

# Effective Governance

Thematic Strategy November 2011



# AusAID's Thematic Strategies

The fundamental purpose of Australian aid is to help people overcome poverty. Australia's aid program is guided by five strategic goals, as set out in *An Effective Aid Program for Australia: Making a real difference – delivering real results*.

The strategic goals of the aid program are:

- saving lives
- promoting opportunities for all
- sustainable economic development
- effective governance, and
- humanitarian and disaster response.

Australia works with governments of partner countries, mostly in the Asia-Pacific region, civil society organisations and multilateral agencies to achieve these goals. Funding decisions are guided by individual countries' development priorities, an assessment of poverty, Australia's capacity to make a real and measurable difference and our national interest.

The thematic strategies provide further detail to inform program decisions in particular sectors.

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# Summary

Effective governance, one of the strategic goals of the aid program, helps to achieve Australia's goal of helping people overcome poverty. We support capable management of a country's resources through building institutions and processes that are accountable, responsive and transparent. This allows participation of citizens and civil society in the processes of government. Effective governance also contributes to achieving other development goals, such as in health and education, as it supports partner government-led development efforts.

Australia's support to effective governance falls into three pillars:

1. Delivering better services through:
  - a. improved government efficiency and effectiveness
  - b. more accountable, open and responsive governments
2. Improved security and enhanced justice
3. Enhanced human rights.

To ensure our support is effective, Australian work on governance will be informed by political, social and contextual analysis. We work with a wide range of partners, including various Australian Government agencies, and multilateral, bilateral and civil society organisations.

# Purpose

The fundamental purpose of Australia's aid program is to help people overcome poverty.<sup>1</sup> Effective governance is one of the five strategic goals of the aid program, helping to achieve this purpose. The key development objective that sits under this goal, improving governance in developing countries to deliver services, improve security, and enhance justice and human rights, forms the basis for Australia's strategic approach to governance that helps people overcome poverty through:

- **Better services** Partner governments are more:
  - efficient and effective in delivering and managing quality services
  - open, accountable and responsive to the needs of their people.
- **Improved security and justice:** People live in secure and stable communities, with confidence in justice systems.
- **Enhanced human rights:** Citizens, supported by a robust civil society, actively participate in local and national decision-making without fear of injury or discrimination; and have confidence in their democratic institutions.

Governance is important for improving overall effectiveness in aid delivery through partnerships between host governments and aid agencies. It has a dual purpose—a crosscutting element of effective aid and a goal in and of itself. Governance underpins all other strategic goals of Australia's aid program:

- **opportunities for all** will not be possible if teachers do not get paid, for example, or if girls do not have equal rights to go to school
- **saving lives** will not be possible if robust government systems are not in place to maintain vital water and sanitation infrastructure
- **sustainable economic growth** will not be possible without social accountability and equitable distribution of the benefits of development
- **humanitarian response** requires recognising and protecting children's rights in times of disaster.

Achieving the five strategic goals of the aid program requires us to support reforms driven by partner country governments and demanded by their people. Effective governance is often about identifying partner country strengths, aligning support with reforms driven by committed leaders and learning from their experiences.

AusAID leads on the implementation of this thematic strategy. Other Australian Government agencies, such as the Australian Federal Police and Attorney-General's Department, are central to Australian law and justice support; Treasury and Finance are central to public financial management support; and our parliaments—working with counterparts across the region—are central to strengthening democratic processes. The Australian Electoral Commission and Australian Public Service Commission have long-standing relationships with regional counterparts. Our non-government organisation (NGO) partners work across many difficult and remote contexts on grassroots delivery of effective governance, including citizen voice, participation and equitable development. They are important partners in governance work.

This thematic strategy guides Australia's governance assistance so it better responds to the challenges ahead, is confident about results and concentrates on learning from new approaches. A clear development objective for effective governance is to build on Australia's strengths and flag new opportunities, while enhancing strategic coherence and furthering our national interest.



# The rationale for investing in governance

## What is governance?

### Box 1: Governance—a working definition

Good governance means capable management of a country's resources and affairs in a manner that is accountable and responsive to citizens' needs and interests. The rule of law<sup>2</sup>, effectiveness of public sector management and an active civil society are all essential components of good governance.

Governance is about people, institutions<sup>3</sup> and financing development: how people, through institutions, decide how to obtain, produce, use and distribute resources. Broadly, governance is the rules and processes determining how decisions are made and implemented. Good governance requires the rules and processes to be legitimate<sup>4</sup>, fair, decent, accountable, transparent, efficient and enable collective action to solve problems for the public good. This includes effective government, including sound public financial and public sector management. Experience tells us that Australia's approach to governance should be context specific. Many developing countries, including fragile ones, do not have effective institutions and organisations, and have limited capacity.

Public and civic institutions are often politicised in developing countries, meaning that development is rarely a straightforward or purely technical process. Poor governance should not be seen in isolation but as part of a complex, locally-specific picture of poverty involving problems in achieving the Millennium Development Goals, in regional and global economic integration, security, gender equality and social equity. If governance problems are not addressed they can reverse hard-won development gains.

### Context—why governance matters

The fundamental purpose of Australian aid is to help people overcome poverty.<sup>5</sup> To do this we will be selective in where we work and will concentrate on areas where we can have maximum impact. Governance is unique in its ability to have a far-reaching impact on the full spectrum of development. The World Bank's 2011 World Development Report highlights the importance of governance to breaking the cycle of poverty and violence suffered by the world's poorest countries. Weak governance, poverty and violence are interlinked—and a country suffering from these issues is likely to have a negative impact on the welfare of others in its region.<sup>6</sup> The World Development Report also emphasises the importance of institutions to lasting development. Locally devised solutions and institutions are more legitimate and durable than those imported from outside. It is therefore important to support and facilitate local processes alongside traditional technical approaches.

Efforts to strengthen law and justice institutions are important because improved community safety and non-violent dispute resolution are essential for peacebuilding and longer-term development.<sup>7</sup> In fragile and conflict-affected contexts, change is slow—institutional performance improvements can at times be only seen over generations. Similarly, support to the development of laws may only bear fruit over long periods of time.

Social stability, the quality of government and an engaged civil society<sup>8</sup> all contribute to an environment where jobs can be created and services delivered. How partner governments plan, allocate, spend and monitor public money will greatly impact on that country's development path.

But sustainable development also involves tackling many of the challenges faced by the developing world, including rising inequality, instability caused by rising food prices, increasing demands for democratic and human rights, and adapting to climate change. Governance needs to encompass societal, technical and agency-based responses to these challenges—including building effective institutions, engaging with civil society and creating coalitions of citizens.<sup>9</sup>

# Australia's approach

Our development objective for effective governance is:

Improving governance in developing countries to deliver services, improve security, and enhance justice and human rights for poor and marginalised people; and to improve overall effectiveness in aid delivery in partnerships between host governments and aid agencies.<sup>10</sup>

This clearly places governance in a crosscutting role. Australia will achieve this objective through three pillars of governance support:

1. **Delivering better services** through:
  - a. improved government efficiency and effectiveness
  - b. more accountable, open and responsive governments.
2. **Improved security and enhanced justice.**
3. **Enhanced human rights.**

These pillars build on Australia's experience and knowledge, and recognise that our effectiveness lies in how we apply our experience to local contexts. The pillars overlap—the governance elements of any given program seldom operate discretely and often form part of achieving a broader aim. The pillars represent an appropriate mix of responses to governance across the environments in which Australia provides aid.

Governance is a foundational element in aid effectiveness.<sup>11</sup> Supporting governance reforms is not a purely technical matter. The quality of leadership and the ability of citizens to effectively engage with their government impact greatly on development outcomes. This is a political process, and statebuilding is an endogenous process. Acknowledging this will help improve the design and programming of Australian aid and will provide tools to analyse and catalyse desirable policy reforms. Governance assistance, based on sound analysis of the political and institutional context, will play a catalytic role for the rest of our work by enhancing understanding of the environment and enabling sharper strategic positioning in sectors or portfolios.

## **Pillar 1a: Delivering better services through improved government efficiency and effectiveness**

A strong public sector and sound public financial management contributes to better service delivery. For example, health workers cannot attend births in villages if funds do not flow from provincial treasuries to pay for transport. Under this pillar we will balance supply- and demand-based approaches:

- Supply through working with the elements of good government— including public financial management and public administration—linked to service delivery outcomes.
- Demand through supporting civil society and local populations to claim better and more responsive services from their governments.

Working with institutions of government remains central to our approach, particularly with those that are vital to ensuring sound public financial management to promote responsive and equitable development. However, we recognise that institutions need to be embedded in local contexts and linked to broader development outcomes, but not necessarily by replicating western-style systems.

Policy dialogue and discussion are important, as are applying political and social analysis in planning and programming and working with good governance principles in service delivery. Policy discussion must draw on whole-of-government strengths and Australia's work with several regional partners. This pillar has strong links to other key objectives of the aid program, including sustainable economic growth. Work under the pillar will link into Australian policy objectives for engaging in the G-20, the Asia Pacific Economic Cooperation Forum and the East Asia Summit. Political and social analysis will help Australia understand how change works in developing country contexts and identify which institutional and policy reforms will likely improve services.

Australia works closely with multilateral organisations under this pillar, to extend our technical and geographical capacity and work in a more harmonised way. We will use government systems to move towards this goal. We will be strategic and partner with multilateral organisations<sup>12</sup>, NGOs and other donors to achieve greater impact. In fragile states, we will be conscious of the burden that can be placed on bureaucracies when many donors are involved.

We will focus on:

- better public sector and financial management
- more transparent, accountable and locally legitimate institutions
- more independent and professional civil service
- local civil society organisations' role in ensuring transparency and accountability of service delivery
- better service delivery and more jobs.

## **Box 2: Improving government efficiency and effectiveness in Solomon Islands**

In Solomon Islands, the Australian-led Regional Assistance Mission to Solomon Islands involves close cooperation between AusAID and Australia's Department of Foreign Affairs and Trade, Australian Federal Police, Treasury, and Department of Finance and Deregulation. This cooperation has helped Solomon Islands plan for long-term improvement in law and order, economic management, political governance and basic service delivery. Training, including for about 200 police officers in 2010, and mentoring help to build local capacity and sustainable reforms.

## **Pillar 1b: Delivering services through more accountable, open and responsive governments**

Support for improved administration alone is unlikely to lead to long-term improvements in services for poor and marginalised people.<sup>13</sup> Governments that are open, consultative, inclusive, accountable and responsive deliver better services more closely aligned to people's needs. Participation in government by poor and marginalised people builds citizenship and promotes equitable development. This pillar focuses on social accountability<sup>14</sup> and improving relationships between the state and society, as well as governing in a socially inclusive way, to respond to the needs of all members of society. Increasing women's individual and collective voice and influence leads to better outcomes, institutions, and policy choices.

However, women's ability to make effective choices and influence remains weak, and while economic growth and development help to reduce gender gaps in other dimensions, it has little impact on increasing women's voice. Work under this pillar will also focus on reducing corruption and, through this, enhancing legitimacy of public institutions and building more equitable growth.

We will also support governments to formulate and implement policies, including through links with civil society, research institutions and the public. Leadership is important for shaping institutions and developmental outcomes, and while donors can play an important role in creating quality leadership, these processes must be locally-led and owned. We will build enduring ties with future leaders in developing countries. We will also support local leadership, to help the people to develop the skills, networks and the coalitions needed to create local solutions for local development challenges. Finally, we will focus on social accountability as a way to build civic engagement in governance and increase government accountability, and more equitable and effective aid.

More accountable, open and responsive governments also have greater respect for human rights.

### **Box 3: Transparency International — corruption undermines efforts to lift people out of poverty**

AusAID supports Transparency International to strengthen and expand its network of national advocacy and legal advice centres in Asia-Pacific. These centres are a simple, credible and viable way for people to pursue corruption-related complaints. As well as helping to solve individual complaints, the centres identify areas where systemic reform is required (for example, advocacy led to improved traffic fine laws in Palestine). Since 2003 more than 60 centres have been set up in 50 countries, facilitating 95 000 corruption-related complaints.

Civil society, including women's groups and groups of people with a disability, plays a key role in ensuring transparency and accountability of government service delivery and can catalyse change in government policy so it includes and responds to development. Under this pillar, Australia will support a mix of civil society and bilateral programs and will selectively work with multilateral organisations, United Nations agencies and others, including Australian government agencies, where this will expand our reach and support innovative ways of working. We will also enable the participation and meaningful consultation of children and young people (including children with disabilities).

### **Box 4: Supporting accountable, open and responsive government in the Philippines**

To address key bottlenecks in the policy making and implementation process in the Philippines, AusAID is establishing the Coalitions for Change (CFC) program as a new initiative. CFC will facilitate the formation of multi-sectoral coalitions comprising civil society, Philippine government partners and the private sector that are designed to strengthen and accelerate public policy making and implementation. CFC will provide financial and technical support for motivated civil society groups to form multi-stakeholder coalitions for change; building the necessary evidence base to support and advocate for change; and facilitating and developing the capacity of coalitions to pursue change. CFC will complement other Australian initiatives in the Philippines and initially focus on policy and implementation reform on basic education, disaster risk reduction, climate change, conflict, local public service delivery, and public financial management.

We will focus on:

- increased implementation of the United Nations Convention against Corruption
- improved quality of policy and policy formulation processes

- enhanced engagement with communities and civil society
- supporting local leadership networks and coalitions are supported in their efforts to promote equitable and inclusive development
- local civil society organisations are playing a role in ensuring the transparency and accountability of service delivery
- women’s coalitions at different levels of society are increasingly effective in influencing policy.

## **Pillar 2: Improved security and enhanced justice**

Security and justice are fundamental to achieving development outcomes and are vital to Australia’s national interest. This includes efforts to combat regional and transnational crime and working with customs and border issues, contributing to keeping people out of poverty by improving social conditions. Our assistance under this pillar will focus mostly on equitable and responsive justice to reinforce a sound environment for development. Conflict analysis will inform our work in fragile and conflict affected environments, so we work towards stabilisation and recovery.

Priorities include ending violence against women, children, and marginalised people; providing basic security and stability, and working with criminal justice systems. Access to justice is important and requires consideration of social dynamics and extending access to formal or informal justice systems to the poorest and most marginalised, including by addressing gender-based violence. Legal systems will be strengthened, to make them more responsive and accountable. This will include developing a transparent and professional judiciary, an accountable legal profession and timely dispute-resolution processes.

Australian assistance in policing will build on the work of the International Deployment Group of the Australian Federal Police, in police capacity development and post-conflict stabilisation. Policing is the largest in terms of expenditure, and is focused on developing police forces so they are effective and locally legitimate. Policing needs to be accountable to the whole community, supported by a strong institutional framework and strong community engagement. Policing that holds to these values supports the development and maintenance of justice, enforcement of human rights, provides the environment for economic development to take place, and can assist in the management of natural disasters and other major events.

### **Box 5: Australia – Indonesia Justice Partnership**

The new five-year AUD50 million Australia – Indonesia Partnership for Justice program (2011–15) will build on Australia’s previous 10 years of assistance in the law and justice sector. The program will work with key Indonesian justice sector and civil society partners, and help the Indonesian Government move towards a more professional, transparent, accountable system that can supply quality legal services and address grievances. It will build on the partnership’s tradition of success in recent years: the number of cases heard by circuit courts in remote areas more than doubled over 2007–09; court fee waivers increased 10-fold including 86% for women, mostly in family law cases; and with Australian support, Indonesia’s courts have published more than 21,800 court decisions online.

Partnerships will remain important under this pillar. Australian government agencies, including Australian Courts, are key implementers of work in law, justice and security. These agencies will support Australian priorities, including ending violence against women. Strategic partnerships with multilateral organisations and NGOs will continue to figure prominently in our work to improve access to justice for the poor and marginalised.

We will focus on:

- safer and more secure communities
- more equitable access to justice
- more responsive and accountable justice systems
- more women able to influence decision-making processes around peacebuilding and security.

### **Box 6: Increasing stability and security in East Timor**

In East Timor, Australia is helping to build a more effective and accountable law and justice system. As part of these efforts, Australia is supporting community-based organisations that are helping to stop violence against women, including by providing safe-houses, counselling services and other family assistance. A recent survey of community-police perceptions found that more than half of those surveyed felt the security situation where they lived had improved, while more than a third felt it had not deteriorated.

### **Pillar 3: Enhanced human rights**

Upholding human rights is an important part of development. Efforts to enhance the rights of the poor and marginalised pay off by reducing wealth inequality and promoting equity and social stability. Enhanced human rights is a pillar of Australian governance support because it is intrinsically linked to justice, accountability and transparency; and through the creation of local democratic structures, to responsiveness in government. Human rights also include the economic, social and cultural rights, part of delivering better services. Democratic governance is an important part of enhancing human rights and, therefore, effective governance, because it places individuals at the centre, provides a voice for the marginalised, instils real transparency and protects the range of rights.

We recognise that representation alone is not sufficient: simply incorporating women, for example, into existing discriminatory structures, fails to address the underlying power inequalities that kept them out in the first place. Democratic governance is a principle of Australian aid because it allows poor and marginalised people to be active in their own development and play a role in more accountable, responsive and effective government. We consider human rights and open, accountable political systems to be integral to inclusiveness and transparency, and therefore underlie sustainable development outcomes and aid effectiveness.

We will work with democratic and political structures such as parliaments and election authorities to support more inclusive and transparent decision making and involvement by poor and marginalised people. This is important to enhance opportunities and access, provided political governance is targeted support to improve broader development outcomes.<sup>15</sup> Work under this pillar will support human rights, including where there are no democratic structures in place. To ensure governance assistance is targeted to the local context, social and political analysis, including gender analysis, will be a priority. We will also support aid effectiveness by considering country context when formulating governance strategies and programs.

Working with partners will remain important, including with Australian institutions already active in strengthening in-country capacity, such as the Australian Electoral Commission, Australian Human Rights Commission, Australian Broadcasting Corporation, and various parliaments and political parties. We will engage with and support civil society organisations working on basic democratic and human rights issues, as well as international institutions.

We will focus on:

- elections conducted freely and fairly, and in line with good governance
- progress in parliamentary reform and strengthening
- more women participating actively in democratic processes at all levels
- political parties playing a constructive role in democratic governance
- strengthened media and communications supporting informed public-policy debate
- strengthened civil society playing a constructive role in democratic governance.

### **Box 7: Ensuring people with disability have a vote in Indonesia**

People with disability are often excluded from democratic voting processes, as they can have difficulty physically accessing voting places and accessing information about the electoral process. In 2011, AusAID supported the International Foundation for Electoral Systems to encourage more accessible elections in Indonesia. An Election Access Guidebook was produced and distributed to national and local governments as well as organisations working with disabled people. Rafendi Djamin, Indonesia’s representative to the Association of Southeast Asian Nations intergovernmental commission on human rights, said the guidebook is a good step toward a more democratic country. He also said: ‘By addressing the needs of people with disability, we are answering a fundamental principle, or non-discrimination principle, to have a better transition to democracy.’

### **Considerations for implementation**

The dual nature of governance—a crosscutting element of effective aid and a goal in and of itself—sets it apart from other service delivery areas. This has several implications for policy makers and implementers at country and regional levels.

**Support and respond to demand:** Governance programming needs to be driven by the country context, and an understanding of the political, social and institutional aspects of change in that context. This can be a long-term, challenging task, as indicated by recent research findings on governance in fragile states. Statebuilding, in which governance is a critical element, is an evolution in state–society relations that is nonlinear and there will be setbacks as well as progress. However, governance support is crucial to effective aid. Our governance programs will recognise this and set realistic objectives in partnership with the country concerned.

### **Better understand the link between governance and service delivery:**

In recent years there has been a trend among development partners to link governance directly with service delivery outcomes. The scale up in Australian aid funding puts more demand on using government systems and requires more use of governance analysis to design the most effective

way to deliver basic services in a sustainable manner. Analytical approaches should include a wide range of political, social, economic, and human rights aspects in order to provide an informed understanding of the governance underpinnings of effective aid.

**Understand institutions in local contexts:** Governance programming has historically focused on formal institutions—including ministries of education and health, courts, human rights commissions, police, parliaments, and academic institutions. The aid program needs a systematic approach to political economy analysis to support this work, so institutions are supported in a locally legitimate way. We need to recognise the role of informal institutions as well as formal institutions, and that at times ‘imperfect’ institutions can still deliver outcomes, especially in fragile contexts. We will respond to the local context issue by strengthening knowledge and training, as well as coordination and cross agency collaboration.



**Measure results:** The Australian Government is committed to a stronger results orientation for the aid program.<sup>16</sup> While change in governance can be long-term and challenging to quantify, measuring results is important for program accountability and quality. This thematic strategy proposes to measure high-level results across ‘effective governance’, and provides some indicative indicators in Appendix A. This will be supplemented by more detailed work with international partners on how to assess governance performance, a frontier area for research. In time, we will gain a better understanding of how to use theories of change to track results in governance and to how to gather a mix of quantitative and qualitative results, including through survey work, to support the success of our interventions.

**Work with civil society, local developmental leaders, and coalitions for change:** Australia has supported ‘demand-side’ approaches to governance for several years, mostly through discrete programs or the involvement of civil society organisations. Research suggests that this work go further because treating demand and supply approaches separately is unlikely to be successful. Positive change is only likely if it is led by local people using broad and powerful enough coalitions that span government and civil society. For aid to help it needs to be informed by sound political and social analysis. Australia will draw on research through programs such as the Developmental Leadership Program (see Box 8) to inform this work, and AusAID will develop a civil society engagement framework to guide overall work with civil society organisations.

**Box 8: Governance informed by evidence—the Developmental Leadership Program**

The Australian Government is supporting innovative research and policy work on governance through its Developmental Leadership Program. This program is looking at the central role of leadership and coalitions in promoting institutional and policy reforms across the public, private and civil society sectors in developing countries. This will help inform policy and strategic approaches for Australian government and other development partners by providing a framework for understanding the underlying dynamics of development assistance.

# Where and how Australia will work

We will invest in governance at global, regional and country levels, supporting strategic global partnerships and basing needs on regional and country strategy processes. Capacity development, while not the only approach to governance support, will remain important.

Our geographical focus will remain flexible to, and driven by, requirements of country and regional programs, and Australia's national interest. However, the Asia Pacific region will continue to be important, consistent with government commitments. Australia's response to governance support will be grounded in context, and based on partnerships with governments and broader stakeholders. It will recognise that each country and region has their own governance challenges and that there is no single model of governance common to all developing countries.

The three pillars will be implemented through Australian government agencies as well as partnerships with NGOs, research institutions and international programs, multilateral development banks and United Nations agencies. The whole-of-government emphasis will continue, at strategic and delivery levels. A large number of Australian government agencies will continue to be involved in the governance portfolio and AusAID will lead and provide effective coordination.

Multilateral engagements are an increasing feature of our work. Partnerships with United Nations agencies and the multilateral development banks are important and will be maintained centrally and through country-level initiatives. Subject to the Australian Government's review of multilateral partnerships, strategic engagement with multilateral organisations will build on comparative advantage in different contexts. Civil society will also figure prominently in governance work—from local and regional organisations through to large Australian research institutions, media and NGOs.

# Conclusion

This thematic strategy positions Australia's governance assistance to be better able to respond to the challenges ahead, be more confident about results and adopt a stronger focus on learning from new approaches (including political and social analysis in programming). The three pillars of governance support presented in this thematic strategy are supported by a set of high-level results areas. These pillars build on Australia's strengths and flag new opportunities, while enhancing strategic coherence.

# Appendix A: Indicative Governance Indicators

The following indicators may be used to monitor and evaluate the results of Australia’s governance assistance. A detailed sector results framework will be developed. Note: data will be disaggregated by sex, socio-economic quintile and relevant disability criteria where possible.

Pillars for Australia’s investment in effective governance	Indicators for governance outcomes	Indicators for governance outputs
<p><b>Pillar 1. Delivering better services through:</b>  <b>improved government efficiency and effectiveness</b>  <b>more accountable, open and responsive governments</b></p>	<p>Improved Worldwide Governance Indicator Government Effectiveness Score</p> <p>Reduced corruption perceptions</p> <p>Improved transparency of intergovernmental fiscal relations – Public Expenditure and FA Indicator 8</p> <p>Increased involvement of CSOs in policy formulation, monitoring and advocacy with selected partner countries</p>	<p>Number of civil servants undergoing targeted training and mentoring Programs</p> <p>Number of CSOs with a formal or informal role in subnational and national governance programs</p>
<p><b>Pillar 2. Improved security and enhanced justice</b></p>	<p>Safer and more secure communities</p> <p>More equitable access to justice</p> <p>More responsive and accountable legal systems</p>	<p>Number of community members reporting an increased sense of personal safety (survey-based)</p> <p>Increased percentage of police officers trained</p> <p>Increased percentage access to legal aid to low income and marginalised groups</p> <p>Improved length of passage of legislative reform</p>

Pillars for Australia's investment in effective governance	Indicators for governance outcomes	Indicators for governance outputs
<b>Pillar 3. Enhanced human rights</b>	<p>Increased elections considered fair and transparent by international observers</p> <p>Increased women's participation in democratic processes at all levels</p> <p>Improved Worldwide Governance Indicator Voice and Accountability score</p>	<p>Number of successful elections</p> <p>Supported</p> <p>Number of women leaders and/or CSOs identified and supported to play a role in policy dialogue</p> <p>Improved ratification, implementation and reporting on international human rights conventions</p> <p>Improved assessments of media freedom and access to information</p>

# Endnotes

- 1 See Making a Real Difference—Delivering Real Results Australian Government, 2011.
- 2 The term ‘rule of law’ can mean different things in different contexts. In this document, rule of law refers to a system with (i) known, enforceable rules, (ii) known procedures to amending the rules, (iii) mechanisms to ensure the proper application of the rules, where conflicts in application are resolved by binding decisions of an independent judicial body, and (iv) formal institutional strengthening programs and bottom-up legal empowerment interventions.
- 3 ‘Institutions’ should not be confused with ‘organisations’. Institutions are best understood as the ‘rules of the game’ (laws, conventions, traditions, standard procedures) which shape, but do not determine, human behaviour. We all participate in many different but overlapping spheres of activity in our economic, social and political lives with institutions, or rules – formal or informal - at their core. Human society is impossible without them. The challenge is how to forge institutional arrangements that promote rather than hinder development, stability and inclusion, and that are both locally appropriate and locally legitimate.
- 4 Legitimacy in this paper means accepted by the broader population, and is closely related to accountability and transparency of the institution.
- 5 Making a Real Difference—Delivering Real Results 2011, p. 4.
- 6 World Bank, World Development Report 2011, p. xi
- 7 See, for example, United Kingdom Department for International Development, Eliminating World Poverty: Building our Common Future 2009, chapter 4; World Bank, World Development Report 2000–01, ‘Attacking Poverty’; Narayan, D et al, Voices of the Poor: can anyone hear us?, World Bank 2000; Commission on Legal Empowerment of the Poor, Making the Law Work for Everyone, vol. 1, report of the Commission on Legal Empowerment of the Poor, 2008; ‘Enhancing the Delivery of Justice and Security’, OECD Journal on Development 2008, vol. 8, no. 3, p. 115.
- 8 In this document, references to civil society describe generalised civic action—both associated with organised groups and outside of them— and encompass a range of organisations including women’s groups, groups working for people with disability, research institutions, local and Australian NGOs, community-based organisations, trade unions and regional and international movements.
- 9 References to leadership and coalitions in this document draw on the work of the international Developmental Leadership Program (funded primarily by AusAID). Coalitions are best understood as groups of individuals or organisations that come together to achieve goals they cannot achieve on their own. Leadership is a political process involving the skills of mobilising people and resources in pursuit of a set of shared and negotiated goals. It refers to national political leaders and equally to leadership at sub-national levels and in all sectors of society—in businesses and business organisations, trades unions, NGOs, professional associations, churches and the bureaucracy—and in the relations between them.
- 10 Making a Real Difference—Delivering Real Results 2011, p. 36.
- 11 Ibid, p. 36.

- 12 Australia is conducting a Multilateral Assessment in 2011, with findings expected to be publicly available in early 2012. The review outcomes will be important for governance, given the high level of involvement with multilateral partners.
- 13 Marginalisation, as well as poverty, is an issue that AusAID will consider in governance work. It includes groups of people who are excluded from the mainstream for various reasons: poverty, ethnicity, disability, childhood or age, sexual orientation or gender. Sound political and social analysis is necessary to ensure that marginalisation is made visible and addressed through governance programming.
- 14 'A social accountability approach relies on civic engagement, in which ordinary citizens or CSO participate directly or indirectly to exact accountability from government. Initiatives such as participatory budgeting, social audits, citizen report cards, and community score cards all involve citizens in the oversight of government and can therefore be considered social accountability initiatives. Evidence suggests that social accountability can contribute to improved governance, increased development effectiveness through better service delivery, and empowerment. These improvements cannot be achieved however without understanding and perhaps enhancing the capacities—including skills, attitudes and behaviours—of government and civil society actors,' World Bank, 2005, Social Accountability in the Public Sector: A Conceptual Discussion and Learning Module.
- 15 In 2009 an independent review was undertaken of AusAID's political governance program by AusAID's Office of Development Effectiveness. This review affirmed the value of political governance programming, but underlined that political governance work must be anchored to clear poverty-reduction objectives for programs to be able to show progress.
- 16 Making a Real Difference—Delivering Real Results 2011