



## Global Citizen's Submission to the Australian Government's International Development Policy Review 2022

From: Global Citizen Limited  
For: Department of Foreign Affairs and Trade; Minister for Foreign Affairs  
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“Global Citizen believes that now is not the time to continue on a ‘business-as-usual’ trajectory for Australia’s international development policy. Now is the time for the Australian Government to reinstate a generous and ambitious approach to international development which reflects the desire of everyday Australians to see Australia lend a helping hand<sup>1</sup>, especially to our Pacific neighbours<sup>2</sup>, and recognises that when developing countries reap the benefits of robust international support, everyone benefits from economic growth, the consolidation of democracy and increased international security<sup>3</sup>.”

### About Global Citizen

Global Citizen is the world's largest movement of action takers and impact makers dedicated to ending extreme poverty by 2030. With over 11 million monthly advocates, our voices have the power to drive lasting change around sustainability, equality and humanity. We post, tweet, message, sign, and call to inspire those who can make things happen to act — government leaders, businesses, philanthropists, artists, and citizens — together improving lives. By downloading our app, Global Citizens learn about the systemic causes of extreme poverty, take action on those issues, and earn rewards with tickets to concerts, events, and experiences all over the world.

To date, the actions of our community, along with high-level advocacy efforts and work with partners, has resulted in \$41.4 billion in funds disbursed, impacting the lives of over a billion people (1.15 billion). For more information, go to [www.globalcitizen.org/impact](http://www.globalcitizen.org/impact).

### Overview

Global Citizen welcomes the opportunity to make a number of recommendations to the Australian Government as it considers the future of Australia’s development program at a time when global crises worsen and additional pressures are placed on the international agenda to achieve the UN’s Sustainable Development Goals by 2030.

Since the government’s last major foreign policy review in 2017, the nature of these challenges has changed considerably. Not only is the number of people living in extreme poverty now rising for the first time in decades<sup>4</sup>, but the global COVID-19 pandemic,

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<sup>1</sup> Lowy Institute (2022), *The Lowy Institute Poll 2022*. ([link](#))

<sup>2</sup> Ibid.

<sup>3</sup> InterAction (2018), *International Development 101*. ([link](#))

<sup>4</sup> The World Bank (2022), *Poverty*. ([link](#))

worsening climate change and enduring inequalities on the basis of gender, race, disability and age, among others, are also worsening<sup>5</sup>.

Global Citizen believes this review, as well as being timely in the face of complex global challenges, presents an opportunity for the Australian Government to consider its standing as a global leader in driving progress in the international development agenda. In recent years, Australia's contributions to international development have diminished<sup>6</sup>. Meanwhile, the global need for robust assistance from the international community continues to increase<sup>7</sup>.

Given this alarming trend, Global Citizen believes that now is not the time to continue on a 'business-as-usual' trajectory for Australia's development policy. Now is the time for the Australian Government to reinstate a generous and ambitious approach to international development which reflects the desire of everyday Australians to see Australia lend a helping hand<sup>8</sup>, especially to our Pacific neighbours<sup>9</sup>, and recognises that when developing countries reap the benefits of robust international support, everyone benefits from economic growth, the consolidation of democracy and increased international security<sup>10</sup>.

The impacts of the pandemic, not least having pushed an estimated 150 million additional people into extreme poverty<sup>11</sup>, have been greatly exacerbated by the invasion of Ukraine which has further restricted critical global food supplies.

Around 50 million people are now at risk of famine in hunger hot-spots around the world, including the Horn of Africa, Afghanistan, Syria and Yemen<sup>12</sup>.

The invasion of Ukraine represents only one of the latest setbacks for the international development agenda which has also included worsening effects of climate change including volatile weather events, natural disasters and unpredictable crop yields<sup>13</sup>.

This demonstrates that without significant additional international support, the developing world faces dire challenges in years to come as these adverse impacts continue to worsen.

As such, this moment presents the Australian Government with a valuable opportunity to play its part in addressing extraordinary global problems with extraordinary efforts to combat them. Early leadership from the Australian Government including re-allocating AUD \$4.6 billion-worth of Australia's IMF Special Drawing Rights (SDRs) represents one example of innovative and ambitious new decisions Australia can take to address these problems.

Global Citizen welcomes AUD \$1.4 billion in additional ODA spending allocated over the next four years by the government, this is a positive step forward. However, despite the new initiatives, ODA is still projected to drop as a percentage of GNI in the coming years. We hope this early leadership marks the beginning of a new era of Australia's commitment to

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<sup>5</sup> Brookings (2022), *Long-run impacts of COVID-19 on extreme poverty*. ([link](#))

<sup>6</sup> Australian Aid Tracker (2022), *Trends*. ([link](#))

<sup>7</sup> European Network on Debt and Development (2021), *An assessment of ODA in 2021: Rise in overseas aid still fails to meet needs of global crises*. ([link](#))

<sup>8</sup> Lowy Institute (2022), *The Lowy Institute Poll 2022*. ([link](#))

<sup>9</sup> Ibid.

<sup>10</sup> InterAction (2018), *International Development 101*. ([link](#))

<sup>11</sup> World Bank (2021), *Measuring Poverty*. ([link](#))

<sup>12</sup> Help Fight Famine (2022), *Help Fight Famine : Budget Discussion Paper* ([link](#))

<sup>13</sup> Ibid.

international development, and we hope sparks a new passion for Australia to step in the fight to End Extreme Poverty NOW.

In this submission, **Global Citizen makes six recommendations to the Australian Government to ensure that Australia's International Development Policy takes a long-term view of development needs measured by the UN's Sustainable Development Goals, prioritises the alleviation of poverty and takes strong steps to break systemic barriers which keep people in poverty:**

1. Australia commits to lifting its spending on international development toward the internationally-agreed benchmark of 0.7% of GNI.
2. Australia supports the reform of Multilateral Development Banks (MDBs) and the financial system to better serve developing countries and those particularly vulnerable to climate change.
3. Australia increases its international climate financing commitments to meet its agreed fair-share contribution of USD \$3 billion per year, in particular for adaptation, and is a leader on the loss and damage financing mechanisms.
4. Protect and prioritise education and wellbeing for girls and women, including with a new AUD \$16 million investment in Education Cannot Wait.
5. Australia makes new investments to fight food insecurity including with a new AUD \$150 million Famine Prevention Package and prioritises preventing future food crises by investing in smallholder farmers through organisations such as the International Fund for Agricultural Development (IFAD).
6. Australia increases its investments in leading global health organisations including The Global Fund to Fight HIV Aids, TB and Malaria, Gavi the Vaccine Alliance and the Global Polio Eradication Initiative.

## Detailed Summary of Recommendations

### **Pillar 1: Break Systemic Barriers Which Keep People in Poverty**

Australia must urgently reverse the trend of decline in Australia's ODA spending by making substantive annual increases to the ODA budget beyond inflation and ultimately reach the benchmark 0.7% of GNI.

Australia's ODA spending currently stands at just 0.2% of GNI which is [among the lowest rates](#) in the world among developed nations.

Australians have [made it clear](#) that they support Australia providing assistance to developing nations in times of need. ODA is our primary means of providing that support. Australia's ODA budget should reflect the need for urgent support in the face of urgent challenges.

Global Citizens have called on the Australian Government to do more for years. Despite strong investments from the Australian Government to support our Pacific neighbours, especially through the pandemic, we have been disappointed by a continued lack of ambition from the Australian Government to make meaningful increases in Australia's ODA spending, which is critical to ending extreme poverty.

In addition to ODA, additional financial resources are needed to close the [USD \\$3.5 trillion gap to respond to COVID-19 and meet the SDGs](#). The pandemic has been a stark reminder of this, and shown a major limitation of ODA: it can be significantly cut from one year to another, as in the U.K.

This risk is particularly high in crisis situations when that support is needed most. New revenue sources outside of existing ODA budgets must be found which can be mobilised with scale and speed, in order to respond appropriately to emergent global problems.

New taxes should ensure that sectors that have traditionally benefited from globalisation actually contribute to tackling shared challenges caused by it.

One such proposal for a financial transaction tax (FTT) has been [posed consistently since 2011](#), and would provide one pathway to open additional development financing. Australia should also consider increasing the share of SDRs reallocated to poorer countries to at least 30% as other countries already did, such as France. Last but not least, Australia should be at the forefront of reforming the multilateral development banks, ensuring they are fully aligned with the Paris agreement and follow the so-called CAF Review recommendations submitted to the G20 to unlock billions, if not trillions of new funding.

We hope that the Development Policy Review, alongside the Development Finance Review, will present innovative solutions to these growing problems.

**RECOMMENDATION 1: Australia commits to lifting its spending on international development toward the internationally-agreed benchmark of 0.7% of GNI.**

**RECOMMENDATION 2: Australia supports the reform of Multilateral Development Banks (MDBs) and the financial system to better serve developing countries and those particularly vulnerable to climate change.**

## **Pillar 2: Protect People and Planet from the Effects of Climate Change**

Climate change is already ravaging the planet. People who are living in poverty can least withstand shocks caused by climate change, and need assistance through climate finance to help adapt to the changing world.

However, adaptation costs in developing countries, especially the poorest ones and small island states, are [5-10 times greater](#) than current public adaptation funding.

This means that putting climate change at the centre of Australia's international development agenda is absolutely essential in supporting the long-term sustainability of our Pacific neighbourhood.

Australia's existing investments in international climate financing represent an encouraging start. In reality, however, Australia still falls far short of its estimated fair-share contribution of USD \$3 billion per year to support developing nations through the impacts of climate change, contributing less than a quarter of this amount. Reaching Australia's fair share would mean

investing less than half of the amount the country is currently spending on the production and consumption of fossil fuels (USD \$7.5B).

Australia can wait no longer to support the rest of the world's efforts to take climate change seriously and act in the best interests of everyone — especially those living in extreme poverty, who will always stand to feel the worst effects of climate change.

**RECOMMENDATION 3: Australia increases its international climate financing commitments to meet its agreed fair-share contribution of USD \$3 billion per year, in particular for adaptation, and is a leader on the loss and damage financing mechanisms.**

### **Pillar 3: Empower Women and Girls**

The impacts of extreme poverty are not gender-blind. Although poverty rates between boys and girls in childhood are similar, this changes during adolescence when girls begin to feel the impacts of poverty more than boys.

This disparity is clearly visible when considering girls and women's access to education, especially in the Pacific region, where for example in the Solomon Islands only 7 in 100 girls complete senior secondary school.

Prioritising the education of women and girls in our region can be transformative, and Education Cannot Wait provides critical tools and resources to ensure education is delivered to communities impacted by natural disasters, conflicts and other emergencies.

**RECOMMENDATION 4: Protect and prioritise education and wellbeing for girls and women, including with a new AUD \$16 million investment in Education Cannot Wait.**

### **Pillar 4: Help Fight Famine**

Every person deserves access to nutritious food to feed themselves and their communities.

Unfortunately, a perfect storm of conflict, volatile weather and climate shocks, the pandemic and the war in Ukraine have opened a new and urgent famine crisis in hunger hot-spots around the world.

The Horn of Africa, Afghanistan, Syria and Yemen are all suffering from critical shortages in food. It is estimated that almost 50 million people are on the brink of famine.

Australia should urgently increase their humanitarian response to this worsening crisis with a new AUD \$150 million Famine Prevention Package to provide immediate relief for millions of people struggling to find their next meals.

This crisis also demonstrates the increasingly fragile nature of our global food systems, and necessitates a long-term approach in dealing with the issue of food security into the future. This necessitates investments that strengthen resilience to climate shocks, such as doubling

funding for climate adaptation and investing in small-scale food producers through organisations like the International Fund for Agricultural Development (IFAD).

Increasing Australia's commitments to addressing climate change through its development program can deliver direct benefits for other urgent global problems, including food insecurity.

**RECOMMENDATION 5: Australia makes new investments to fight food insecurity including with a new AUD \$150 million Famine Prevention Package and prioritises preventing future food crises by investing in smallholder farmers through organisations such as the International Fund for Agricultural Development (IFAD).**

### **Pillar 5: Champion Global Health Programs**

Australia boasts a number of long-term investments in leading global health organisations including the Global Fund to Fight HIV AIDS, Tuberculosis and Malaria and the Global Polio Eradication Initiative.

These contributions have helped to ensure that the world's efforts to limit the impacts of infectious diseases, in the developing world and beyond, have saved millions of lives and have even driven polio to 99.9% eradication so far.

However, with additional global challenges putting pressure on gains made so far, it is essential to guarantee the long-term viability of this progress with additional investment in coming years.

**RECOMMENDATION 6: Australia increases its investments in leading global health organisations including The Global Fund to Fight HIV Aids, TB and Malaria, Gavi the Vaccine Alliance and the Global Polio Eradication Initiative.**

