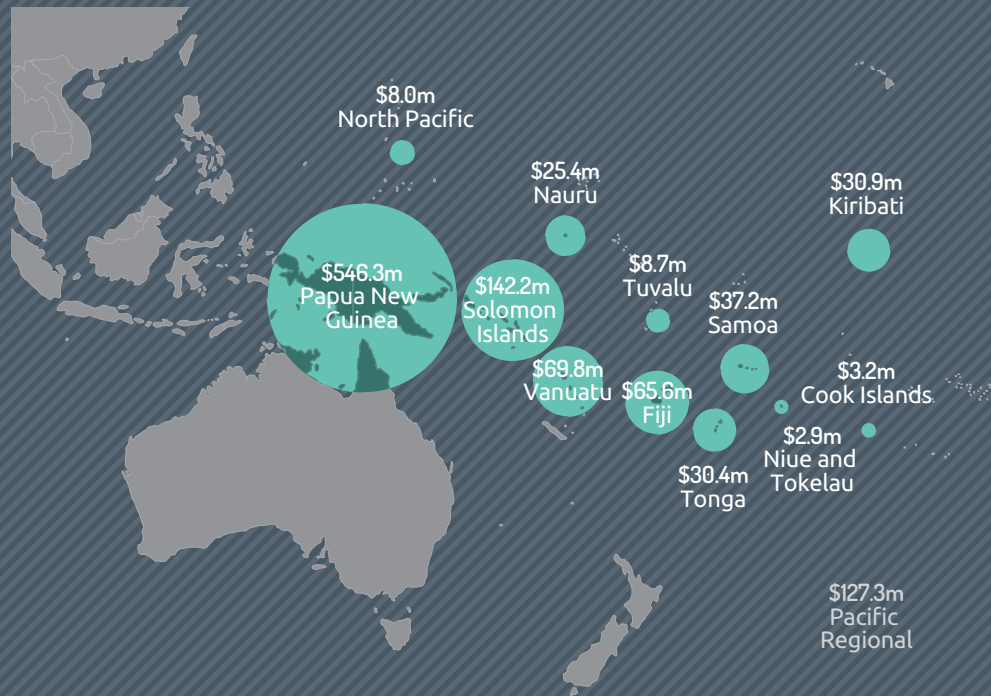
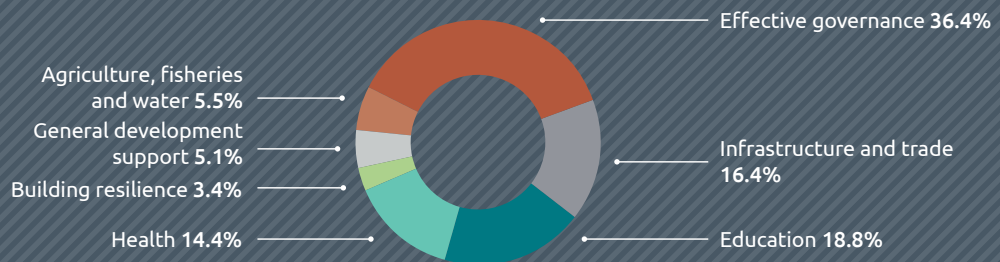


2017-18 TOTAL AUSTRALIAN ODA TO THE PACIFIC*

\$1.1 BILLION



Australian ODA by investment priority



Program Highlights



PACIFIC REGIONAL:
CLIMATE CHANGE AND
RESILIENCE

\$300.0m
(2016-17 TO 2019-20)



SOLOMON ISLANDS:
TRANSITION POST REGIONAL
ASSISTANCE MISSION TO THE
SOLOMON ISLANDS

\$141.0m
(2017-18 TO 2020-21)



PACIFIC REGIONAL:
PACIFIC WOMEN SHAPING
PACIFIC DEVELOPMENT —
PACIFIC WOMEN
MENTORING PROGRAM

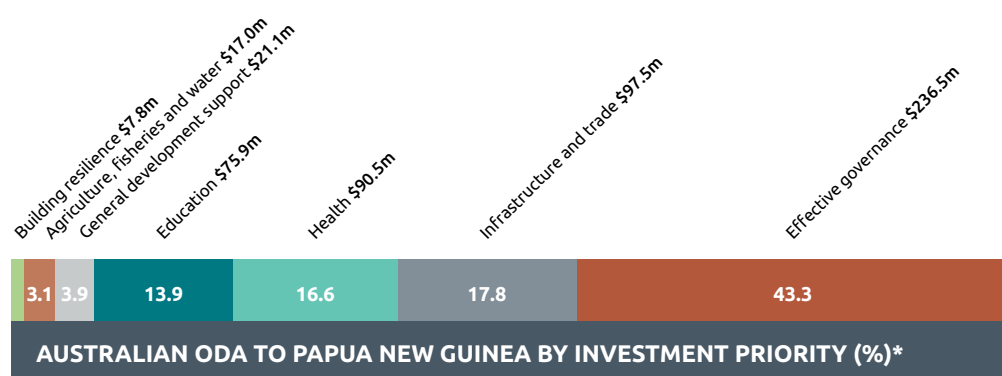
\$5.4m
(2016-17 TO 2020-21)

* Total Australian ODA, from all agencies and programs, attributable to partner countries and regions in the Pacific. Including, flows from DFAT regional and global programs and expenditure by other government.

Papua New Guinea

2017–18 Bilateral Budget Estimate: \$472.9 million

| | 2017–18 |
|--------------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 472.9 |
| Regional | 22.6 |
| Global | 12.1 |
| Other Government Departments | 38.7 |
| Total ODA to Papua New Guinea | 546.3 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia values its long-standing ties with Papua New Guinea (PNG) — we have a shared history and geography, and common economic interests and legal frameworks. As our nearest neighbour and close regional partner, a stable and prosperous PNG is in Australia's interest.

Australia has consistently been PNG's largest aid donor; however, our relationship is evolving, reflecting a more mature, focused and innovative response to PNG. Australian aid delivers assistance to support sustainable economic growth and equitable development in PNG in accordance with the priorities jointly agreed in the *Papua New Guinea-Australia Aid Partnership Arrangement 2016–2017*.

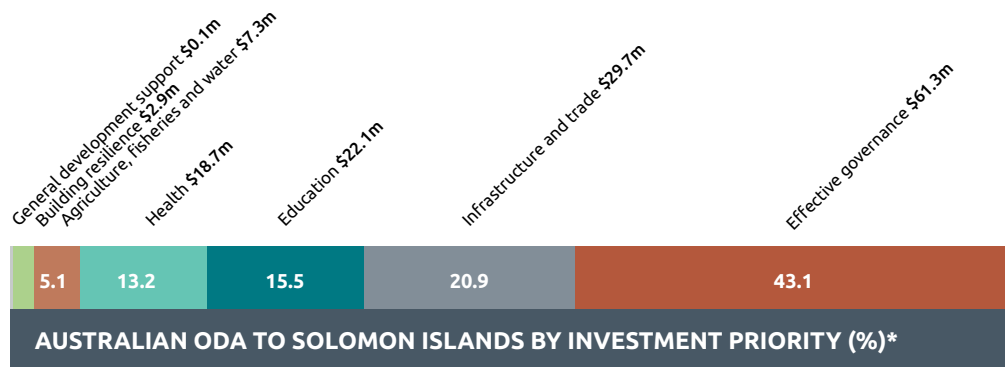
In 2017–18, Australian development support for PNG will focus on:

- » promoting effective governance, with a focus on strengthening accountability, sub-national service delivery, community engagement, electoral reform, combatting corruption, improving access to justice and assisting the Government of PNG to build an effective public service through the Pacific Leadership and Governance Precinct;
- » targeted aid-for-trade support to build PNG's capacity to deal with cross-border trade issues such as quarantine and customs, to help PNG access international markets and support for PNG's preparation for hosting Asia-Pacific Economic Cooperation (APEC) in 2018;
- » enabling economic growth by assisting PNG to improve transport infrastructure including maintaining around 700 km of roads, the business enabling environment, agriculture and rural development, innovation and business partnerships and financial inclusion; and
- » enhancing human development by assisting PNG to develop its own capacity to deliver services. Health investments will target maternal and child health and communicable disease control, and health security. We will help to build a stronger health system by focusing on health financing and human resources. We will also support more PNG students enrolling in and completing school, further education and skills development.

Solomon Islands

2017–18 Bilateral Budget Estimate: \$92.7 million

| | 2017–18 |
|--------------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 92.7 |
| Regional | 16.5 |
| Global | 9.3 |
| Other Government Departments | 23.7 |
| Total ODA to Solomon Islands* | 142.2 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia is a major economic, development and security partner to the Solomon Islands and is in a unique position to help the country realise its potential. We are the country's largest donor and draw upon our experience and partnerships across a broad range of sectors to promote and support change.

Following the conclusion of RAMSI on 30 June 2017, Australia will continue to maintain a substantial investment in the Solomon Islands, including support for police development to be delivered by the AFP.

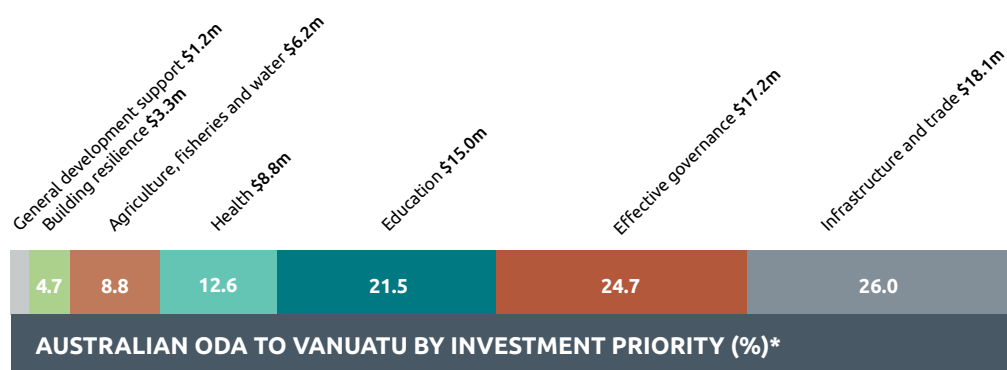
In 2017–18, Australian development support for the Solomon Islands will focus on:

- » supporting stability in the Solomon Islands through new programs in justice, governance and police development. These programs will focus on maintaining and strengthening key institutions to improve macroeconomic stability, provide better access to services and contribute to safer communities in the Solomon Islands;
- » enabling economic growth through the Solomon Islands Growth Program, which will support an increase in private sector investment in a more inclusive economy. It will aim to catalyse private sector investment and increase opportunities for inclusive growth by targeting industries with the highest potential (tourism and agriculture, for example). Particular focus will be given to promoting women's participation and reducing costs to business; and
- » enhancing human development through support for a healthy and educated population. The primary focus will be to support the Solomon Islands Government delivery of quality primary health care and basic education across the country; and to improve systems for skills training.

Vanuatu

2017–18 Bilateral Budget Estimate: \$41.9 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 41.9 |
| Regional | 19.3 |
| Global | 6.9 |
| Other Government Departments | 1.6 |
| Total ODA to Vanuatu* | 69.8 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

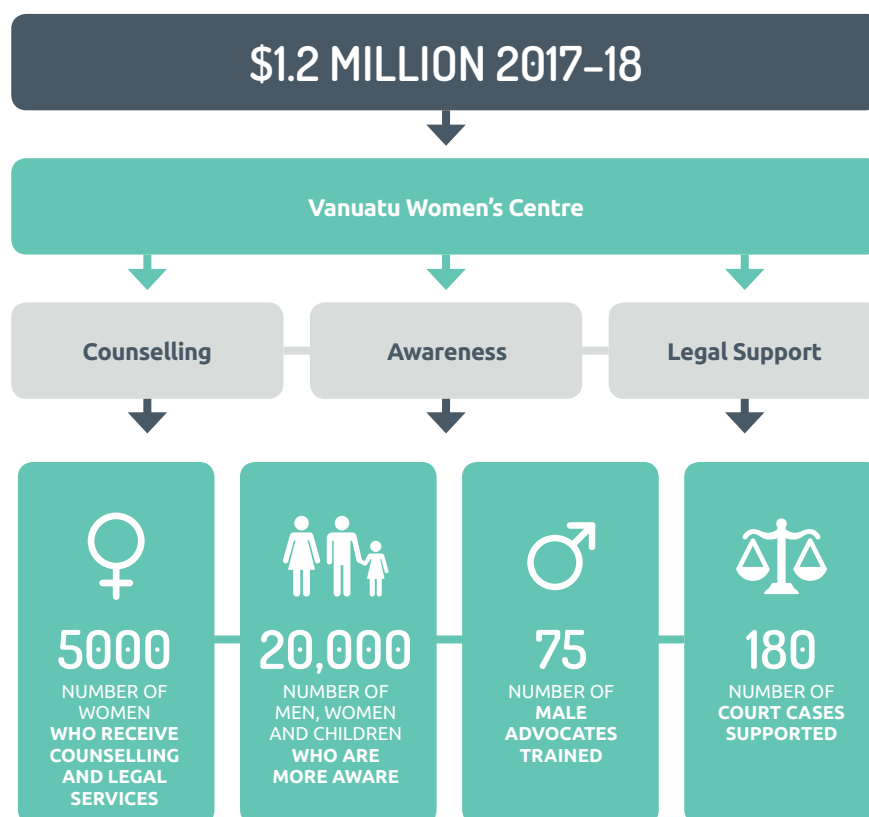
Australia has a direct interest in a prosperous and stable Vanuatu. Australia is an important economic partner for Vanuatu, providing the country with the majority of its tourists, foreign direct investment and aid. Over the last decade, Vanuatu maintained strong economic growth compared with other countries in the region. Economic and social stability have helped attract investment and tourists.

In 2017–18, Australian development support for Vanuatu will focus on:

- » building economic opportunity through the Skills for Economic Growth program, which facilitates targeted, demand-driven skills training across four provinces in Vanuatu, particularly in tourism and sectors such as agribusiness, construction and handicrafts;
- » improving early education through the Vanuatu Education Support Program, which works closely with the Vanuatu Ministry of Education and Training to train teachers and roll out new curriculum for years one to three, to ensure children can read, write and understand basic mathematics by eight to nine years of age;

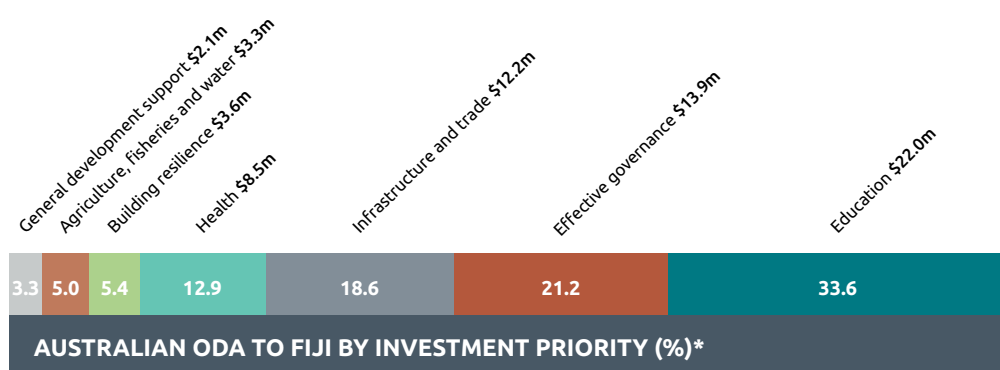
- » improving essential health services by strengthening the health sector, including supporting government-led activities such as the Malaria Action Plan and Village Health Worker Program, as well as providing locum doctors and support for clinical staff in hospitals;
- » improving community safety and resilience through support for women's political leadership, particularly to increase women's representation and capacity at the provincial government level; and to increase women's political participation. Australia will continue to support the Vanuatu Women's Centre — the only service provider for women and children survivors of violence — to provide crucial counselling and legal services and work with communities and male advocates to prevent violence against women and children (see Figure 2: Australian Aid support for Vanuatu Women's Centre); and
- » supporting long-term recovery and reconstruction from Cyclone Pam, including support for economic recovery through a tourism marketing campaign and construction of tourism bungalows on Tanna Island; and the repair of critical public infrastructure including rebuilding health centres and dispensaries, primary school classrooms and key government buildings responsible for delivering essential public services.

Figure 2: Australian Aid support for Vanuatu Women's Centre



2017–18 Bilateral Budget Estimate: \$40.4 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 40.4 |
| Regional | 17.4 |
| Global | 5.2 |
| Other Government Departments | 2.6 |
| Total ODA to Fiji | 65.6 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia and Fiji share a long and enduring friendship, underpinned by strong people-to-people links and significant trade and investment ties. Australia's national interest is in a stable and prosperous Fiji that is an active member of the Pacific community.

Australia's aid program will work in partnership with the Government of Fiji in support of Fiji's development. We share the Government of Fiji's interest in enhancing private sector growth and stimulating the economy in order to generate jobs and incomes for the poor. Australian aid will complement other donors and play a major role in leveraging the public or private sector to deliver meaningful results.

In February 2016, Fiji suffered widespread damage from Tropical Cyclone Winston, for which Australia's total humanitarian assistance package of \$35 million has helped to repair or replace more than 30,000 houses, almost 500 schools and 88 health clinics and medical facilities.

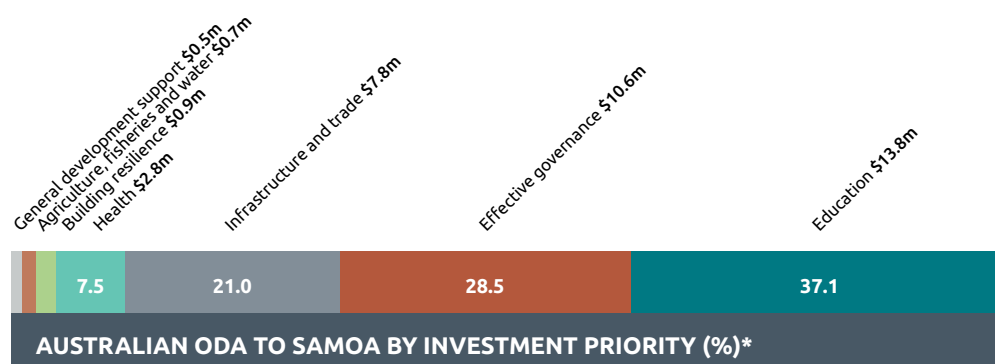
In 2017–18, Australian development support for Fiji will focus on:

- » increasing private sector development through the review and revision of Fiji's foreign investment policies by the Fiji Government, as well as the establishment of a special economic zone to attract businesses to Fiji;
- » improving human development through new programs to improve the quality of basic education and health services in Fiji; and
- » providing the final phase of support for Fiji's recovery and reconstruction following Tropical Cyclone Winston (\$5.4m in 2017–18), including rebuilding 18 schools, the Waimaro Health Centre and the Rakiraki Municipal Market in Ra Province; and
- » supporting the Parliament of Fiji's efforts to enhance the capacity of Members of Parliament and Parliamentary Committees. Australia will support preparations for Fiji's 2018 Election through a partnership between the Fiji Elections Office and the Australian Electoral Commission.

Samoa

2017–18 Bilateral Budget Estimate: \$23.6 million

| 2017–18 | |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 23.6 |
| Regional | 8.8 |
| Global | 1.9 |
| Other Government Departments | 2.9 |
| Total ODA to Samoa | 37.2 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Samoa and Australia have an enduring and cooperative relationship that extends across political, security, economic and people-to-people links. Australia is Samoa's largest bilateral aid donor. Samoa has made good progress in improving maternal and child health and universal access to primary education; although, its continued development is limited by a narrow resource base and geographic isolation.

Australian aid is aligned with Samoa's national strategic development priorities.

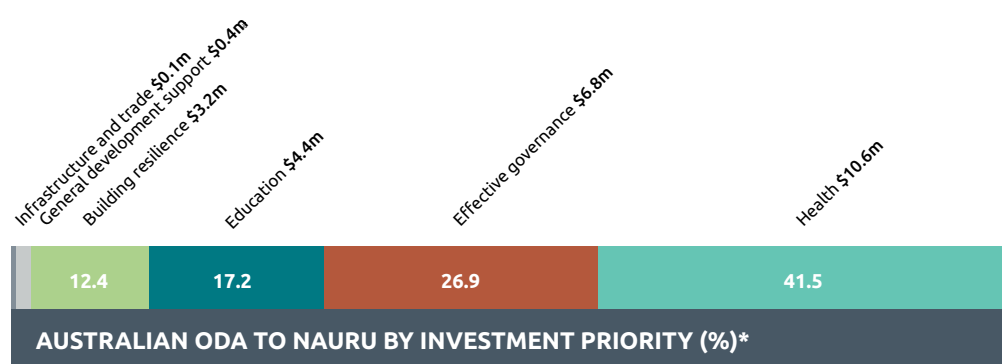
In 2017–18, Australian development support for Samoa will focus on:

- » enabling economic growth by supporting Samoa to pursue reforms which stimulate growth including improving the performance of state-owned enterprises, increasing revenue, building resilience to future economic shocks, improving the efficiency and effectiveness of government services;
- » investing in climate resilient roads and bridges;
- » progressing health and education outcomes by supporting all levels of the education sector with a focus on improving the quality of teaching and standards to improve numeracy and literacy outcomes;
- » providing support to Samoa's health care system; and
- » strengthening governance through the above measures and delivering programs that benefit people with disability and promote gender equality, particularly women's economic empowerment.

Nauru

2017–18 Bilateral Budget Estimate: \$21.2 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 21.2 |
| Regional | 2.6 |
| Global | 0.0 |
| Other Government Departments | 1.6 |
| Total ODA to Nauru | 25.4 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia is Nauru's largest trade, investment and development assistance partner. Australian development assistance supports the Government of Nauru to deliver services to the community and enables Nauruans to benefit from economic and labour mobility opportunities. The objectives of Australia's development cooperation with Nauru are supporting stable and fiscally responsible government; promoting human development and essential infrastructure services.

In 2017–18, Australian development support to Nauru will focus on:

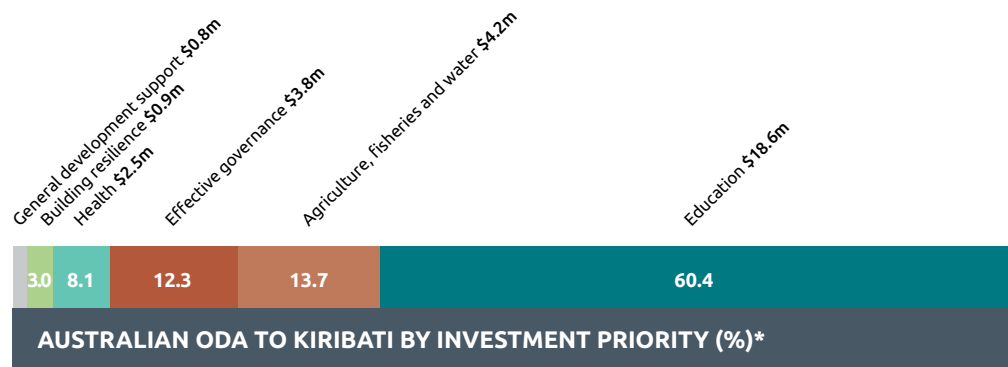
- » provision of skilled personnel to fill key management roles in the Nauru public service — strengthening public sector management, public financial management capacity and economic governance;
- » supporting the redevelopment of the Nauru hospital;
- » working with the Ministries of Education and Health to further support human development, with a focus on improved service delivery and investing in critical infrastructure; and
- » provision of Australia Award Scholarships.

As part of its broader cooperation with the Pacific, Australia is also working towards expanding participation in labour mobility opportunities and facilitating deeper trade integration. Support will be provided for capacity building and networking to expand Nauru's participation in the Seasonal Worker Program and Pacific Microstates-Northern Australia Worker Pilot Program.

Kiribati

2017–18 Bilateral Budget Estimate: \$20.2 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 20.2 |
| Regional | 8.8 |
| Global | 1.4 |
| Other Government Departments | 0.5 |
| Total ODA to Kiribati | 30.9 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia is committed to supporting Kiribati to improve its economic prospects, and strengthen its economic and environmental resilience. Australia is the largest bilateral aid donor for Kiribati. Australian aid provides trade links, labour mobility opportunities, a substantial development assistance program, support for maritime surveillance and broader security cooperation.

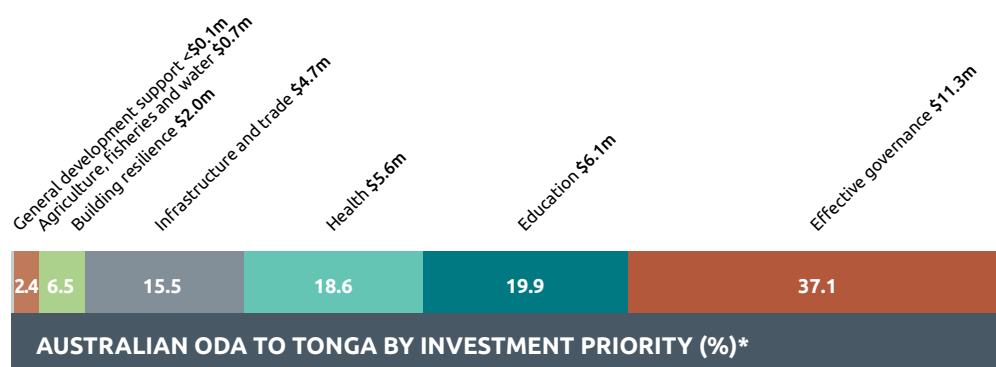
In 2017–18, Australian development support for Kiribati will focus on:

- » assisting the Government of Kiribati to implement its Economic Reform Plan to maximise the benefits flowing from its natural resources, including developing plans for the management of telecommunication assets and shipping services, continuing reforms to strengthen the management of the national trust fund and reforms to improve fisheries management; and
- » continuing our support to basic education and technical and vocational education and training to improve the knowledge, skills and opportunities of young people. This will enable them to contribute to a productive and resilient community and to pursue employment in the region and Australia.

Tonga

2017–18 Bilateral Budget Estimate: \$17.6 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 17.6 |
| Regional | 8.1 |
| Global | 1.6 |
| Other Government Departments | 3.0 |
| Total ODA to Tonga | 30.4 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia is Tonga's largest bilateral aid donor and will continue to focus on economic reform, private sector development, health and skills development.

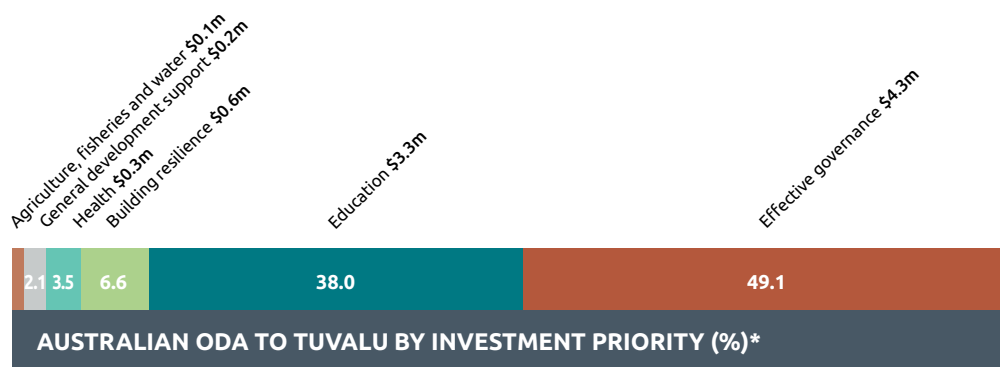
In 2017–18, Australian development support for Tonga will focus on:

- » assisting the Government of Tonga to achieve its economic reform, which includes reforms to strengthen revenue, effectively manage government expenditure and debt and promote private sector growth;
- » strengthening Tonga's health system and reducing the health and economic burden of non-communicable diseases, including through education for pregnant women, the introduction of universal screening for gestational diabetes and related clinical care and support for mental health and disability services; and
- » provision of scholarships, quality tertiary education and skills development aligned with labour market needs, to provide economic opportunities for Tongan workers, with a particular focus on opportunities for women and those with disability.

Tuvalu

2017–18 Bilateral Budget Estimate: \$6.6 million

| | 2017–18 |
|------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 6.6 |
| Regional | 1.9 |
| Global | 0.2 |
| Other Government Departments | 0.1 |
| Total ODA to Tuvalu* | 8.7 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia is the third largest aid donor to Tuvalu. Australia is supporting Tuvalu to build its resilience to external shocks, including climate change, through investment in economic support, basic education and technical assistance. Climate change adaptation and mitigation is an ongoing priority for Tuvalu.

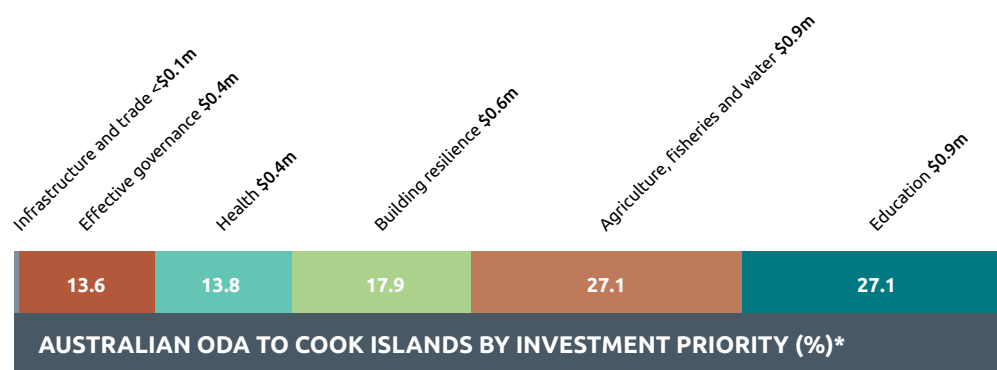
In 2017–18, Australian development support to Tuvalu will focus on:

- » supporting governance and economic growth through key economic and private sector development reforms, including the provision of skilled personnel in areas of budget management, taxation, auditing and public service reform and planning for education and health; and
- » supporting education through the new Basic Education Support Program for Tuvalu, which will expand access to quality education and build on the Universal Achieving Education for All in Tuvalu Program, completed in June 2016.

Cook Islands

2017–18 Bilateral Budget Estimate: \$1.9 million

| | 2017–18 |
|-----------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 1.9 |
| Regional | 1.1 |
| Global | 0.1 |
| Other Government Departments | 0.0 |
| Total ODA to Cook Islands* | 3.2 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Australia provides its assistance to the Cook Islands through the New Zealand Government, under a delegated cooperation arrangement. Australia will continue to support increasing access to clean water and sanitation facilities, and support for education, gender and disability-inclusive development.

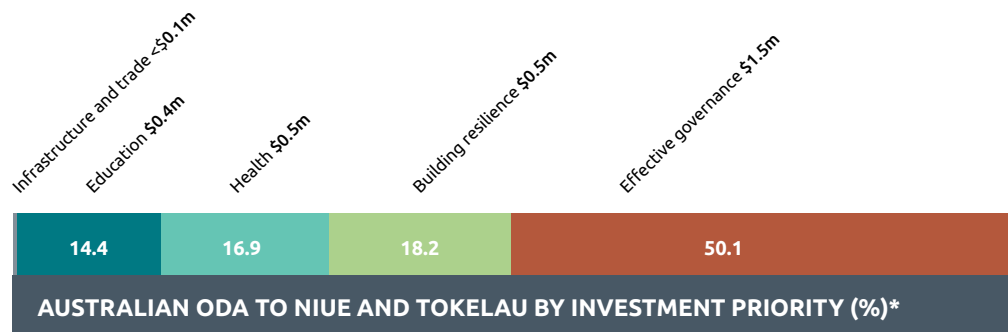
In 2017–18, Australian development support to the Cook Islands will focus on:

- » upgrading waste management and sanitation facilities;
- » direct budget support to the education sector; and
- » advisory support and training to empower and promote the rights of women and girls.

Niue and Tokelau

2017–18 Bilateral Budget Estimate: \$1.8 million

| | 2017–18 |
|--------------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 1.8 |
| Regional | 1.1 |
| Global | 0.0 |
| Other Government Departments | 0.0 |
| Total ODA to Niue and Tokelau | 2.9 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

Niue

Geographic isolation, limited natural resources and a small population hamper economic development in Niue. Australia provides its assistance to Niue through the New Zealand Government, under a delegated cooperation arrangement.

In 2017–18, supporting Niue’s strategic development priorities, Australian aid to Niue will contribute towards design and construction of a waste management facility and consider a vocational education scholarship program.

Tokelau

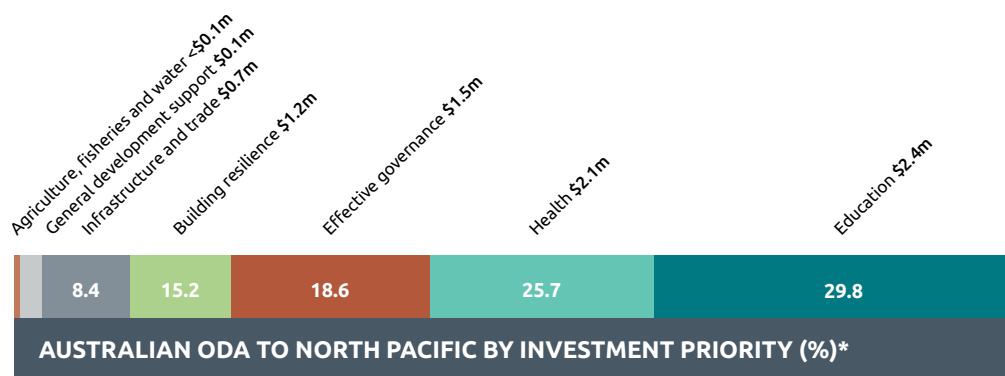
Tokelau has the smallest economy in the world. Australia provides its assistance to Tokelau through the New Zealand Government, under a delegated cooperation arrangement.

In 2017–18, Australian aid to Tokelau will continue support for education, which reflects Tokelau’s strategic development priorities.

North Pacific

2017–18 Bilateral Budget Estimate: \$5.0 million

| | 2017–18 |
|------------------------------------|------------------------|
| Program | Budget Estimate \$m |
| Country | 5.0 |
| Regional | 2.6 |
| Global | 0.5 |
| Other Government Departments | 0.0 |
| Total ODA to North Pacific* | 8.0 |



* Difference in values due to rounding and/or percentages below two per cent are not labelled.

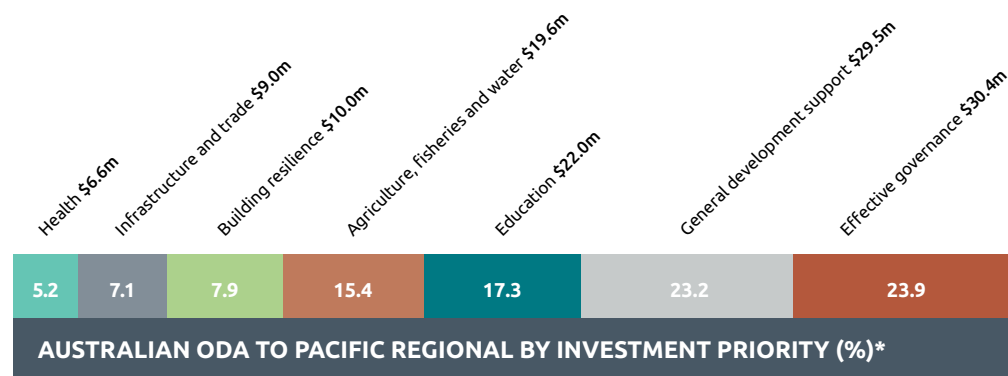
In the North Pacific, Australia provides development assistance to the Federated States of Micronesia, the Republic of Palau and the Republic of the Marshall Islands. Australia works with governments, multilateral development partners and non-government organisations (NGOs) to achieve agreed development outcomes. Australia also provides Australia Awards Scholarships to build national human resource capacity.

In 2017–18, Australian development support to the North Pacific islands will focus on:

- » the Republic of Palau, where we will support digital sector reform as part of a wider project to lay a new submarine cable that will provide stable and faster internet access. Australian aid will also help improve economic and social opportunities for women and girls;
- » the Federated States of Micronesia, where we will support efforts to improve the quality of basic education and support gender equality and the empowerment of women and girls; and
- » the Republic of the Marshall Islands, where we will focus on increasing access to clean water and sanitation and help improve economic and social opportunities for women and girls.

Pacific Regional

2017–18 Bilateral Budget Estimate: \$166.4 million



* Difference in values due to rounding.

The Pacific Regional Program complements our Pacific bilateral programs in support of a stable, secure and prosperous Pacific. This includes taking regional action on issues that are more effectively addressed at the regional level, such as shared resources (for example, in fisheries and regional organisations) and in cross boarder issues (such as climate change and health security).

In 2017–18, Australian development support through the Pacific Regional Program will focus on:

- » supporting economic growth through labour mobility programs that will provide work experience, skills and remittances; regional fisheries management support to detect and prevent illegal fishing; the Australia Pacific Technical College which delivers internationally recognised Australian technical and vocational qualifications for Pacific Islanders; and building a better business-enabling environment and encourage private sector development;
- » supporting regional institutions — led by the Pacific Islands Forum — to contribute to regional growth, stability and development. Key partnerships include the Pacific Islands Forum Secretariat, the Pacific Community, the University of the South Pacific, the Forum Fisheries Agency and the Secretariat of the Pacific Regional Environment Programme;
- » supporting healthy communities by strengthening regional health services and training that cannot be provided at a country level and promote effective regional cooperation on health;
- » supporting resilient communities by delivering the Australian Government's commitment at the 2016 Pacific Islands Forum to a package of climate change and resilience support to the Pacific of \$300 million over four years; and
- » supporting Pacific Women Shaping Pacific Development the flagship regional program supporting gender equality and women's empowerment in the Pacific.

In 2017–18 the program will deepen its focus on preventing violence against women as well as continue funding services for survivors of violence; identify new activities to work with adolescent girls and boys; increase support for women's economic empowerment activities and continue efforts to support women's leadership and decision making at all levels.

Case Study: Labour Mobility

The Australian Government funded Labour Mobility Assistance Program (LMAP) assists Pacific Island Countries (PICs) to increase the supply of seasonal workers participating in Australia's Seasonal Worker Program (SWP)¹. It strengthens linkages with Australian employers, prepares workers for working under Australian conditions and aims to maximise development impacts. The SWP offers employers in the agriculture sector and employers in selected locations in the accommodation and tourism sectors access to reliable, returning workforce when there is not enough local Australian labour to meet seasonal demand.

Seasonal workers benefit from the opportunity to earn Australian wages and gain valuable on-the-job learning opportunities. Many seasonal workers use the money earned in Australia to pay for their children's education, start a small business or build a house. For the workers and their families, this is a life changing opportunity.

Labour Mobility at work in Kiribati

Employment opportunities in Kiribati are limited due to a lack of industrial base, underdeveloped private sector and a very small domestic market. It is therefore heavily reliant on worker remittances to contribute to economic development.

In 2016–17, Kiribati sent 20 workers to Australia as part of/under the SWP. The LMAP assisted the Government of Kiribati to design new tailored recruitment, worker screening/training and marketing processes.

LMAP's efforts focussed on:

- » training Kiribati labour ministry staff in current human resource management skills to ensure their ability to identify and select quality workers;
- » developing and implementing new worker profile templates that make succinct worker information available to Australian employers who are approved to hire workers under the SWP; and
- » designing, producing and rolling out new pre-departure briefing materials — now being delivered by Kiribati Technical College.

LMAP's development marketing strategies have increased demand for I-Kiribati workers in Australia. In November 2016, LMAP supported a Government of Kiribati staff visit to SWP stakeholders in Tasmania that included employers and industry groups. Subsequently, LMAP trained I-Kiribati staff in communications strategies using multi-media techniques leading to production of 15 video worker profiles and broader footage for future marketing strategies that will be forwarded to these Tasmanian stakeholders and more broadly.

The improvements realised by LMAP's work to date suggest Kiribati is on track to at least triple the number of workers it sends under the SWP in 2017. This will have a substantial impact on the well-being of communities in Kiribati.

¹ Ten countries participate in the SWP: Fiji; Kiribati; Nauru; PNG; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu; and Timor-Leste.