

Policy Document

Australian Foreign Aid Policy

Background

The Australian Medical Student's Association is the peak representative body for medical students in Australia. AMSA believes that all communities have the right to the best attainable health. As such, AMSA advocates on issues which affect local, national and global health outcomes.

Quantity of Foreign Aid

Since 1970, Australia has committed itself to progressively increasing its foreign aid contributions to 0.7% of its Gross National Income (GNI) at various international meetings [1]. Whilst this target was originally set to be reached in the mid 1970's, Australia, like many other developed countries, has failed to reach the target.

In 2000, all 189 members of the United Nations affirmed their commitment to the Millennium Development Goals [2]. These 8 targets are aimed at eradicating extreme poverty by 2015, and recognise the relationship between education, employment and health. Australia, along with other developed countries, again re-affirmed its commitment to increasing its contribution to foreign aid to 0.7% of its GNI in order to achieve these goals [3].

In 2007, both major political parties made a bipartisan agreement to lift Australia's aid expenditure to 0.5% of its GNI, and the Federal Government at the time committed to achieving this target by 2015 [4]. However successive budgets for 2012-13 and 2013-14 have delayed this target to 2017-18 [5].

Quality of Foreign Aid

In 2009, the Australian government commissioned an independent review of its aid expenditure, in particular its Agency for International Development (AusAID), which manages 85-90% of Australia's foreign aid contribution [6]. This followed international efforts and commitments from donor countries to co-ordinate their aid expenditure and align donor programs with recipient government priorities [7, 8]. In 2011, the findings of this review were reported, with a blueprint for Australia to improve the effectiveness of its aid expenditure. However, a key element of this plan was to reach the 0.5% target by 2015-2016, which was immediately deferred in successive budgets.

Position Statement

AMSA believes that the Australian Government should uphold its responsibility to help people overcome poverty and contribute 0.7% of its GNI to foreign aid. AMSA believes that Australia's aid program must be improved to support partner country efforts to strengthen governance and increase development performance, and that its ultimate goal must be to relieve the people of these countries from poverty.

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Policy

AMSA believes that:

1. Australia's contribution to foreign aid should be increased to 0.7% of its GNI.
 - a. A timeline should be developed for the attainment of this goal.
 - b. Any decision to defer its commitment to increasing foreign aid is not acceptable.
 - c. By deferring its commitment to 0.5% of GNI, the Australian Government also jeopardises the effectiveness of its aid expenditure.
 - d. By not having reliable increasing commitments to aid over a multi-year framework, its own aid programs cannot operate on a predictable basis, which is detrimental to the development of its aid recipients.
2. The primary objective of Australian aid should be to help people overcome poverty.
 - a. This comprises people in humanitarian crises, chronic poverty, and sustainable economic and social development aimed at alleviating this poverty in the face of war and food and water shortages.
 - b. It is in Australia's national interest to donate foreign aid, particularly in the Asia-Pacific region, to encourage stability, security and prosperity.
 - c. Economic growth, social progress and democracy are important factors in the development of all countries, and as a donor country Australia must work to progress these ideals to ensure its aid expenditure is effective.
 - d. Australia should not use its foreign aid contribution for the processing and settlement of Refugee and Asylum Seekers, or other activities which do not benefit those in other countries.
3. In allocating aid to partner countries, the Australian Government should;
 - a. respect the leadership of these countries and help strengthen their capacity to exercise it;
 - b. base their overall support on the development strategies, institutions, procedures and performance reporting frameworks of these partner countries; and
 - c. work with these partner countries, as well as other development actors such as global funds, the private sector and local and international non-government organisations on an agreed set of development goals.
4. Australia must work to harmonise its aid efforts with other donor countries to reduce fragmentation and duplication of international aid efforts
 - a. Especially in those countries and/or regions which lack strong government or leadership.
5. Australia should be prepared to accept accountability for development results, along with their partner countries.
 - a. AusAID must develop and implement policies and procedures which enable its activities to be truly transparent.

References

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2. United Nations Millennium Declaration. Adopted by the General Assembly at the United Nations Millennium Summit, 2000.
3. Monterrey Consensus on Financing for Development. Adopted at the Monterrey Meeting, 2002.
4. Organisation for Economic Co-operation and Development. OECD Development Co-operation Peer Review: Australia 2013. 2013. pp. 13.

5. Australia. Commonwealth Budget: Budget related paper No. 1.8 Foreign Affairs and Trade Portfolio. 2013.
6. Hollway s, Farmer B, Reid M, Denton JWH, Howes S. Independent Review of Aid Effectiveness. Australian Government. April 2011.
7. Paris Declaration of Aid Effectiveness. 2005
8. Accra Agenda for Action. 2008

Policy Details

Name: Australian Foreign Aid Policy

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