistently lingered below 80%, with only 75% of the investments reported in POA17-18 achieving the gender equality target. While we commend DFAT for its robust approach to assessing investments against the target, we are disappointed by the lack of progress. Of particular concern is the statement that, for the first time, “investments designed and implemented after the introduction of the target performed no better than older investments.” The idea that older investments which were not performing well against the target were being replaced by new, higher performing investments has been put forward in previous years as an indication of future progress.

![Figure 3: Performance against 80% effectiveness target. Source: DFAT 2019b](image)

**Figure 3: Performance against 80% effectiveness target. Source: DFAT 2019b**
Working towards and measuring gender equality is very complex, and DFAT rightfully acknowledges this in both the aid budget and Performance of Australian Aid report. DFAT states it is applying lessons from past evaluations, including the importance of embedding explicit gender equality objectives in investment design and implementation. This is supplemented with the deployment of “additional, targeted gender expertise at the earliest stages of investment design to take maximum advantage and opportunity to deliberately articulate gender sensitive objectives.”

Progress in the future will be dependent on adequately resourcing gender expertise within DFAT, and ensuring the required political will from the highest levels for truly transformative development programming.

It may also be timely to consider the nature of the complex change required in achieving gender equality. Currently, Making performance count establishes empowering women and girls as the driver, and sets an 80% target for investments to effectively address gender issues in line with strategy through their implementation. DFAT’s Gender equality and women’s empowerment strategy recognises that progressing gender inequality and eliminating discriminatory practices against women and girls requires a shift in norms, policies and legal frameworks, which captures the systemic changes required beyond the empowerment of women and girls and investments which address gender issues. Transforming gender and power relations, and the structures, norms and values that underpin them, is critical to ending poverty and challenging inequality. Global evidence points to the importance of investments that seek both formal and substantive equality outcomes, particularly those that seek to transform gender norms.

3.2 INVESTMENT PRIORITIES

The only investment priority area to meet the 80% target in 2017-18 was education, with ‘building resilience’ (70%) and ‘effective governance’ (69%) the lowest performing sectors.

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Figure 4: Source: Performance of Australian Aid 2013-14 to 2017-18

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20 DFAT 2019b, 14
21 Rao et al. 2015; Marcus et al. 2015; Sen and Östlin 2007; Harper et al. 2018; Klugman et al. 2014
22 DFAT 2019b, 15
However, the story becomes more complex when viewing the trend in performance over the years since the target was introduced. While there was a significant increase in performance across building resilience, health and education in the first two years, that progress has now dropped below 2013-14 levels. Performance of investments in effective governance, agriculture, fisheries and water, and infrastructure, trade facilitation and international competitiveness have varied significantly over the years, however none have ever met the target.

It is also important to contextualise the languishing performance against the gender target within the context of a shrinking aid budget, a constrained resource environment within DFAT, consolidation of smaller programs into larger investments (see further analysis on aid facilities below) and the shift “from funding services to supporting institutional reform and accountable governance.”

Health and education in particular are sectors which have seen a shift away from direct service deliver to systems strengthening (ie: programs that work with local governments to improve service delivery), and a corresponding decline in performance against the gender target. DFAT have identified these kinds of programs as being more difficult for gender analysis, either due to the fact they operate at the policy - rather than service delivery – level (see for example: “it is more challenging to undertake gender analysis, develop gender informed designs and demonstrate tangible gender equality results in investments that work to improve systems rather than delivering direct benefits for people”), or because of the constraints of partnering with governments. This is concerning, given the huge potential for systems-level interventions to perpetuate or even worsen gender inequalities. To guard against this DFAT must properly resource the necessary technical expertise to ensure that these investments do not continue to decline in their gender performance.

3.3 WOMEN’S SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS

After sharp reductions in funding for family planning, the 2016-17 budget had shown an increase, inching closer to the levels of 2014-15. Unfortunately, the most recent data shows a slight decline in funding allocations. At a time when reproductive rights are under threat globally through a rising conservative political agenda, noting in particular the recent clarification by the US Trump-Pence administration on the use of USAID funding in the context of sexual and reproductive health and rights, this has had direct impacts on the lives of women and girls across the region.

Recent OECD reporting shows use of family planning services such as access to contraception remains particularly low in the Pacific region: “In Papua New Guinea and the Solomon Islands only one out of three married or in union women report using any method of contraception, and only one in four reports using any modern method.”

Access to contraception is a vital cornerstone of women’s ability to control family size, health outcomes, and lowering incidences of death and disability related to complications.

23 DFAT 2019b
24 DFAT 2019a, 13; DFAT 2018, 13
25 DFAT 2018a Table 19
26 OECD and WHO 2018, 62
As we look to the twenty-fifth anniversary of the International Conference on Population and Development, IWDA and CARE recommend an increase to family planning to $AU 50 million per year. This would bring funding for family planning in line with the commitment made by the Australian Government at the Family Planning 2020 Summit in 2012.  

3.4 FUNDING FOR WOMEN’S RIGHTS ORGANISATIONS

The Australian Government has recognised that autonomous women’s organisations and movements are a critical factor in changing discriminatory policy and legislation and progressing gender equality, and enabling approaches that are firmly rooted in local communities, contexts, needs and experiences.

Despite this, recent figures show a worrying trend in terms of decreasing funding for women’s rights organisations. The analysis in the following section draws on data reported by the Australian Government to the OECD. It tracks funding coded to “women’s equality organisations and institutions. This incorporates ODA which supports machineries of government (ie, a national office for women) alongside grassroots women’s organisations. A range of global women’s organisations have expressed concerns this code inhibits easy transparency on the funding of women’s rights organisations.

Globally, the funding allocated to women’s equality organisations and institutions has yet to hit more than 0.45% of bilateral allocable aid. This is despite evidence funding of women’s rights organisations is an effective means of promoting gender equality outcomes (see below

27 Family Planning 2020 2018
28 DFAT 2016; Klugman et al. 2014
29 Derbyshire et al. 2018, 7; IWDA 2018b
30 OECD 2019a
for evidence). Of concern, the most recent data released by the OECD shows that funding for women’s equality organisations and institutions dropped between 2015-2016 and 2016-2017.

The OECD data shows that, in the 2016-2017 year, Australia is ranked seventh globally for its funding to women’s equality institutions and organisations. However, of concern is the deterioration in funding support provided by the Australian Government.

In dollar terms, Australia’s support has dropped to $29M in 2017, from a four-year high of $64M in 2015.\(^{31}\)

Strengthening support for women’s rights organisations is critical to accelerate progress towards gender equality. In our view, women’s rights organisations are led by and for women with the primary objective of working for transformative change to advance gender equality.

\(^{31}\) OECD 2019a
and women’s rights. It is clearly supported in evidence that strong, autonomous women’s movements are essential to realising women’s rights. For example, the World Bank’s Voice and Agency research concluded that women’s movements are crucial to build the necessary consensus for progressive policy and legal reform towards gender equality outcomes.\(^\text{32}\) Women’s rights organisations also play a vital role in reaching women in marginalised communities and enabling those without power, status and rights to have a voice and to advocate for basic rights.\(^\text{33}\) Indeed, the Development Leadership Program, an international research collaboration supported by Australian Aid, concludes “that, on balance, political and governance experts have more to learn from women’s groups and gender advocates than the other way around.”\(^\text{34}\)

IWDA’s work with partners across the region provides direct evidence of the importance of supporting coalition building as a strategy for change in contexts where women remain significantly under-represented in formal decision-making roles. In the Solomon Islands, networks of women were instrumental in seeing the Family Protection Bill passed in 2014 and implementation of this is a focus of the Solomon Islands Women’s Forum established in 2016. In Fiji, the Fiji Young Women’s Forum was a driving force behind youth policies being included in candidate platforms in the 2014 election. In Timor-Leste, networks of women were successful in seeing the Law Against Human Trafficking passed in February 2017, a process which commenced in 2012 and required the engagement of a coalition of civil society actors.

As humanitarian crises have different gendered impacts, and can often change household and community dynamics, CARE looks to support women advance their own leadership and recovery to disasters. Women, girls, boys and men of different ages and abilities face different risks, and have different needs and capacities. Humanitarian response has the potential to increase and reinforce – or reduce – existing gender inequalities.

When programs are resourced to engage women, and leadership roles are shared, communities respond quicker to prepare and suffer fewer effects.\(^\text{35}\) Working with local partners in Tonga, CARE was also able to support women led recovery following TC Gita. This approach enabled groups of women to be proactive in determining and voicing their needs and work together to self-recover from the effects of the cyclone. Women in the community reported a range of positive, longer-lasting impacts including:

- Positive changes within households and increased cooperation between men, women and within the community more generally.
- Reduced dependence on men by women.
- Women challenging traditional gendered roles and responsibilities.
- Access to more fresh, healthy and nutritious produce.\(^\text{36}\)

Women’s rights organisations are also crucial contributors to peace and stability. Engaging with local women’s organisations and networks in conflict-affected countries and ensuring that women participate in democratisation, peacebuilding and development processes is key to the success of the women, peace and security agenda.\(^\text{37}\) Governments cannot realise

\(^{32}\) Klugman et al. 2014  
\(^{33}\) OECD 2016, 5  
\(^{34}\) Green 2018  
\(^{35}\) Webb et al. 2016  
\(^{36}\) Sutton and Latu 2018  
\(^{37}\) IWDA 2017
these commitments alone. Working with civil society coalitions at national and international levels is particularly critical, as they provide a means for connecting and aggregating the work of many organisations.

Australian aid program support for women’s rights organisations and networks is particularly important at a time of shrinking space for civil society and when women’s rights organisations are facing increasing backlash.\textsuperscript{38} As the OECD notes:

\begin{quote}
Women’s rights groups and movements are a crucial antidote to regressive forces that are pushing back gender equality gains… it is more critical than ever that women’s groups in the global south are supported to show that demands for gender equality stem from and are legitimate in their communities and societies. At the same time, the shrinking of civil society space has entailed severe attacks on women’s rights activists, groups and movements, which are at risk precisely because of their work to challenge gender norms and power structures. This makes it all the more essential that donors resource women’s groups and movements so that they have the resilience to weather threats, and build safe and enabling environments in which civil society can thrive.\textsuperscript{39}
\end{quote}

The Australian Government can promote partnership with women’s rights organisations and build capacity on both sides by requiring consultation with and support for such organisations as a condition of funding, especially for programs where gender equality is classified as a significant objective. In our experience, it is also important to fund programs which take an explicitly feminist approach, thereby contributing to the transformation of inequitable power relations, the transformation of harmful gender norms, and action to address intersectional discrimination.

It is imperative international NGOs and private contractors implementing DFAT-funded programs related to gender equality and women’s empowerment consult with local women’s organisations as part of building sustainable change. This expectation could be included in contract conditions and engagement with, and support for local women’s rights organisations integrated in selection and monitoring processes.\textsuperscript{40}

However, this type of expectation can only be met if funding to women’s rights organisations is increased. When funding women’s rights organisations, it is critical to ensure that the funding is flexible, supports core costs, and flows over multi-year periods. Ensuring that monitoring, evaluation and learning (MEL) frameworks embrace feminist MEL methodologies is imperative, and supports a more reflexive engagement with the power dynamics of ODA funding. Prioritising funding for feminist, participatory research strategies – with research results that drive a transformative advocacy agenda – is an important component, as is funding which supports both innovation and failure. Critically, at a time of increased backlash and challenges to civil society space, ensuring that funding is available to support protection of gains is vital. Explicitly naming movement building as an outcome of funding for women’s rights organisations can better support them to work in solidarity and towards change at a systemic level. At the heart of the matter, funding which trusts women’s rights organisations to deliver results is required.

Mechanisms to achieve this could include a stand-alone women’s fund, similar to that established by the Canadian Government, which focuses on providing funding to women’s rights organisations.\textsuperscript{41} Ensuring such a fund was managed by women’s organisations/funds,

\textsuperscript{38} IWDA 2018b; AWID 2013
\textsuperscript{39} OECD 2016, 6; Esplen 2013; Horn 2014
\textsuperscript{40} IWDA 2018b
\textsuperscript{41} Government of Canada 2017
as opposed to private contractors, would further strengthen the delivery of this model, and would connect the Australian Government to strong, established feminist and women’s funds that have been supporting gender equality outcomes for many decades.

3.5 AID FACILITIES

As part of its move away from service delivery aid investments, the Australian Government is investing more heavily in large aid Facilities. According to a 2018 independent review conducted for DFAT, an aid facility is “defined as an aid delivery mechanism that provides flexible (adaptive and responsive) services managed in an integrated way. Objectives (or end-of-facility outcomes) are specified, but the pathways to deliver them are left unspecified.”

A 2018 independent review of DFAT aid facilities revealed that while facilities are a ‘highly relevant model’ for effective delivery of Australian aid, there is little demonstrable evidence that they are a more efficient or effective model of delivery than traditional mechanisms. The overarching finding of the review is that there is not currently enough data to reliably assess the extent to which Facilities are efficient, effective and/or coherent development delivery mechanisms.

Many of the aid facilities aim to work at the systems-strengthening level, bringing together disparate but related programs under a single umbrella, with the intention of increasing efficiency and effectiveness. As noted by the independent review, facilities require “intensive and ongoing DFAT oversight, engagement and management;” DFAT management and relevant staff need to have deep content and context awareness and, overall, data collection poses a significant challenge for tracking delivery and efficacy. This raises questions about the extent to which aid facilities improve on the efficiency of programing.

Additionally, Performance of Australian Aid 2016-17 noted that meeting gender equality targets in systems-strengthening investments has been more challenging than in service delivery investments. This raises further questions about whether the current model of aid facilities is well-placed to deliver on gender equality targets. It is therefore perplexing that, as the aid budget moves towards funding facilities, it is simultaneously reducing funding to women’s rights organisations—the very organisations that are best placed to measure, monitor and promote gender equality in development investments.

Finally, concurrently with the shift to the facilities model, DFAT continues to show a movement towards using managing contractors at the expense of NGOs. Commercial suppliers now deliver 23% of the ODA, up from 20% 2 years ago, while NGOs now deliver 10%, down from 11%. Both commercial suppliers and NGOs achieved the same rating for performance as assessed by DFAT, leaving little explanation for this trend despite earlier claims ODA delivery would be ‘partner agnostic’.

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42 Pieper 2018, 2
43 Pieper 2018
44 Pieper 2018, 2
45 DFAT 2018b, 13
46 DFAT 2019a
47 Bishop 2014
3.6 ALL HANDS ON DECK: INVESTING TO ACHIEVE GENDER EQUALITY TARGETS

Meeting the gender equality target requires constant and explicit inclusion of gender equality in the design of all aid projects, not just those that have gender equality as the principal or significant objective. The persistent failure to meet the 80% effectiveness target indicates the current system is flawed: better outcomes cannot be expected without better inputs. DFAT’s own data shows gender equality objectives are met if and when gender equality is explicitly embedded in the very foundation of a project and built in to its day-to-day operations and monitoring.48 This type of hands-on work cannot be done without high-level political will, expressed through stringent accountability mechanisms, including individual KPIs for senior executives, and through adequately resourcing gender equality technical expertise—both within DFAT and in their delivery mechanisms, particularly acknowledging the expertise of women’s rights organisations in understanding the local nuances in the operation of gendered power inequalities and harmful gender norms.

Building the political will to demand stronger gender equality outcomes is a challenge across all of Australian Government, and requires leadership from the Prime Minister and Cabinet, to name gender equality as a priority objective of government. Three decades ago, Australia was a global pioneer of gender accountable budgeting and policy analysis, but in recent years has fallen far behind governments in all parts of the world.49 A fundamental shift towards the institutionalisation of gender equality outcomes as a driver across the whole of Australian Government is required. Reintroducing gender budgeting and gender policy analysis frameworks across Government, and setting performance indicators at the Department Secretary level is a critical first step. Additional investment into gender expertise is also required, noting the failure to allocate sufficient ongoing funding for the national women’s machinery.

Given this, we recommend DFAT increase funding for gender experts who have the capacity to provide technical expertise, and simultaneously increase funding for women’s rights organisations in order to enable them to facilitate the required consultation with local women and ensure investments are effectively addressing gender issues. Further investment is also needed in the oversight and management of aid facilities, to increase their effectiveness overall as well as their ability to contribute to gender equality outcomes.

48 DFAT 2018b, 13
49 Z. Khan and Kolovich 2019
4. SPOTLIGHT: MAKING INFRASTRUCTURE WORK FOR GENDER EQUALITY
As part of a range of new initiatives under the Pacific Step-Up, in late 2018 Prime Minister Scott Morrison announced the new Australian Infrastructure Financing Facility for the Pacific (AIFFP), comprising $1.5 billion worth of non-concessional loans and $500 million in grants. The AIFFP will support “high-priority transformative infrastructure in sectors such as telecommunications, energy, transport and water,” and enable “Pacific governments to construct and maintain infrastructure crucial for their economies.” The Prime Minister announced an additional $1 billion in callable capital for Efic – Australia’s export credit agency – to give it greater scope to finance international projects which bring benefit to Australia. Legislation to expand Efic’s mandate has been passed, which includes an “Australian benefit test” requiring infrastructure investments to demonstrate a benefit to Australia.

4.1 GENDERED IMPLICATIONS
There are significant gender implications to the AIFFP as it has been announced. The Foreign Minister has used the budget papers to emphasise that despite using non-concessional loans as the primary form of finance, the facility will avoid creating unsustainable debt. However debt sustainability assessments often fail to account for the ways in which the cost of debt servicing are passed on to a nations’ citizens and disproportionately borne by women, via privatisation and the diversion of government funding away from public services that reduce women’s care burden (in the context of unpaid work in the home and community in particular). Research in the UK found that since 2010 women had borne 86% of the cost of austerity policies imposed by the British Government in the wake of the global financial crisis. It will be critical for any loans provided by Australia to incorporated a gender lens on the impact of loans in their assessment.

There are additional gender considerations around the design, delivery, and oversight of infrastructure projects. There is significant potential for well designed, targeted infrastructure investments which address the needs of diverse women and girls to contribute to gender equality outcomes. Infrastructure can reduce the time burden of unpaid care and household work, which is disproportionately borne by women, by improving access to clean water, cooking fuels and electricity. Access to safe, gender sensitive transport options can enable women to travel to places of education, work or business, reducing women’s vulnerability to violence and facilitating greater economic empowerment.

There are additional benefits to be found in infrastructure investment that accounts for the needs of different groups of women, including women with disabilities, young women, girls and older women.

DFAT’s existing Strategy for Investments in Economic Infrastructure recognises this, naming “improv[ing] access to infrastructure services to facilitate private sector and human development and promote women’s participation and empowerment” among its three priorities, and acknowledges that “gender issues need to be taken into account throughout all stages of infrastructure development.”

50 DFAT 2019c; Morrison 2018a; 2018b
51 DFAT 2019a
52 DFAT 2019c
53 Stewart 2017
54 GADNET and FEMNET 2019, 9; Fisk and Crawford 2017, 53,
55 ICED n.d., 1
56 OECD 2007, 238; ICED n.d., 2
57 DFAT 2015
However to realise these benefits, gender equality considerations must be “intentionally built into program design and consistently followed-up and monitored.” This requires gender expertise to be prioritised at all stages of design and delivery, as well as including women in leadership roles across the project, and consulting with local women’s rights organisations and other community groups such as disabled people’s organisations. The Agreed Conclusions of the 63rd Commission on the Status of Women further commit Australia (and all nations) to “Conduct systematic and transparent assessments of the gender and environmental impacts of infrastructure projects with the full, equal and effective participation of women and girls through social dialogues, thereby promoting the enjoyment of their human rights.”

Finally, infrastructure must be coupled with efforts to challenge social norms that restrict women, programs which empower women and their organisations to demand services and participate in the design and management of projects, and efforts to strengthen local governance systems. Pairing ‘hard’ infrastructure with so-called ‘soft’ infrastructure – such as education, health and social services – as well as development programs aimed at shifting harmful gender norms and ensuring infrastructure investments are supported by programs to ensure the development potential of the investment, is critical to ensuring infrastructure investments can improve gender equality outcomes, rather than perpetuating or worsening existing inequalities.

4.2 WHAT’S IN THE BUDGET

The budget confirms the $500 million grants component of the AIFFP will be sourced from within the existing aid budget between 2019-20 and 2022-23, and just $50 million will be allocated this coming financial year, due to the “likely slow-start to loan-financing.” It is critical to emphasise that this $50 million – and the remaining $450 million to be allocated over the next three years – is sourced from **within the existing aid envelope**, and as such will require further cuts to essential programs unless the aid budget is increased. Senate Estimates have confirmed activities in education, infrastructure, water and sanitation, decentralised governance, social protection, rural development, gender and inclusion, and knowledge sector programs are being “rephrased,” and new disaster management and health security programs “delayed” in order to free up funding for the AIFFP.

The budget did not provide further clarity on how the loan component of the AIFFP will function, or whether appropriate safeguards will be applied to the Efic administered callable capital, leaving questions about debt sustainability and its gendered components unanswered. ACFID has also raised questions about transparency, arguing the budget papers indicate loans and grants will only be published after expenditure has been made.

As part of its operational budget, DFAT has allocated $12.7 million over four years to enhance its technical expertise and cover the operational costs associated with the AIFFP, likely in response to a report in late 2018 raising concerns about DFAT’s capability to administer infrastructure loans. **We encourage DFAT to prioritise gender expertise as part of this allocation.** As the design of the AIFFP progresses, it will be critical that safeguards are built in to ensure Australia meets its obligations under international human

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58 T. Khan 2018, 3
59 CSW63 2019 ddd
60 Mohun and Biswas 2016, 3–4
61 IWDA 2018a
62 ACFID 2019
63 Senate Committee on Foreign Affairs, Defence and Trade 2019
64 ACFID 2019, 9
65 Packham 2018
rights treaties, and investments are aligned with the interests of Pacific nations. This must necessarily rule out any investment in fossil fuels and should focus instead on renewable energy sources, enabling Australia to better address the Boe Declaration’s affirmation that “climate change remains the single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific.”

The budget does not provide any clarity on whether Australia will contribute to the Pacific Resilience Facility, a joint initiative of Pacific nations (including Australia and New Zealand) under the Pacific Islands Forum (PIF). DFAT has already provided funding to support the development of the facility. The purpose of the Pacific Resilience Facility is to build Pacific resilience, including retro-fitting existing infrastructure and funding new infrastructure which is climate resilient. Given Australia’s existing commitment to this initiative which is owned and led by Pacific nations, it should be a priority of the AIFFP.

It’s pertinent to analyse the way Australia has approached other recent infrastructure investments in order to understand how it may approach the AIFFP. The Budget includes details on the Coral Sea Cable, an infrastructure project to improve internet connectivity in PNG and Solomon Islands, which was announced in late 2017. This project was reported to be a bid to prevent Chinese telco Huawei going ahead with providing the resource, following a deal they signed with the Solomon Islands Government. Aid agencies criticised the Australian Government’s failure to outline the cost of the investment in the 2018 budget; this year the budget papers contain significantly more detail, including a breakdown within the country allocation to PNG and Solomon Islands (see table below), and confirm the Coral Sea Cable will cost Australia $200 million between 2017-18 and 2019-20, a 46% increase on the $137 million cost reported in July 2018.

<table>
<thead>
<tr>
<th>Program</th>
<th>2018–19 Budget Estimate $m</th>
<th>2019–20 Budget Estimate $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>519.5</td>
<td>512.3</td>
</tr>
<tr>
<td>Bilateral program</td>
<td>427.9</td>
<td>427.9</td>
</tr>
<tr>
<td>Joint Understanding(^1)</td>
<td>62.0</td>
<td>67.0</td>
</tr>
<tr>
<td>Coral Sea Cable System</td>
<td>29.6</td>
<td>17.4</td>
</tr>
<tr>
<td>Solomon Islands</td>
<td>146.1</td>
<td>122.3</td>
</tr>
<tr>
<td>Bilateral program</td>
<td>92.7</td>
<td>92.7</td>
</tr>
<tr>
<td>Coral Sea Cable System</td>
<td>53.4</td>
<td>29.6</td>
</tr>
</tbody>
</table>

\(^1\) Joint Understanding between Australia and Papua New Guinea on Further Bilateral Cooperation on Health, Education and Law and Order. Source: Aid Budget Summary FY19/20, pp 7

Telecommunications infrastructure can be both a positive force for shifting harmful gender norms, but it can also have unintended negative consequences for women and girls. For example, while information-communications technology (ICT) can facilitate greater access to knowledge, business and learning opportunities for women, if these economic opportunities are not delivered alongside programs which challenge harmful gender norms, some men

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66 Pacific Islands Forum 2018b  
67 Taylor 2019  
68 Pacific Islands Forum 2018a  
69 Fox 2018  
70 ACFID 2018; Fox 2018
can choose to perpetuate their patriarchal power, and respond to women’s increased economic empowerment with violence. Improved ICT access can also present risks in the form of technology-assisted violence. This could include new forms of violence such as online harassment, cyberstalking and so-called ‘revenge porn’ (blackmail using real or photo-shopped illicit images) as well as using technology to facilitate psychological or economic abuse (for example, controlling a partners’ online accounts and passwords, keeping track of web browsing, texts or phone calls). A review of the budget summary, *Performance of Australian Aid* and the website of the Coral Sea Cable project do not provide any information on how the gendered impacts, including unintended consequences, of the project are being managed.

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71 Fascendini and Fialová 2011, 21
72 Fascendini and Fialová 2011, 22–24
5. SPOTLIGHT: CLIMATE CHANGE IS A FEMINIST ISSUE

As acknowledged in the Pacific Island Forum’s Boe Declaration and noted by the Minister’s forward to the aid budget summary, climate change is the greatest threat to livelihoods, security and wellbeing of peoples in the Pacific.\textsuperscript{73} The impact of climate change has significant gender implications. The Australian Government recognised this again in March 2019 at the UN Commission on the Status of Women.\textsuperscript{74}

Women living in developing countries, and especially in rural areas of developing countries, are one of the most vulnerable groups to the effects of climate change. Women are often dependent on natural resources for their livelihoods such as small-scale or subsistence farming. Women undertake the vast majority of unpaid domestic labour, including collecting food, fuel and water. All of these activities are negatively impacted through climate change and associated climate variability.\textsuperscript{75} As climate change related events, including storms, droughts and crop failures, increase in severity and frequency, gender inequality will undoubtedly worsen. Australia’s aid program includes a strong commitment to advancing gender equality, but the failure to allocate new and ongoing climate change prevention funding undermines our ability to meet these objectives.

<table>
<thead>
<tr>
<th>Australian Climate Change Aid and Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of fund/project</td>
</tr>
<tr>
<td>-------------------------------------------</td>
</tr>
<tr>
<td>Green Climate Fund</td>
</tr>
<tr>
<td>Climate change and disaster resilience support to the Pacific</td>
</tr>
<tr>
<td>Australia Pacific Climate partnership</td>
</tr>
<tr>
<td>Coastal Blue Carbon Systems</td>
</tr>
<tr>
<td>Coral Reef Initiative</td>
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<tr>
<td>Phase 2 Sustainable Development Investment Portfolio</td>
</tr>
<tr>
<td>Indonesia-Australia Partnership for Environmental Governance</td>
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</tbody>
</table>

Source: Aid Budget Summary FY19/2, pp 95

No new funding for climate change initiatives was announced in this year’s budget. As the table above suggests, the $200 million cited by the government (p.95) as going towards bilateral, multilateral, regional and global endeavours is not new or additional funding. From the figures and programs cited in the Orange Book, it is not clear the Australian Government will be allocating any additional or new funding to climate change prevention, adaptation or mitigation outside of the AIFFP.

\textsuperscript{73} DFAT 2019c, 95
\textsuperscript{74} CSW63 2019, 20; s; hh;bbb
\textsuperscript{75} Terry 2009, 3
5.1 INCREASES TO REACTIVE SPENDING

In 2018, Asia experienced more natural disasters than any other region, accounting for 43% of all events worldwide, and 74% of natural disaster-related fatalities.\(^{76}\) Disaster risk reduction (DRR), preparedness and response funding has increased from $39 million in FY 2018-19 to $51 million in 2019-20, a welcome investment in reacting to the realities of increasing severity and frequency of natural disasters. Too often, the needs and voices of women in DRR efforts are marginalised, undermining the efficacy of DRR efforts. To ensure DRR meets the needs of all in the community, increased ODA allocations by the Australian Government must include funding to engage women’s leadership and voices to ensure their needs, concerns and expertise are incorporated into DRR planning and implementation, and must be augmented by long-term support to transform gender norms which inhibit women’s leadership. Taking a gender transformative approach to DRR planning, through prioritising the knowledge of women and making a specific effort to include their perspectives, is critical if Australia’s ODA is to support effective DRR approaches in our region.

Unfortunately, this increase in reactive spending is not bolstered through an increase in preventative spending. The Coalition Government has announced it will not replenish Australia’s contribution to the Green Climate Fund following the final $19 million contribution in December. The Prime Minister has stated he no longer wishes to “tip money into that big climate fund,” and instead plans to fund climate change resistant and resilient infrastructure.\(^{77}\) There is an undeniable need for climate change resistant and resilient infrastructure, but it should not be the sole focus of any government’s climate change policy. Investing in prevention and other mitigation and adaptation funds and strategies is vital.

\(^{76}\) DFAT 2019c, 79  
\(^{77}\) Readfearn 2018
Bibliography


———. 2015. “Strategy for Australia’s Aid Investments in Economic Infrastructure.”


