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## **MIXED RESULTS AND SKEWED PRIORITIES**

### **Gender equality, development, defence and the Australian Government Budget 2018-2019**

**(Incorporating an analysis of Gender equality targets and  
the *Performance of Australian Aid Report 2016-2017*)**

**May 2018**



## Snapshot: mixed results and skewed priorities

### Moving forward

- Internationally, Australia stands among a global cohort of government aid programs **leading the way on gender equality**. In 2016, we ranked sixth for the highest proportion of the aid program contributing to gender equality.
- In 2016-17 DFAT spent \$2.07 billion on investments that **targeted gender equality** as a 'principal' or 'significant' objective, \$50 million more than the previous year.
- After sharp reductions, the 2016-17 budget saw **increased funding for family planning**, inching close to the levels of 2014-15. The 2018-2019 Budget also highlights programming on sexual and reproductive health across humanitarian response, health sector and country programs.

### Standing still

- **Funding remains constant** for UN Women and the United Nations Population Fund (\$7.8 million and \$9.2 million respectively). However this is less annual funding than they received five years ago, and the Government has cut Australia's contribution to UNFPA by 40% over this period.
- **The Gender Equality Fund** also received the same amount as last year: \$55 million in the 2018-19 Budget. We called for increased funding for women's rights organisations and it's not clear this budget delivers that.
- **There is a continued lack of transparency**. The OECD reporting, DFAT's budget papers, Senate Estimates and the Performance of Australian Aid report use different methodologies making comparability difficult.

### Falling down

- **The Government's priorities are skewed**. Its waning interest in building global peace, justice and equality, stands in stark contrast to its ambition for weapons. By 2021, for every dollar we spend on aid, we will spend \$11 on defence. For the price of a single submarine, or the \$3.8 billion the Government intends to loan weapons manufacturers, we could fund almost the entire aid program for a year
- **The Australian aid budget is plummeting**. The Government has been cut 8 times since 2013. \$141 million will be cut next year, following cuts of \$303 million last year. Compared to our peers, though our economy ranks 9th in the world, Australia rank 19th in terms of generosity. By 2022, we will dedicate just 0.19 per cent of our Gross National Income to Overseas Development Assistance, in stark contrast to the record number of countries dedicating over 0.5% of GNI to ODA.



## MIXED RESULTS AND SKEWED PRIORITIES

### Budget Analysis 2018-19 Review of Performance of Australian Aid 2016 – 2017

The Australian Government's key foreign policy strategies recognise the fundamental importance of enhancing gender equality. The 2017 Foreign Policy White Paper (White Paper) highlights gender equality as a core national value and women's empowerment as a 'top priority' in achieving global prosperity, stability and security.<sup>1</sup> The White Paper and the 2015 Gender Equality and Women's Empowerment Strategy point to the clear and powerful boost to global economic prosperity, peace, and stability that stem from a world that is more equal and more just.

In the last week, DFAT and the Government have released three documents which spell out Australia's commitment to gender equality:

- The 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 FY2016-17, including against strategic targets.

So what does the first Federal Budget since the White Paper deliver for gender equality in international development, defence and foreign policy? And what does the annual *Performance of Australian Aid* tell us about Australia's commitment to gender equality in the aid budget?

### 1. Going backwards on aid

By signing up to the visionary roadmap of the Sustainable Development Goals (SDGs), Australia joined the international community in committing to build a better world and a safer and healthier planet for all. This collectively agreed set of goals charts a course to a better future. To be successful it needs to be prioritised and resourced. The SDGs set a target to allocate 0.7% of Gross National Income (GNI) to Official Development Assistance (ODA).<sup>2</sup> A record number of countries, including the UK, have now reached this target. And in our own neighbourhood, New Zealand announced a 30% increase in their aid budget - on the same day our federal budget was released, showing Australia's aid budget going backwards.<sup>3</sup>

This year's budget entrenches Australia as one of the world's lowest contributors to ODA. We now rank 19 out of the 29 nations that give aid.<sup>4</sup> By 2022, we will dedicate just 0.19% of our national income to ODA. We are slipping ever further away from the once bipartisan commitment to increase

<sup>1</sup> Commonwealth of Australia, DFAT (2017). *Foreign Policy White Paper*, p2, 93. Retrieved from: <https://www.fpwhitepaper.gov.au/> [last accessed 15/05/18].

<sup>2</sup> Target 17.2 of the SDGs sets out this commitment.

<sup>3</sup> Australian Council for International Development (2018). *ACFID Analysis of the 2018-2019 Federal Budget*, p3. Retrieved from:

[https://acfid.asn.au/sites/site.acfid/files/resource\\_document/ACFID%20Federal%20Budget%20Analysis%20FY2018\\_19.p](https://acfid.asn.au/sites/site.acfid/files/resource_document/ACFID%20Federal%20Budget%20Analysis%20FY2018_19.pdf)  
[df](https://acfid.asn.au/sites/site.acfid/files/resource_document/ACFID%20Federal%20Budget%20Analysis%20FY2018_19.pdf) Last accessed 11/05/2018.

<sup>4</sup> Ibid.



our aid to 0.5% of GNI and we are leaving far behind the global aspiration of dedicating 0.7% of our GNI to ODA.<sup>5</sup> This reveals a wide generosity deficit for a nation as wealthy as ours.

The 2018-19 Federal Budget brings in the eighth cut, in real terms, to the aid budget since 2013-2014 (see Figure 1, below). Over the forward estimates (the next four years) we see a capping of the total aid budget at \$4bn per annum, resulting in a total cut of \$141.4million in real terms over this time period. Total aid spending will be \$4.16 billion in 2018-19 – just 0.22% of GNI and dropping down to 0.19% by 2021-22.<sup>6</sup>

For the coming two years, the underlying cut is masked and counteracted by contribution payments that Australia is making to the Asian Infrastructure Investment Bank (AIIB), 85 per cent of which is eligible for inclusion as ODA.<sup>7</sup>

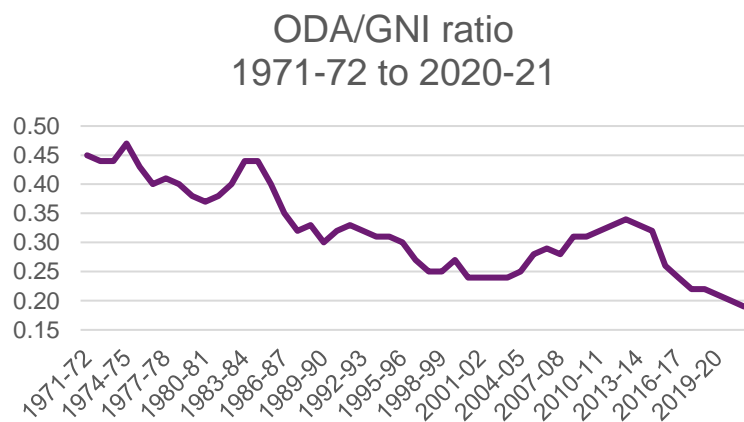


Figure 1: Australia's aid budget as a percentage of Gross National Income has fallen to an all-time low and continues to fall. Source: ACFID

Shrinking the aid budget and the support to ending poverty will disproportionately affect diverse women and girls in our region and the world, as globally, women and girls are more disadvantaged across many dimensions of poverty. Less money for education means fewer girls in school. Less money for health programs means fewer women accessing contraception or neonatal care. Less money for gender equality means fewer programs to change the laws, norms and policies that will help to end women's human rights violations and the harmful gender norms that affect all people. While it is positive to see gender equality prioritised within the aid budget, we cannot get away from the fact that cuts to aid hurt women and girls.

## 2. All guns blazing for defence

While the aid program is going backwards, defence funding is to "grow to two per cent of GDP by 2020–21. The Government will provide Defence with \$36.4 billion in 2017–18 and \$160.7 billion

<sup>5</sup> Bruere, W. & Hill, C. (2016). *Changes to Australia's overseas aid program under the Abbott and Turnbull governments 2013–2016: key policies and responses*. Retrieved from: [http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload\\_binary/4832715.pdf;fileType=application/pdf](http://parlinfo.aph.gov.au/parlInfo/download/library/prspub/4832715/upload_binary/4832715.pdf;fileType=application/pdf) [last accessed 11/05/17].

<sup>6</sup> ACFID (2018), p9.

<sup>7</sup> ACFID (2018), p8.



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over the Forward Estimates.”<sup>8</sup> By 2021, for every dollar we spend on aid, we will spend \$11 on defence. For the price of a single submarine, we could almost fund the entire aid program for a year. It is also of concern that the government has announced its intention to become a top arms exporter.<sup>9</sup> Seen alongside the White Paper’s aim of achieving global prosperity, stability and security, the \$3.8bn funding for a defence export facility sends very mixed messages to partner countries in our region who need more aid, not guns. The Government’s lack of vision for international engagement to build peace, justice and equality, stands in stark contrast to its ambition for weapons.

In an increasingly competitive Indo-Pacific region, Australia’s search for continued prosperity depends more than ever on the wellbeing of countries across our region. Human development is a strong counter to violent instability. In addition, global research has confirmed that the best predictor of a state’s peacefulness is how its women are treated. The larger the gap between the treatment of men and women in a society, the more likely a country is to be involved in intra- and interstate conflict, to be the first to resort to force in such conflicts, and to resort to higher levels of violence. Furthermore, post-conflict agreements that are negotiated without women break down faster than those that do include women. All-male groups also take riskier, more aggressive, and less empathetic decisions than mixed groups.<sup>10</sup> To quote the former Secretary General of the United Nations ‘... there is no policy more effective in promoting development, health and education than the empowerment of women and girls. And I would venture that no policy is more important in preventing conflict, or in achieving reconciliation after a conflict has ended.’<sup>11</sup>

Australia’s National Action Plan on Women Peace and Security (2012 – 2018) (NAP on WPS) sets out Australia’s domestic and international priorities to integrate a gender perspective into its peace and security efforts; protect the human rights of women and girls; and promote their leadership and participation in all aspects of conflict prevention and resolution.

The Defence Budget Papers make no reference to gender equality to the NAP on WPS, even though the Defence Corporate Plan 2017-2018 (again) reiterates that the “Women, Peace and Security agenda is central to Defence’s operational effectiveness and is an essential component of future planning and conduct of operations.”<sup>12</sup> The Minister for Defence, the Honourable Senator Marise Payne, has affirmed this: “We need to make the women, peace and security agenda an inseparable part of the DNA of all of our peace, security, humanitarian assistance and disaster relief operations, and our conduct in combat zones.”<sup>13</sup> She has spoken to the broad-ranging nature of the agenda, asserting the importance of including “women in all aspects of peace and security

<sup>8</sup> Payne, Marise (2018). *Media Release: A Safer Australia - Budget 2018–19 Defence: Overview*. Retrieved from <https://www.minister.defence.gov.au/minister/marise-payne/media-releases/safer-australia-budget-2018-19-defence-overview> [last accessed 11/05/2018].

<sup>9</sup> Purcell, M (2018). “We can influence our region far better with aid than guns,” *Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/politics/federal/budget-2018-we-can-influence-our-region-far-better-with-aid-than-guns-20180507-p4zdwj.html> [last accessed 14/05/2018].

<sup>10</sup> Hudson, Valerie, ‘What Sex Means for World Peace’, *Foreign Policy* April 24, 2012 Retrieved from: <http://foreignpolicy.com/2012/04/24/what-sex-means-for-world-peace/> [last accessed 18/05/2018]

<sup>11</sup> Kofi Anan, Press Release, Secretary-General Remarks to Women’s Day Observance: *No policy for progress more effective than empowerment of women*, March 8, 2006. Retrieved from: <https://www.un.org/press/en/2006/sgsm10370.doc.htm> [last accessed 19/05/2018]

<sup>12</sup> Commonwealth of Australia, Department of Defence (2017). *Defence Corporate Plan 2017-2018*, p5. Retrieved from: [http://www.defence.gov.au/publications/Docs/2017-18\\_Defence\\_Corporate\\_Plan.pdf](http://www.defence.gov.au/publications/Docs/2017-18_Defence_Corporate_Plan.pdf) [last accessed 08/05/2018].

<sup>13</sup> Payne, M. (2018). *Speech to the ASEAN-Australia Women, Peace and Security Dialogue*. Retrieved from <https://www.minister.defence.gov.au/minister/marise-payne/speeches/speech-asean-australia-women-peace-and-security-dialogue> [last accessed 08/05/2018].



processes, in conflict prevention and conflict management, in resilient and sustainable peace operations and when supporting economic recovery and community stability.”<sup>14</sup> The Minister also flagged her commitment that the Defence portion of the NAP on WPS generates practical, realistic and attainable objectives for the Australian Defence Force.<sup>15</sup> However, missing from Budget 2018-2019, again, is any clear mechanism for funding this work, one of the 16 recommendations in the Independent Interim Review of the NAP on WPS which called for a dedicated budget linked to specific activities to support its implementation.<sup>16</sup> Experience shows that without dedicated resources women, peace and security is ignored. Departmental funds must be found to support the development of the NAP on WPS, and going forward, allocations must prioritise the integration of gender equality across all our security efforts.

### 3. There's a vision for gender equality, but we haven't hit the mark yet (and it's really difficult to figure that out)

#### Setting the vision

We know achieving gender equality is essential to promoting peace and prosperity for all. As a nation, Australia's foreign policy has identified gender equality as a core Australian value: we can no longer tolerate the persistent discrimination and exploitation suffered by women and girls. We commend the Government for their identification of gender equality as a core Australian value and for integrating women's empowerment and gender equality in the Foreign Policy White Paper, the *Gender equality and Women's Empowerment Strategy*, and *Making Performance Count: Enhancing the Accountability and Effectiveness of Australian Aid*.

We are not the only ones to do so. The recent report by the Organisation for Economic Cooperation and Development (OECD), *Review of the Australian Aid Program*, recognised “gender equality is genuinely a cross-cutting issue for DFAT.”<sup>17</sup> They point to Australia's “twin-track approach that defines gender equality and women's empowerment as a discrete strategic priority investment area in track one, and integrates gender equality in all aid investments, regardless of sector or focus, in track two.”<sup>18</sup>

#### Overall performance against the 80% gender target

The primary driver of action and accountability for gender equality in Australian Aid is the performance target that more than 80% of investments effectively address gender issues.<sup>19</sup> Baseline data from 2013-2014 shows there was a six percentage point gap that needed to be addressed in order to reach the 80% target. To ensure robust accountability, the Aid Quality Check (AQC) framework for gender equality has been strengthened and gender specialists have played an important role in the moderation of the AQC. The vital role of the gender specialists was asserted in the Performance of Australian Aid Report which noted that they “helped to ensure the robustness

<sup>14</sup> Payne, M. (2018). *Speech to the ASEAN-Australia Women, Peace and Security Dialogue*.

<sup>15</sup> Payne, M. (2018). “WPS 2018: Defence's commitment to women, peace and security”, *The Strategist* (Australian Strategic Policy Institute). Retrieved from: <https://www.aspistrategist.org.au/defences-commitment-wps-agenda/> [last accessed 8/05/2018].

<sup>16</sup> Humanitarian Advisory Group (2015). *Independent Interim Review of the Australian National Action Plan on Women, Peace and Security 2012-2018*. Retrieved from: <https://www.dpmc.gov.au/sites/default/files/publications/nap-interim-review-report.pdf> [last accessed 18/05/2017].

<sup>17</sup> OECD (2018). *OECD Development Co-operation Peer Reviews: Australia 2018*, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris, p45. Retrieved from <http://dx.doi.org/10.1787/9789264293366-en> [last accessed 08/05/2018].

<sup>18</sup> OECD (2018). *OECD Development Co-operation Peer Reviews: Australia 2018*, pg 45.

<sup>19</sup> Commonwealth of Australia, DFAT (2014). *Making Performance Count: enhancing the accountability and effectiveness of Australian aid*, p8. Retrieved from: <http://dfat.gov.au/about-us/publications/Pages/making-performance-count-enhancing-the-accountability-and-effectiveness-of-australian-aid.aspx> [last accessed 15/05/18].



of the improved gender ratings and generate more realistic baseline performance data for many programs.”<sup>20</sup> For a range of reasons, of the ten targets set, gender equality target is the only target not yet achieved (see below). And in 2016-2017 only “77% of aid investments effectively addressed gender equality in their implementation,”<sup>21</sup> a drop from 78% in the previous year. We commend the efforts of DFAT to apply rigorous standards to the gender equality target, and hope this will translate into improved performance against the target over coming years.

Target 1	Target 2	Target 3	Target 4	Target 5
Promoting prosperity	Engaging the private sector	Reducing poverty	Empowering women and girls	Focusing on the Indo-Pacific region
On track	Achieved	Achieved	Not yet achieved	Achieved
Target 6	Target 7	Target 8	Target 9	Target 10
Delivering on commitments	Working with the most effective partners	Ensuring value for money	Increasing consolidation	Combating corruption
Achieved	Achieved	Achieved	Achieved	Achieved

Figure 2: Performance against target in the Australian Aid Program. Source: Performance of Australian Aid Program, 2016-2017.

### Country-level investment performance

The table below shows, from the *Aid Budget Summary*, where gender equality has been flagged as a budget priority investment for the 2018-2019 Budget.

Gender Equality flagged in Budget Priority investments						
Pacific		South East Asia		South and West Asia		Middle East and Africa
PNG	✓	Indonesia	✓	Afghanistan	✓	ME and North Africa
Solomon Islands	✗	Timor Leste	✓	Bangladesh	✓	Sub-Saharan Africa
Vanuatu	✓	The Philippines	✓	Pakistan	✓	
Fiji	✗	Cambodia	✓	Sri Lanka	✓	
Samoa	✓	Vietnam	✓	Nepal	✓	
Nauru	✗	Myanmar	✓	Bhutan	✓	
Kiribati	✗	Laos	✓	Maldives	✗	
Tonga	✓	Mongolia	✗			
Tuvalu	✗					
Cook Islands	✓					
Niue and Tokelau	✗					

Figure 3: Gender equality flagged in budget priority investments. Source: Australian Aid Budget Summary 2018-2019.

The *Performance of Australian Aid* report flagged that performance in the gender equality target was uneven across the program. In particular, “investments in the Pacific face multiple challenges,”<sup>22</sup> and that “strong leadership” will be required to improve the gender performance.<sup>23</sup>

<sup>20</sup> Commonwealth of Australia, DFAT (2018) *Performance of Australian Aid, 2016-2017*, p11. Retrieved from: <http://dfat.gov.au/about-us/publications/Documents/performance-of-australian-aid-2015-16.pdf> [last accessed 18/05/18], p12.

<sup>21</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p11.

<sup>22</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p11.

<sup>23</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p11.



Gender performance by region, 2015-2016 & 2016-2017

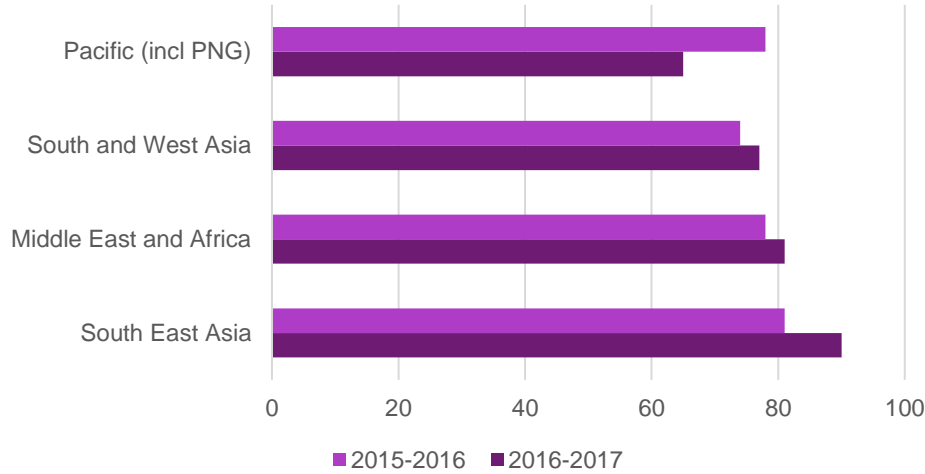


Figure 4: Percentage of significant and principal gender equality investment by the Australian Government

The poor identification of gender equality investments for Pacific countries in the *Aid Budget Summary* (5 out of 11 countries identified gender equality initiatives in the list of priorities) affirms the need to focus on gender-response forward planning, particularly in under-performing areas.<sup>24</sup>

The *Performance of Australian Aid Report* aggregated data to a regional level, precluding precludes country-by-country analysis on gender equality performance. While the gender equality performance measure is not being met, bringing a line-of-sight to country-by-country performance within the *Performance of Australian Aid* report would be useful.

Performance is measured using the Aid Quality Check process, which uses a sliding scale to assess performance against relevance, effectiveness, efficiency, monitoring and evaluation, sustainability and gender equality.

	Rating Scale	Definition
Satisfactory	6	Very good; satisfies criteria in all areas.
	5	Good; satisfies criteria in almost all areas.
	4	Adequate; on balance, satisfies criteria; does not fail in any major area.
Unsatisfactory	3	Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.
	2	Poor; does not satisfy criteria in major areas.
	1	Very poor; does not satisfy criteria in many major areas.

To facilitate greater insight into the performance in the Pacific region, we have reviewed the Aid Program Performance Reports for 2017, providing a line-of-sight on country-by-country gender equality performance (excluding the regional programs).<sup>25</sup> It is useful to contrast Figure 5, which shows AQC on current investments with Figure 6, which shows the Final AQC on an investment.

<sup>24</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p13.

<sup>25</sup> The Performance of Australian Aid report reports on performance for 2016-2017. The Aid Program Performance Reports present separate data for 2016 and 2017. It is unclear how they are weighted when combined for the POA report.





The Final AQC, which typically are closing older investments that pre-date the establishment of the performance target, are more likely to have unsatisfactory results, while the current investments are performing better.

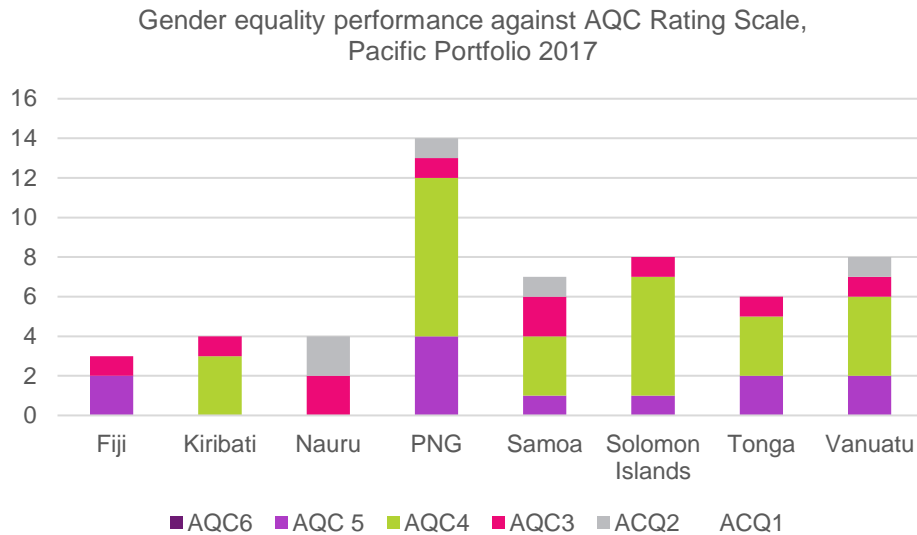


Figure 5: Gender equality performance against AQC Rating Scale, Pacific Portfolio, 2017. Source Annual Aid Performance Reports.

It is useful to contrast the performance of current investments against the older investments (see table below, represented in the Final AQCs), and see that the investments are tracking towards stronger gender equality performance over time.

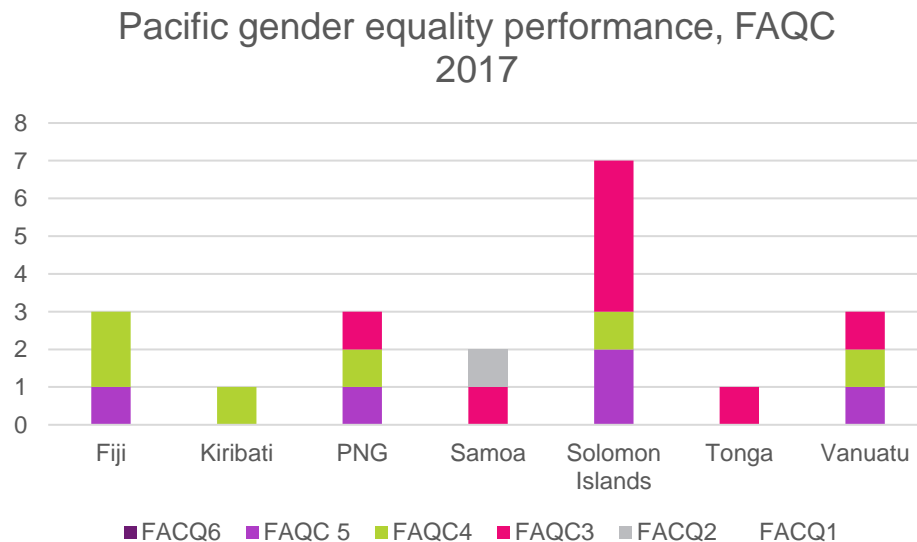


Figure 6: Gender equality performance against Final AQC Rating Scale, Pacific Portfolio, 2017. Source Annual Aid Performance Reports.

### Thematic investment priority performance

There are also concerning trends in the thematic areas of DFAT's aid budget, with gender equality performance going backwards in half of the investment priority areas: building resilience, health and education (noting particularly these were the only priority areas to have achieved the 80% investment target in previous years). The changes in health may be explained by the shift towards



systems strengthening approaches, flagged in the departments health strategy.<sup>26</sup> In *Performance of Australian Aid* DFAT notes they consider gender analysis in this kind of work to be more challenging, indicating a need for the Department to develop greater technical capacity on gender analysis in this area.<sup>27</sup> The \$110m *Water for Women* program has enabled investment in the agriculture, fisheries, and water to return to the 2014-2015 level (79%) again.

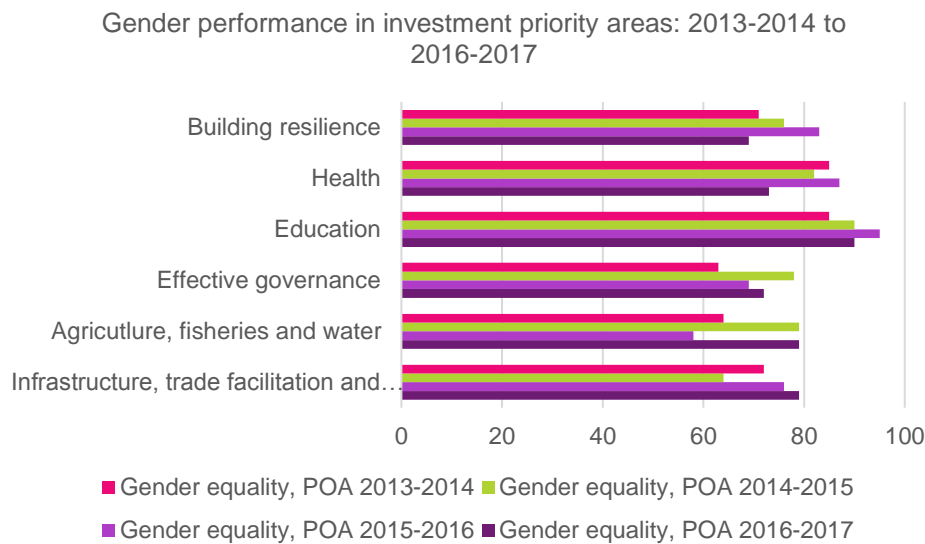


Figure 7: Gender performance in investment priority areas. Source: *Performance of Australian Aid Program, 2016-2017*

As the data shows, performance against the 80% target has gone backwards in several thematic investment priority areas in the last twelve months. The *Performance of Australian Aid Report* speaks specifically to the need for strong leadership to address the persistent challenge in meeting the gender equality performance target. While the target is not being met, it would be useful for the Government to ensure that the *Performance of Australian Aid Report* provides greater accountability for the performance of individual countries against the target, not just regional analysis. We support calls in the *Performance of Australian Aid Report* to strengthen internal processes to ensure accountability and strong performance on gender equality through:

- greater attention at senior management levels, particularly in terms of oversight and accountability
- mandatory responses to underperforming gender equality investments
- strengthened guidance and gender-responsive forward planning, particularly in underperforming areas
- strategies to address challenges in meeting demand, sequencing technical support, and recruitment of gender specialists.<sup>28</sup>

We also call for improved public accountability and transparency approaches, including that the Minister for Foreign Affairs present an Annual Gender Equality Report to Parliament.

<sup>26</sup> Commonwealth of Australia, DFAT (2015). *Health for Development Strategy 2015-20*. Retrieved from: <http://dfat.gov.au/about-us/publications/Documents/health-for-development-strategy-2015-2020.PDF> [last accessed 11/05/18].

<sup>27</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p13.

<sup>28</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p10-15.



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### **Moving forward: setting expenditure targets for gender equality**

In light of ongoing challenges in meeting the 80% target for gender equality investments, the Australian Government should also introduce spending targets for principal and significant gender equality investments. In this way, the aid program will have mechanisms that strengthen the mechanism for integrating gender equality into the inception/design phase of the project, while the performance target will ensure that the implementation phase remains on track to deliver effective gender equality outcomes.

While the Strategic Framework for the aid program identifies gender equality as one of six priority areas for the Australian aid program, along with effective governance; agriculture, fisheries and water; infrastructure trade facilitation and international competitiveness; education and health; and building resilience,<sup>29</sup> expenditure for gender equality is not tracked at a sectoral level.<sup>30</sup>

The Australian Government played an important leadership role in strengthening the OECD Development Assistance Committee (DAC) gender equality policy marker, increasing the rigour of the guidelines by setting stronger minimum criteria for use of the significant and principal categories in the marker. Previous methodological concerns with the gender marker had resulted in Australia being reluctant to set expenditure targets. As a result of the revisions, the Australian Government can have greater confidence to introduce spending targets. This measure should be alongside maintenance of the existing performance targets for gender equality. This is particularly important, as the *Performance of Australian Aid* report demonstrated that investments where gender equality was either a principle of significant objective performed better in effectiveness, efficiency and sustainability, and monitoring and evaluation.<sup>31</sup> A spending target would also assist in budget transparency, enabling principal investments to be reported at a sectoral level.

We make this recommendation to address the challenges DFAT has experienced in achieving the gender equality performance target. It is important to note that at a global level, the OECD point to the fact that “in 2015, 54% of Australia’s bilateral allocable aid had gender equality as a significant or principle investment, which is a much higher figure than the DAC country average of 36.3%.”<sup>32</sup> The following table shows Australia’s position with the global cohort. (Interestingly, two of the four table leaders have articulated explicitly feminist foreign policies and/or development assistance policies, Sweden and Canada). Our aspiration for the Australian Government is that they move closer to the top of the leader board, strengthening their capacity to contribute to gender equality work in the Indo Pacific region.

<sup>29</sup> Commonwealth of Australia, DFAT (2014). *Australian aid: promoting prosperity, reducing poverty, enhancing stability*, p6. Retrieved from: <http://dfat.gov.au/about-us/publications/Pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx> [last accessed 15/08/2018].

<sup>30</sup> See for example, the data on Australian ODA to the South and West Asia. Commonwealth of Australia, DFAT. (2018) *Australian Aid Budget Summary 2018-2019*. p56. Retrieved from <http://dfat.gov.au/about-us/corporate/portfolio-budget-statements/Documents/2018-19-australian-aid-budget-summary.pdf> [last accessed 15/05/2018].

<sup>31</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p14.

<sup>32</sup> Commonwealth of Australia, DFAT (2018). *Performance of Australian Aid, 2016-2017*, p14.



Top Ten OECD donors (2015-2016 figures): Gender equality as a % of aid screened, 2013-2014 to 2015-2016

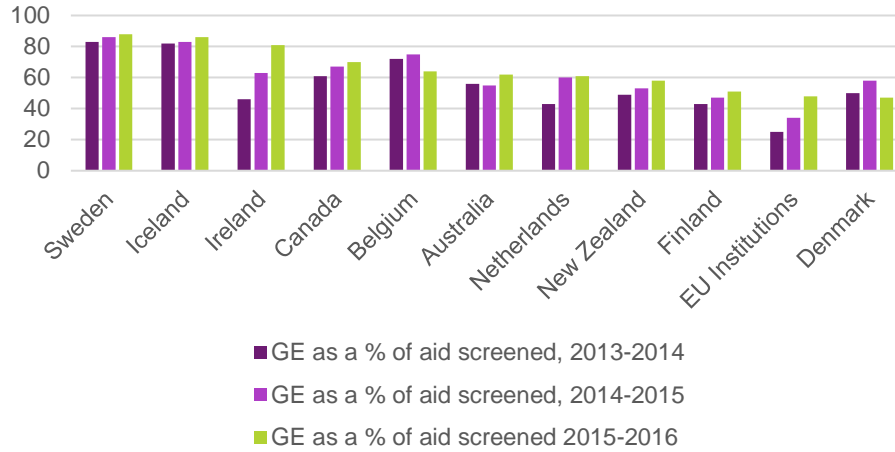


Figure 8: Top Ten OECD donors (2015-2016 figures): Gender equality as a % of aid screened, 2013-2014 to 2015-2016. Source: OECD Aid in Support of Gender Equality and Women's Empowerment Donor Charts

A caveat on this table must be given. The data shows gender equality as a percentage of aid screened.<sup>33</sup> A high percentage in the category of aid “not screened” skews the figures for gender equality as a percentage of aid given, the OECD noting that it “generally increases the percentage of gender equality focused aid significantly.”<sup>34</sup> An analysis of aid not screened during the same period shows the institutions/countries that have the highest percentage of not screened aid: of the countries leading the way on gender equality investments, Australia is the highest ranked in terms of not screened aid (with \$192 million in our aid unscreened for the 2015-2016 period). Focusing strategies to reduce the amount of aid unscreened would support gender equality objectives.

Three-year data on gender equality funding not screened

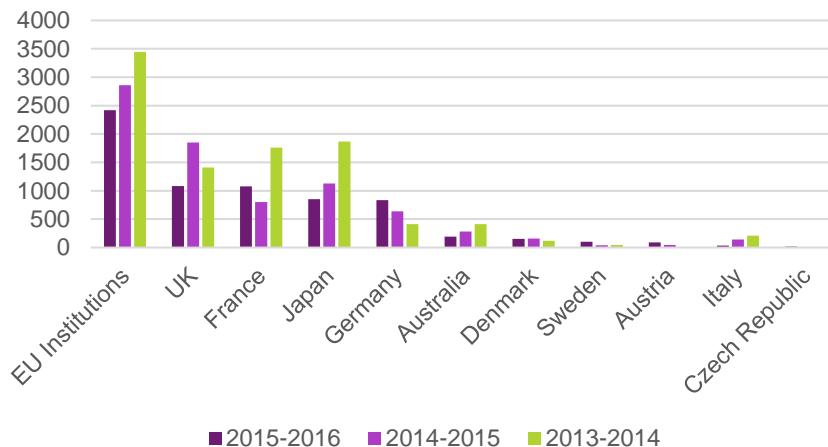


Figure 9: Three year data on gender equality funding not screened. Source: Source: OECD Aid in Support of Gender Equality and Women's Empowerment Donor Charts

<sup>33</sup> The data is drawn from the OECD Aid in Support of Gender Equality and Women's Empowerment Donor Charts, and thus presents data averaged across two years. Retrieved from <http://www.oecd.org/dac/stats/aidinsupportofgenderequalityandwomens empowerment.htm> [last accessed 15/05/2018].

<sup>34</sup> OECD (2018). Aid in Support of Gender Equality and Women's Empowerment Donor Charts, p3.



Setting expenditure targets would also increase visibility on country expenditures. The OECD *Aid in Support of Gender Equality and Women's Empowerment Donor Charts* provides country-by-country gender equality expenditure information, but with a lag time of three years.<sup>35</sup> This year's *Aid Budget Summary* flags that 30% of the aid budget will be spent in the Pacific region, and yet, from this data discussed earlier it can be seen that other regions are performing more strongly in terms gender equality objectives.

Top ten recipients of gender equality focused aid, 2014-2015 & 2015-2016

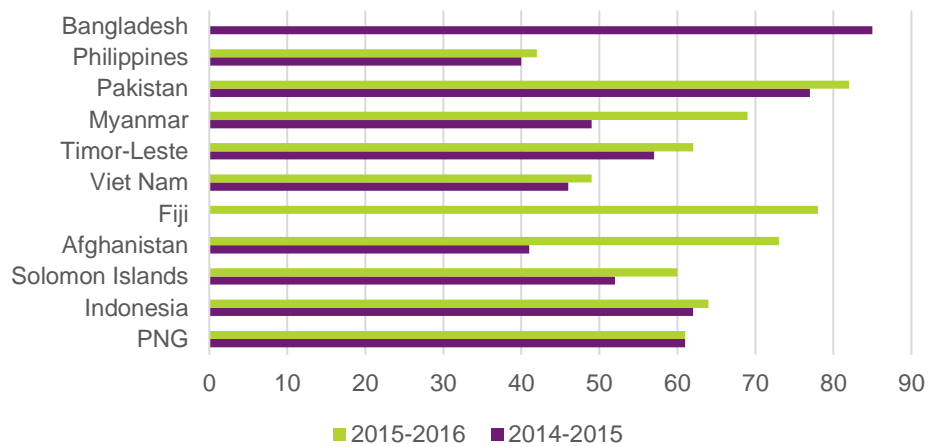


Figure 10: Top ten recipients of gender equality focused aid, Australian Government. Source: Source: OECD Aid in Support of Gender Equality and Women's Empowerment Donor Charts

Interestingly, The PNG *Aid Program Performance Report 2016-2017* notes that the Program has set expenditure targets for principal (5% by 2020) and significant expenditure (90 percent by 2020). While these targets are presently not on track to be met, they demonstrate the practical possibility of establishing expenditure target across the aid program.<sup>36</sup>

<sup>35</sup> There are also issues with year-on-year comparability, as the OCED uses new two-year averages in their annual reports, resulting in challenges with comparability.

<sup>36</sup> Commonwealth of Australia, DFAT (2018). *Papua New Guinea Aid Program Performance Report 2016-2017*, p23. Retrieved from: <http://dfat.gov.au/about-us/publications/Pages/papua-new-guinea-aid-program-performance-report-2016-17.aspx> [last accessed 15/05/18].



### Australian Government Gender Equality Aid: % significant and principal investment

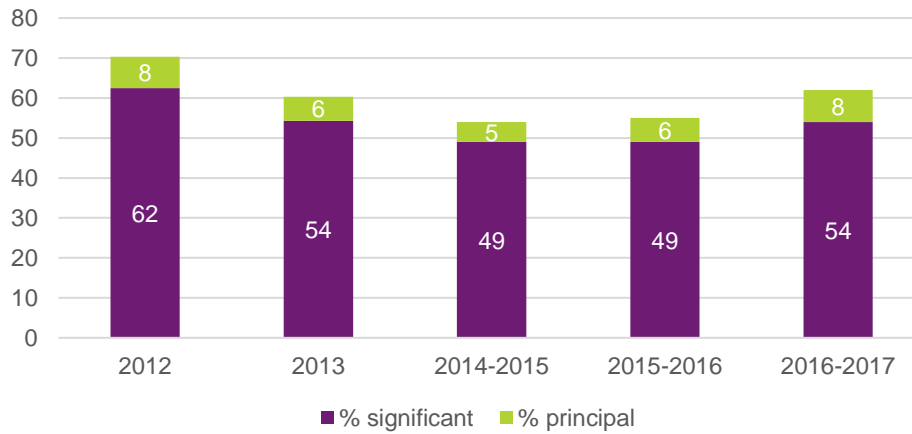


Figure 11: Percentage of significant and principal gender equality investment by the Australian Government

ACFID’s Budget Submission called for Australia to set an 8% target for gender equality as a principal purpose in Australian Aid by 2020. The *Performance of Australian Aid* report shows that Australia achieved this level in 2016. We welcome this achievement, and call on the Australian Government to establish formally targets for principal and significant investments. Based on the most recently available public data we call for the Australian Government to set the following spending targets:

	2020	2025
Principal investment (against DAC criteria)	10%	15%
Significant investment (against DAC criteria)	70%	80%

The recent revisions to the *Definition and minimum recommended criteria for the DAC gender equality policy marker* provides a stronger set of minimum criteria for Governments when assessing projects, and we welcome the decision by DFAT to apply them for its aid expenditure reporting. A stronger target for principal investments would better demonstrate the size of the sector dedicated to achieving gender equality. If aid-for-trade can have a 20% target, then there can and should be a stronger target to drive the promotion of gender equality.

#### Gender Equality Fund

The Government has maintained the \$55m allocation for the Gender Equality Fund, which is welcome. As with previous years, it was not possible to obtain a full understanding of the expenditure for the Gender Equality Fund from the projects listed in the budget papers. The role of the Gender Equality Fund is to strengthen work on gender equality and women's empowerment in the aid program and reshape Australia’s development program to drive stronger gender equality performance and results, which requires careful targeting of programs funded through the Fund.<sup>37</sup>

<sup>37</sup> Commonwealth of Australia, DFAT (2016) Gender Equality and Women’s Empowerment Strategy. Retrieved from: <http://dfat.gov.au/about-us/publications/Documents/gender-equality-and-womens-empowerment-strategy.pdf> [last accessed 18/5/18]



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## Funding to UN Women

Funding to UN Women has remained constant, at \$7.8 million (with no increase with CPI).

### **Women's rights organisations need better funding; it's not clear that this budget delivered**

The Australian Government should increase funding for women's rights organisations and networks, considering their proven record of achieving change for women's rights and gender equality.<sup>38</sup>

Women's rights organisations in the Pacific face particular challenges accessing funding. Analysis in 2015 of AWID's Feminist Donor database, which identifies funders for women's rights organisations, reported that 80% of donors were located in North America and Europe and only 6% gave to countries in the Pacific.<sup>39</sup> If the Australian Government wants to be a leading donor in the Pacific, and a global champion for gender equality, it should prioritise the funding of women's rights organisations in the Pacific region.

The OECD DAC reporting system tracks aid in support of women's equality organisations and institutions through a 'purpose code' used in annual reporting on aid activities (code 15170). This code helps to track donors' support to women's organisations and ministries. In 2016, 0.56% (USD 454 million) of total allocable aid across DAC members (USD 80,831 million) went to the women's equality organisations and institutions purpose code. In Australia, as seen in the table below, support for women's equality organisations and institutions is similarly low, representing 1.22% (USD 22 million) of total sector-allocable aid in 2016.<sup>40</sup> Additionally, the 2016 figures show a marked reduction in the funding allocated to women's equality organisations and institutions (reduced by USD 42 million). *Australia's International Development Assistance: Official Sector Statistical Summary 2016-2017* shows a 2016-2017 expenditure of \$AUD53 million to women's equality organisations and institutions.<sup>41</sup> The low level of funding to women's rights organisations is counterproductive. The Government continues to reaffirm its commitment to gender equality, while simultaneously constraining its ability to achieve it.

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<sup>38</sup> OECD. 2016. *Donor support to southern women's rights organisations: OECD findings*, pp5-6. Retrieved from: <http://www.oecd.org/dac/gender-development/donor-support-to-southern-women-s-rights-organisations.htm> [Last accessed 25/5/17]

<sup>39</sup> AWID (2015). *Feminist Donor List: Who Can Fund My Women's Rights Organizing?* Retrieved from: <https://www.awid.org/resources/feminist-donor-list-who-can-fund-my-womens-rights-organizing> [Last accessed 25/5/2017]

<sup>40</sup> As reported to the Creditor Reporting System (CRS), purpose code 15170. It is important to note that the OECD, in their annual *Aid in Support of Gender Equality and Women's Empowerment Donor Charts* use averages across two years to calculate their data. The graph at this section of the Briefing uses data obtained directly from the CRS.

<sup>41</sup> Commonwealth of Australia, DFAT (2018). *Australia's International Development Assistance: Official Sector Statistical Summary 2016-2017*, Table 12, p16. Retrieved from: <http://dfat.gov.au/about-us/publications/aid/statistical-summary-time-series-data/Pages/australias-international-development-assistance-official-sector-statistical-summary.aspx> [last accessed 15/05/18].



Australian aid in support of women's equality organisations and institutions (USD million - constant price)

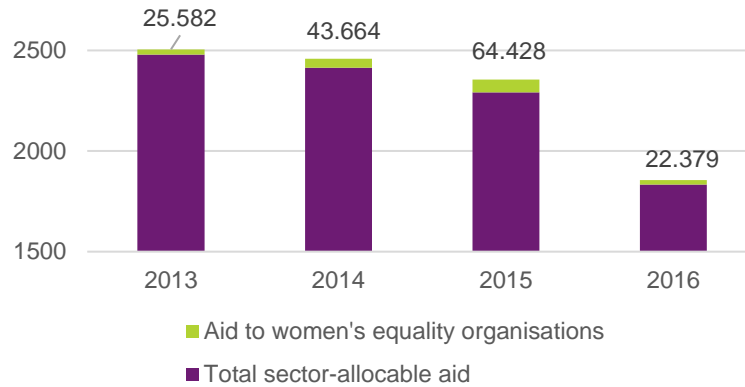


Figure 12: Australian aid in support of women's equality organisations and institutions (USD million – constant price). Source: OECD CRS

The 2015 inquiry of the Joint Standing Committee on Foreign Affairs, Defence and Trade into *The Human rights issues confronting women and girls in the Indian Ocean - Asia Pacific region* recommended the Government “focus its investments on programs that directly build local capacity through supporting local women’s organisations” and lift the percentage of development assistance primarily focused on women and girls to at least 8-10% in the next five years, including through long-term investments.<sup>42</sup> While the Government welcomed the recommendation it was unable to commit to the timeframes proposed. It flagged the Gender Equality Fund as part of its response to the recommendation.<sup>43</sup> As previously discussed, the level of accountability for investments through the Gender Equality Fund in the *Aid Budget Papers* makes it impossible to track the validity of this response. DFAT reported in response to *Additional Senate Estimates 2017-2018* questions that “12 percent of projects supported by the Gender Equality Fund in 2015-2016” had been coded with the DAC purpose code.<sup>44</sup>

In addition to setting spending targets for principal and significant investment, IWDA, CARE and ACFID call for spending targets to increase funding for women’s rights organisations. As the relevant DAC Code includes both women’s equality institutions (such as national machineries for women) and women’s equality organisations to set a standalone target for funding women’s rights organisations. Setting this target has been made difficult by the inability to track current funding levels to women’s rights organisations. The figures have been calibrated against peer donors (Canada, which has announced a CAD30 million investment per annum for women’s rights organisations; Sweden, which allocates USD86 million to women’s equality organisations and institutions; and the Netherlands, which allocates USD112 million to women’s equality organisations and institutions).

	2020	2025
Funding to women’s rights organisations	\$20 million	\$30 million

<sup>42</sup> Joint Standing Committee on Foreign Affairs, Defence and Trade. 2015. *Empowering women and girls. The human rights issues confronting women and girls in the Indian Ocean–Asia Pacific region*. Retrieved from: [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Foreign\\_Affairs\\_Defence\\_and\\_Trade/Human\\_Rights/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Foreign_Affairs_Defence_and_Trade/Human_Rights/Report) [last accessed 15/05/18]

<sup>43</sup> Joint Standing Committee on Foreign Affairs, Defence and Trade. 2015. p26.

<sup>44</sup> 2017-18 Senate Estimates Additional Estimates Question on Notice 69, Portfolio question number 74, p2.





This call to increase funding for women’s rights organisations has been supported by almost 4000 individuals who endorsed IWDA’s advocacy on this during March 2018.

**Women’s sexual and reproductive health and rights**

After sharp reductions in funding for family planning, the 2016-17 budget saw an increase inching close to the levels of 2014-15. Funding for United Nations Population Fund has remained constant at \$9.2 million a year since the 2015-16 Budget. This represents almost half of the Australian Government’s allocations between FY11/12 and FY14/15 (\$15.4 million a year).

In 2016-2017 DFAT spent \$2.07 billion on targets that targeted gender equality as a principal or significant objective. The budget this year continues the \$55 million commitment to the Gender Equality Fund.”

Family Planning Expenditure (AUD) in Australia's ODA Budget, 2010-11 to 2016-17 (using the London FP Summit 2012 Summit methodology)

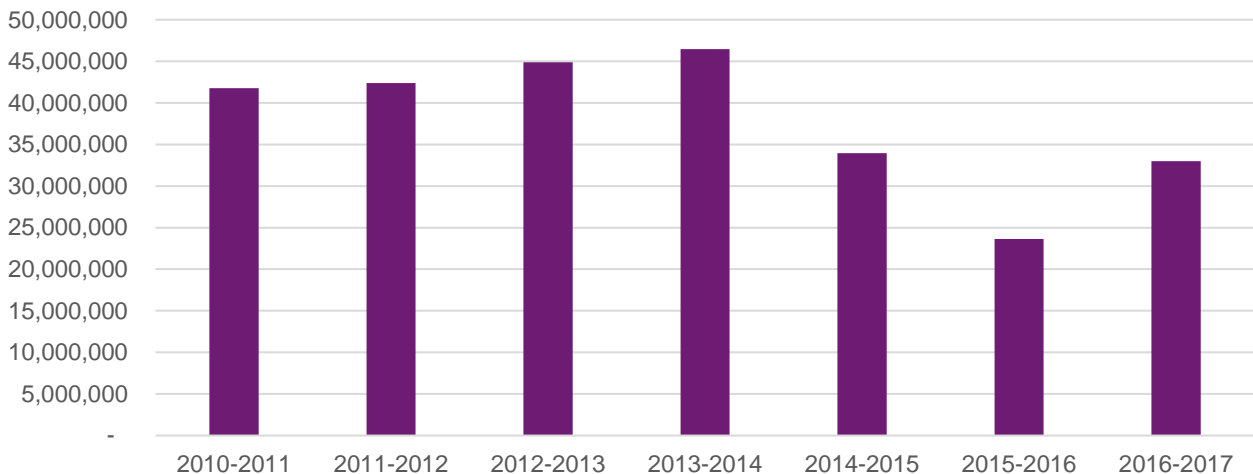


Figure 13: Family Planning AUD in Australia’s Budget, 2010-2011 to 2016-2017. Source: DFAT

The recent spike does not include the pledges made in 2017, including: \$US 30 million over four years to support UNFPA’s sexual and reproductive health programming in the Pacific; a new \$US 3 million program to develop innovative approaches to accelerate access to and demand for contraceptives in the Pacific; \$US 3.5 million to support UNFPA supplies. The 2018-19 Budget papers mention Australian support for seven SRHR programs in our region, which may include a 2017 commitment of \$2.5 million for crisis-affected people in Myanmar.

IWDA, CARE and ACFID 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.

**4. Integration of gender across foreign affairs and trade**

*The Gender Equality and Women’s Empowerment Strategy* defines gender equality and women’s empowerment as a priority in Australia’s foreign policy and economic diplomacy as well as our development policy. It positions the promotion of gender equality as ‘integral to advancing



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Australia's national interests'.<sup>45</sup> It includes commitments to integrate gender equality into Australia's foreign policy and to work with governments in countries where we work to drive progress on this.

To ensure that the Government is effectively driving progress on gender equality and women's empowerment, every diplomatic post should report annually on its work to promote this agenda and the results it achieved. In addition, the Government should share the progress it has made on its *Women in Leadership Strategy* to increase the proportion of women in Band 1 and Band 2 positions to 40% and 35% respectively by 2018; and to 43% and 40% by 2020.<sup>46</sup> As the DFAT cohort is due to grow over the next financial year, this greater investment in staff should reflect the prioritisation of gender equality within the organisation.

Noting we lack the capacity to offer a detailed analysis of the budget across the full portfolio, the ACFID Budget Submission called for a budget allocation to support Australia's foreign affairs and trade portfolio to undertake systematic analysis of women's rights within Australia's trade agreements and bilateral investment treaties. As with the Foreign Policy White Paper, the integration of a gender analysis into trade agreements was not identified as a priority. Trade agreements affect women and men differently, and our trade policies, including aid for trade policies, need to take that into account. There are strong, existing gender-impact assessment methodologies that have been used by counterparts in, for example, USAID,<sup>47</sup> which could be used by the Australian Government to achieve a strong integration of gender equality outcomes into trade policies. These can be used both prior to the commencement of negotiations, to identify priority areas for negotiations (ie, to cast a gender lens over which sectors to include in negotiations) and also to monitor implementation to ensure there are no disproportionate impacts on women.

## 5. Accountability and Transparency

As noted earlier, analysis of budget measures, and more specifically the performance of the Australian Aid program, could be strengthened to improve transparency and accountability. The OECD have echoed this call, noting "the transparency of individual investments could be improved including through clear directives from management to publish regular and timely information. This would reinforce public accountability and confidence."<sup>48</sup>

While we welcome the release of the *Performance of Australian Aid, and Australia's International Development Assistance: Official Sector Statistical Summary 2016-2017*, as the analysis we have presented in this Briefing Note shows, greater granularity, particularly at the country level is required, particularly given the under-performance against the gender equality target.

## 6. What needs to change?

1. Reverse cuts to the development budget and recommit to reaching, in the first instance, 0.5% GNI; moving to 0.7% GNI, in-line with international targets.
2. Address the persistent inability to meet the gender equality performance target by

<sup>45</sup> Commonwealth of Australia, DFAT (2016) Gender Equality and Women's Empowerment Strategy. Retrieved from: <http://dfat.gov.au/about-us/publications/Documents/gender-equality-and-womens-empowerment-strategy.pdf> [last accessed 18/5/18]

<sup>46</sup> Department of Foreign Affairs and Trade, *Women in Leadership Strategy*. 23 November 2015. Retrieved from: <http://dfat.gov.au/about-us/publications/Pages/women-in-leadership-strategy.aspx> [last accessed 18/05/18]

<sup>47</sup> Women's Edge Coalition (2003), *Framework for a Trade Impact Review*. Retrieved from: <https://www-tc.pbs.org/now/politics/tradeimpact.pdf> [last accessed 18/05/18].

<sup>48</sup> OECD (2018). *OECD Development Co-operation Peer Reviews: Australia 2018*, p20.



- a. Set spending targets for principal and significant gender equality investments in the Australian Aid program

	2020	2025
Principal investment (against DAC criteria)	10%	15%
Significant investment (against DAC criteria)	70%	80%

- b. Set a standalone target for funding to women's rights organisations

	2020	2025
Funding to women's rights organisations	\$15 million	\$20 million

- c. Introduce strategies to reduce the proportion of unscreened aid for gender equality objectives aid.

3. Strengthen the senior leadership accountability mechanisms for gender equality targets at DFAT, as per the *Performance of Australian Aid 2016-2017* Report.
4. Strengthen public accountability and transparency approaches, including that
  - i) the Minister for Foreign Affairs present an Annual Gender Equality Report to Parliament
  - ii) integrate gender equality spending targets and data into budget and public accountability documents
  - iii) increase the country-by-country accountability for gender equality targets in the *Performance of Australian Aid* Report, particularly in the Pacific.
5. Increase family planning to \$AU 50 million per year. This would bring funding for family planning in line with the commitment made by the previous Australian Government at the Family Planning 2020 Summit in 2012.
6. Fund Australia's foreign affairs and trade portfolio to undertake systematic analysis of women's rights within Australia's trade agreements and bilateral investment treaties, and use management and public accountability mechanisms to ensure they are undertaken.
7. Ensure diplomatic posts report annually on their work to promote gender equality and the results they achieved. In addition, the Government should share the progress it has made on its *Women in Leadership Strategy* to increase the proportion of women in senior positions.