
AUSTRALIAN FEDERAL BUDGET 2022-23

PRE BUDGET SUBMISSION

28 JANUARY 2021

TREASURY

IWDA INTERNATIONAL
WOMEN'S
DEVELOPMENT
AGENCY

1. INTRODUCTION

International Women's Development Agency (IWDA) is an Australian-based organisation, resourcing diverse women's rights organisations primarily in Asia and the Pacific, and contributing to global feminist movements to advance our vision of gender equality for all.

IWDA welcomes the opportunity to provide this submission to the 2022-23 Federal Budget, which comes at a critical juncture in the global pandemic, as countries which have been depleted by two years of health crises coupled with social and economic disruption struggle to respond to the emergence of new variants. The pandemic has exacerbated inequality – including gender inequality – including pushing more than half a billion people into, or further into, extreme poverty, undermining development outcomes, and increasing the risk of instability and conflict in the coming years.¹ It is critical that Australia commit new funding to the international development budget to adequately respond to growing need in the region.

2. SUMMARY OF RECOMMENDATIONS

Recommendation 1: Re-set Official Development Assistance (ODA) on a strategic and reliable trajectory for growth (at least 0.5% ODA/GNI by 2025-26 and 0.7% ODA/GNI by 2029-30).

Recommendation 2: Commit to adopting an Australian feminist foreign policy, covering defence, diplomacy, trade and development, where gender equality is recognised as a core purpose and goal of Australia's international engagement

Recommendation 3: Announce a multi-year capital investment following the model of the Canadian Equality Fund which committed \$300 million to leverage private and philanthropic investment in women's rights and gender equality, delivered via feminist consortia and managed by an Australian women's rights organisation.

Recommendation 4: Allocate 20 per cent of funding within *Pacific Women Lead* to feminist movement strengthening and research.

Recommendation 5: Increase the central disability allocation to \$14m in FY22-23.

Recommendation 6: Re-establish Australia's ambition in climate justice internationally, immediately doubling climate finance to \$3 billion to 2025, and setting a trajectory to meet our fair share of \$12 billion annually by 2030 to support mitigation, adaptation, loss and damage and just transitions.²

Recommendation 7: Ensure Australia's climate finance is accessible to Women's Rights Organisations working at the intersection of gender equality and climate justice, and support diverse women leaders to participate in climate and disaster risk reduction institutions and advocacy at all levels.

Recommendation 8: Increase funding for ANCP to \$150m in FY2022-23, to account for CPI and the increased demands on programs during COVID-19 response and recovery.

Recommendation 9: Improve effectiveness and impact of development partnerships by permanently approving ANCP programs to include 20% administration to cover the costs of delivering results in partnership with Government.

Recommendation 10: Increase the Departmental budget of DFAT in Canberra and at Post with a focus on retaining in house staff with technical expertise on development and gender.

Recommendation 11: As part of a whole-of-government effort to reinstate gender responsive budgeting, resource DFAT and Office for Women to collaborate to produce an annual Gender Budget Assessment covering all areas of DFAT's work as part of the Federal Budget.

Recommendation 12: Increase the predictability, transparency and flexibility of ODA by reintroducing multi-year budgeting and allowing funds to be rolled-over between financial years.

3. RESOURCING GENDER SENSITIVE COVID-19 RESPONSE, RECOVERY AND RESET

The global pandemic has exacerbated existing inequalities within and between communities, societies and nations. The immediate response phase is far from over, with vaccine coverage still deeply inequitable between citizens of the Global North and those of the Global South, and further waves of infection from new variants likely.³ There is also an urgent need to respond holistically; to ensure that the health needs are met alongside response to the secondary impacts while also addressing ongoing development challenges with adequate resourcing.

The pandemic has also shown the weaknesses in our current systems and approaches to development, and exacerbated inequalities, including gender. This disruption provides an opportunity for transformation, resetting the social norms and systems of power to better enable equality.

3.1 FULLY RESOURCE THE INTERNATIONAL DEVELOPMENT COOPERATION PROGRAM

In addition to the health burden caused by COVID-19, we are seeing impacts across broader health, social and economic domains which are gendered in nature. UNFPA estimates a 43% increase in maternal mortality, and a 40% increase in the unmet need for family planning, as a result of disruptions caused by the pandemic.⁴ Across Asia and the Pacific, women perform four times more unpaid care work than men, and the closure of paid care-providing facilities and schools will only increase this workload, restricting women's ability to engage in paid work and contributing to burnout and exhaustion.⁵ Around the world, rates of gender-based violence have increased since the start of the pandemic, due to what UNDP has noted as "[p]re-existing toxic social norms and gender inequalities, economic and social stress caused by the pandemic, coupled with restricted movement and social isolation measures."⁶

Even as the immediate health crisis may abate, the impacts will be felt for many years. Australia's international development program must be adequately resourced to respond with a predictable, multi-year trajectory towards the internationally agreed target of 0.7% of GNI (Gross National Income).

Recommendation 1: Re-set Official Development Assistance (ODA) on a strategic and reliable trajectory for growth (at least 0.5% ODA/GNI by 2025-26 and 0.7% ODA/GNI by 2029-30).

3.2 COMMIT TO FEMINIST FOREIGN POLICY

Feminist foreign policy is an approach adopted by 8 countries around the world, which "places gender equality as the central goal of foreign policy, in recognition that gender equality is a predictor of peaceful and flourishing societies."⁷ Central to feminist foreign policy is that all national and international security is connected to human security at the individual level. If people have their basic needs met, then there are fewer drivers of conflict. And people's security needs differ based on their gender. Violence against women is a clear demonstration of this; if women are not safe in their homes, then it's not meaningful to say that we have security overall.

Australia's foreign policy and international development program seeks to create a more stable and peaceful region. Adopting a feminist foreign policy approach would place gender equality as the central goal of our foreign and international development policies, and strengthen our efforts towards a flourishing, peaceful region. A commitment to feminist foreign policy should be followed by a refresh of our policy frameworks to lay out how the commitment will be implemented in practice. These processes should be resourced and conducted in consultation with diverse civil society networks in Australia and partner countries.

Recommendation 2: Commit to adopting an Australian feminist foreign policy, covering defence, diplomacy, trade and development, where gender equality is recognised as a core purpose and goal of Australia's international engagement

3.3 INVEST IN FEMINIST MOVEMENTS

Women's rights and feminist organisations are the most effective mechanism for achieving change on gender equality issues. A 40-year study of 70 countries found that autonomous women's rights movements were the greatest factor in achieving legislative change on violence against women – more significant than national wealth, government ideology or the number of women legislators.⁸ Feminist movements are positively linked to

democracy, and effectively leverage political and legal systems to create progress on a range of gender equality issues at the national and international level.⁹

Yet, despite the many donors with policy commitments to advancing gender equality, women's rights and feminist movements are systematically underfunded, receiving less than 1% of OECD DAC funding globally.¹⁰ Feminist movements have further identified the lack of access to flexible, multi-year, core funding as a significant barrier to effectiveness.¹¹ The Generation Equality Forum convened by UN Women has called for a doubling of the annual growth rate of funding to women's rights and feminist organisations and movements by 2026.¹²

In 2020 the Government of Canada made history with a \$300 million investment in women's rights and feminist organisations, designed to catalyse additional funding up to \$1 billion from private sector and philanthropic sources. An investment on this scale from Australia would ensure the policy commitment to gender equality is matched with commensurate resources, and improve the funding availability to the most effective gender equality actors. Additionally, DFAT should leverage existing programs such as *Pacific Women Lead* to increase their focus on feminist movement strengthening and research into the issues facing women in the region, and invest in civil society funding mechanism like ANCP. This should be supported by a target for funding provided directly to women's rights organisations (see section 3.4 below).

Recommendation 3: Announce a multi-year capital investment following the model of the Canadian Equality Fund which committed \$300 million to leverage private and philanthropic investment in women's rights and gender equality, delivered via feminist consortia and managed by an Australian women's rights organisation.

Recommendation 4: Allocate 20 per cent of funding within *Pacific Women Lead* to feminist movement strengthening and research.

3.4 SECURE STRONG FOUNDATIONS FOR DISABILITY INCLUSION

Increasing the central disability allocation lays the foundation DFAT relies upon to deliver its mandate for disability inclusive development, thereby building stronger and more effective development and COVID-19 response programs. The proposed annual \$14m budget is a modest increase on previous years' budget with additional funds to be put towards the global development and implementation of disability inclusive data that is essential to achieving the Sustainable Development Goals, ground-breaking work to advance accessibility across the Pacific, contributing to the development of sign languages in the Pacific, and implementing the *Pacific Framework for the Rights of Persons with Disabilities 2016-2025*.

Recommendation 5: Increase the central disability allocation to \$14m in FY22-23.

3.5 FUND AT THE INTERSECTION OF GENDER EQUALITY AND CLIMATE JUSTICE

The 2018 Boe Declaration on Regional Security, signed by Australia alongside other Pacific Island Forum States, identified climate change as "the single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific."¹³ Global heating, for which Pacific countries are minimally responsible, has caused significant loss and damage to communities and livelihoods.¹⁴ Countries across Asia and the Pacific are confronting unpredictable weather patterns, rising sea levels and temperatures, higher frequency and severity of storms, increasing salination of the groundwater, and severe air pollution.¹⁵

Women and girls face disproportionate climate risks as a result of discriminatory gender norms and structures. For example, changes to natural resources increase the labour demands of gendered activities such as subsistence farming and collecting food, fuel and water.¹⁶ Financial stress and lack of access to the necessities of life can exacerbate intimate partner violence, while exposing women to greater risk of sexual assault as they have to travel greater distances to source food and fuel.¹⁷

Gender-responsive climate change prevention, mitigation and adaptation requires promoting under-represented voices in traditional and formal arenas, giving due consideration to indigenous knowledge and explicitly including the concerns of women. Indigenous women have long played a central role in environmental knowledge management, including ways in which communities have traditionally responded to environmental challenges.¹⁸ Women and girls are at the forefront of organising their families and communities to withstand

extreme events, yet they are most likely to be excluded from formal positions of leadership within community and national governance structures.¹⁹ Australia's international development budget should support diverse women's rights organisations working at the intersection of gender equality and climate justice, to enable diverse women and girls to connect for learning and influence.

Recommendation 6: Re-establish Australia's ambition in climate justice internationally, immediately doubling climate finance to \$3 billion to 2025, and setting a trajectory to meet our fair share of \$12 billion annually by 2030 to support mitigation, adaptation, loss and damage and just transitions.²⁰

Recommendation 7: Ensure Australia's climate finance is accessible to Women's Rights Organisations working at the intersection of gender equality and climate justice, and support diverse women leaders to participate in climate and disaster risk reduction institutions and advocacy at all levels.

3.6 ADEQUATELY FUND CORE COSTS OF CIVIL SOCIETY

The most recent evaluation of the Australian NGO Cooperation Program (ANCP) in 2015 deemed it one of DFAT's most effective programs, delivering 18.2 per cent of the international development program's results for just 2.7 per cent of all ODA funding.²¹ In the context of COVID-19, ANCP programs have been able to pivot effectively to community education, preparedness and response across a wide range of areas. Funding to ANCP was \$133.5m in FY2021-22, the same amount as the previous year. In the context of ongoing need in COVID-19 response and recovery, and the role of Australian NGOs in reaching 'the last mile' of those in need, ANCP funding should be increased by approximately 10 per cent on top of CPI to \$150m.

The ANCP is undergoing an independent review in 2022 as part of the regular evaluation cycle, with a focus on identifying opportunities to "strengthen the management and implementation arrangements of the ANCP."²² A critical issue in the effective implementation of ANCP funded programs for Australian NGOs and their local partners is the limitation on the administration fee that agencies can claim. The limit is 10%, although it was raised to 20% in the 2019-20 and 2020-21 budgets in the context of COVID-19, an acknowledgement that 10% is insufficient to enable agencies to operate in complex and changing scenarios, which are not unique to the pandemic. In practice, this means that returning administration fees to 10% require not for profits to subsidise government funding by meeting the gap in the costs of managing, implementing and reporting on ANCP funding with community donations. While there is no official limit posed on the core costs that can be covered by local partners, in practice they take direction from the limit posed on Australian NGOs. Raising this limit would enable ANGOs to more effectively leverage community donations for the work of partner organisations, who would in turn be empowered to more realistically cover their core costs, leading to greater effectiveness and impact.

Recommendation 8: Increase funding for ANCP to \$150m in FY2022-23, to account for CPI and the increased demands on programs during COVID-19 response and recovery.

Recommendation 9: Improve effectiveness and impact of development partnerships by permanently approving ANCP programs to include 20% administration to cover the costs of delivering results in partnership with Government.

3.7 REINVEST IN DFAT SYSTEMS AND CAPABILITIES

A skilled, effective and well-resourced department is critical to ensuring effective delivery of Australia's international development program. However, an independent review of DFAT since its integration with AusAid in 2013 found that there had been a marked deterioration of skills and systems for managing development programs.²³ The review noted a corresponding increase in the proportion of functions outsourced to managing contractors via facilities. A separate independent review of this model found that "far from enabling DFAT staff to adopt a less 'hands-on' approach, facilities require intensive and ongoing DFAT oversight, engagement and management of both the development content and delivery process."²⁴

Underinvestment in DFAT's technical capacity has impacts for gender equality outcomes, with DFAT's own assessment of its progress on gender mainstreaming in recent years noting limitations in its capacity to provide

technical support on gender.²⁵ At a whole-of-government level, investment in gender responsive budgeting – a form of policy analysis that assesses the budget in terms of its gendered reach and impact – would enable greater impact on gender equality across all policy areas, including development.²⁶

Transparency and predictability are critical pillars of development effectiveness, as outlined in the Busan Partnership for Effective Development Co-operation.²⁷ Studies indicate that unpredictable or volatile delivery of aid reduces its effectiveness, impeding the ability of implementing partners to engage in longer-term transformative change.²⁸ The shift away from multi-year budgeting for Australia’s international development program has had a significant impact on the predictability of ODA, hampering development efforts. Reintroducing multi-year budgeting, and allowing DFAT to roll-over funding between financial years, would significantly improve Australia’s performance against the Busan Partnership and ensure greater development effectiveness.

Recommendation 10: Increase the Departmental budget of DFAT in Canberra and at Post with a focus on retaining in house staff with technical expertise on development and gender.

Recommendation 11: As part of a whole-of-government effort to reinstate gender responsive budgeting, resource DFAT and Office for Women to collaborate to produce an annual Gender Budget Assessment covering all areas of DFAT’s work as part of the Federal Budget.

Recommendation 12: Increase the predictability, transparency and flexibility of ODA by reintroducing multi-year budgeting and allowing funds to be rolled-over between financial years.

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