Australian Government Department of Foreign Affairs and Trade

AUSTRALIAN OFFICIAL DEVELOPMENT ASSISTANCE

Development Budget Summary 2022–23

Australia's development program is building a future that benefits us and our region.

Australia's international development program will help tackle poverty and support a stable, prosperous and secure region.

We are working with our closest neighbours to overcome our shared challenges including climate change, COVID-19 recovery and deteriorating global economic conditions.

For the first time in 20 years, the number of people living in extreme poverty has increased. Women and girls have been impacted most, with almost half a billion now living below the poverty line. Global food insecurity means over 800 million people go to bed hungry each night.

Australia will play its part in supporting sustainable development – particularly in our region where 22 of our 26 nearest neighbours are developing countries.

Australia is increasing Official Development Assistance (ODA) to the Pacific. This will ensure we remain a partner of choice for the countries of our region and responsive to Pacific priorities.

Funding to support Southeast Asia will increase, reflecting the importance of Australia's engagement in this region to ensure our shared security, economic strength and to shape our world for the better.

Australia will get the most from our development program by listening to our neighbours and building genuine partnerships founded on mutual trust, respect and reliability. The Government will draw on Australia's national strengths to deliver high quality, transparent and accountable assistance to the region.

Australia will leverage its institutions, culture, regional ties, economy and expertise – including the knowledge and perspectives of First Nations Australians.

Australia will enhance our effectiveness through practical support for gender equality, disability inclusion and human rights.

We will draw on our partnerships beyond development – utilising our economic, diplomatic and security connections – to build a peaceful, stable and prosperous Indo-Pacific region, where sovereignty is respected.

By working with multilateral organisations and likeminded partners, we will magnify our collective impact. Together we will contribute to achieving our collective commitment to the Sustainable Development Goals.

Pacific \$900 million

Increase Australia's development assistance to the Pacific and Timor-Leste by \$900 million over the next four years. Australia will work with the Pacific family to strengthen climate resilience and help address a decade's worth of development gains lost due to the pandemic.

Highlights

Southeast Asia

\$470 million

Boost Australia's development assistance to Southeast Asia by \$470 million over the next four years. This will support sustainable economic growth that enables the active participation of women and invests in human capacity and resilience. Australia will grow our partnerships in the region to help countries transition to net-zero emissions.

NGO Partnerships \$30 million

An additional \$30 million in funding to the Australian NGO Cooperation Program over the next four years. This will support accredited Australian NGOs to deliver projects to promote sustainable development.



In 2021–22 Australia provided:



\$298 million in **budget support** for the Pacific and Timor-Leste to sustain critical services during COVID-19.



16,000+ **services** to end violence against women and girls, including counselling and accommodation.



25,100 **jobs** to Pacific and Timorese workers to support their families.

Pacific

Australia will deliver a comprehensive package of development programs that respond to the Pacific family's priorities and needs.

An additional \$900 million in ODA will be provided to the Pacific over four years.

The Government will strengthen the region's climate resilience and mitigation objectives, including through the Pacific Climate Infrastructure Financing Partnership.

Australia will continue to reduce fiscal distress in partner countries, by building on existing budget and aviation sector support – laying the foundation for economic recovery from COVID-19.

We will also increase regional stability and cohesion, including through investments in health, water, sanitation and hygiene, education and social protection systems.

Australia is committed to empowering women and girls, and people with a disability, to participate more fully in social, political and economic life. We will deepen people-to-people links and bring First Nations voices to our Pacific engagement.

Australia will also expand and improve the Pacific Australia Labour Mobility scheme to ensure more Pacific and Timorese workers generate remittances, develop skills and start new businesses at home. Additional funding will include increased support for training and assistance for families to accompany long-term workers.

Australia Infrastructure Financing Facility for the Pacific (AIFFP)

Australia has doubled AIFFP grant funding. The Pacific and Timor-Leste can now access a total of \$4 billion in AIFFP finance (\$1 billion in grants and \$3 billion in loans). AIFFP investments support sustainable development and respond to partner governments' priorities. Our investments are transparent, non-discriminatory and open. They uphold robust quality standards and create local labour opportunities to deliver long-term benefits tailored to the economic circumstances of our partners.

Through the AIFFP we partner with governments and the private sector to provide grant and loan financing for quality energy, transport, telecommunications, water and other infrastructure. There will be a greater focus on climate resilient and adaptation projects through the new Pacific Climate Infrastructure Financing Partnership.

To date, the AIFFP has agreed to 12 financing packages worth around \$1.2 billion (including approximately \$900 million in lending) for critical infrastructure projects across nine countries – Papua New Guinea (PNG), Fiji, Solomon Islands, Timor-Leste, Palau, Nauru, Kiribati, the Federated States of Micronesia (FSM) and Tonga.

Critical infrastructure projects

PNG	
FING	Ports Infrastructure
	Laltim Hausiain Project
	Wau and Sepik Highway
Solomon Islands	Tina River Hydropower Transmission System
Fiji	Transport Rehabilitation Project
	Airport Fiji Ltd
Palau	Solar Pacific
	Submarine Cable
Nauru	Airport Refurbishment
Tonga	Tonga Project
Kiribati, FSM and Nauru	East Micronesia Cable
Timor-Leste	Airport Facilities



Southeast Asia

COVID-19 has set back development progress in Southeast Asia. Children's education has been disrupted and health systems are under strain. Millions of people have lost their jobs and more than 4.7 million people are slipping back below the poverty line. The region is being reshaped as a result of these and other trends.

Australia recognises we need to do more. The Government will increase ODA for Southeast Asia, providing an additional \$470 million over the next four years. The new Office of Southeast Asia will lead and coordinate our whole-of-Government efforts.

Australia will work with our Southeast Asian partners to tackle this period of change together. We want a region that is peaceful and prosperous, where all states can make their own sovereign choices.

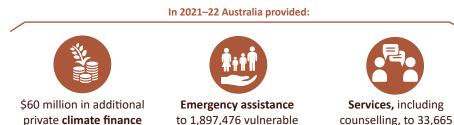
The Government will advance our ASEAN Comprehensive Strategic Partnership, including the Australia for ASEAN Futures Initiative, guided by the ASEAN Outlook on the Indo-Pacific.

Australia is committed to climate change action in the region.

Australia will develop a **\$200 million** Climate and Infrastructure Partnership with Indonesia, focusing on climate and infrastructure financing, disaster mitigation and renewable energy. Our Partnerships for Infrastructure program is working with countries across the region to address quality infrastructure needs and assist their transition **towards net-zero emissions**.

Australia is assisting the region's ongoing recovery from COVID-19. The Government will continue to support the rollout of vaccines, while strengthening health systems severely strained by the pandemic. Australia is partnering with United Nations Children's Fund (UNICEF), United Nations Population Fund (UNFPA), MSI Asia Pacific and the International Planned Parenthood Federation to deliver essential sexual and reproductive health services to women across seven Southeast Asian countries.

Australia's assistance will improve the region's resilience and sovereignty through support for quality infrastructure, regional security and humanitarian assistance in times of crisis. We will support the region's ongoing economic prosperity through support for women's economic empowerment, investment in human capital, food security and increased trade and investment.



adults and children.

counselling, to 33,665 women and girl survivors of violence.

mobilised for climate

investments in our region.



Climate change and environment

Australia recognises that climate change is the greatest threat to livelihoods, security and wellbeing of our closest neighbours in the Indo-Pacific. Nothing is more central to the security and economies of the Pacific. The Government is taking real and ambitious action to address climate change at home and in our region.

At COP26, Australia increased its climate financing commitment to \$2 billion (2020–25) with at least \$700 million to build climate change and disaster resilience in the Pacific. Australia provided \$348.5 million in the first year of this period (2020–21) and is on track to meet the \$2 billion pledge.

Australia is working to protect biodiversity to support livelihoods and build resilience to climate change. We are investing in nature-based solutions, including supporting practical action to restore and account for 'blue carbon' ecosystems.

Climate impacts on water threaten the health, prosperity and stability of our societies. Australia's environment investments in the Indo-Pacific focus on water, sanitation and hygiene (WASH), and climate resilient water resource management and infrastructure.

Australia is partnering with trusted humanitarian organisations to deliver life-saving food and nutrition to those impacted by rising global food insecurity. The Government is providing financial and technical assistance to countries in our region to help build more resilient food systems.

Support to UN development agencies in 2022–23

Agency	\$m
UN Women	7.8
United Nations Children's Fund (UNICEF)	19.0
United Nations Development Programme (UNDP)	13.0
United Nations Population Fund (UNFPA)	9.2
United Nations Programme on HIV and AIDS (UNAIDS)	4.5
World Health Organization (WHO)	15.0

Estimated ODA by sector in 2022–23

Sector	\$m
Governance	1,079.4
Health	917.1
Multi-sector and general support	662.5
Humanitarian	639.1
Education	498.9
Economic, infrastructure & services	478.7
Agriculture, trade & production	375.3

Gender equality

In 2021–22 Australia provided:



212,688 **services** to women and girl survivors of violence.



222,391 female entrepreneurs with financial/business development services for economic empowerment. Gender equality and the empowerment of women and girls is a key objective of Australia's development program.

The Government has reintroduced an 80 per cent performance target to ensure Australia's development investments effectively address gender equality, including mandating that those over \$3 million have a gender equality objective. Australia will continue to drive genuine improvements to ensure women and girls benefit from Australian assistance.

Australia's continued investment to champion the rights of women and girls is delivering results. In 2021–22, the inaugural Pacific Islands Forum Women Leaders Meeting was held, which recognised the challenges facing women and girls in the Pacific and affirmed regional commitment to gender equality. Australia is supporting the region through Pacific Women Lead, led by SPC (the Pacific Community).

In Southeast Asia, Australia's Investing in Women program improves women's economic participation in the Philippines, Indonesia, Vietnam and Myanmar. In 2021–22, there were 35 new investments in women-led enterprises totalling \$3.3 million, leveraging a further \$197.6 million in private investment.

In 2022–23, Australia will provide \$65 million through the Indo-Pacific Gender Equality Fund to support regional partners to advance women and girls' economic empowerment and leadership, and prevent gender-based violence. This support will be an essential part of community-led recovery from COVID-19.

Civil society engagement

Australia's support for civil society, gender equality and disability inclusion will promote stronger, more resilient societies.

Australian NGOs help build vital relationships between communities in Australia and across our region. They promote sustainable, locally-led development in partner countries and bolster domestic support for Australia's development program.

The Government has allocated an additional \$30 million to the Australian NGO Cooperation Program (ANCP) over the next four years. This funding will increase the minimum grant for all ANCP organisations. Seventy-five per cent of ANCP's work is based in the Indo-Pacific.

> In 2020–21, ANCP worked with over **2,000 local** organisations in around **50 countries** to deliver critical support to over **9 million people**.

Disability inclusion

Australia is a global leader on disability inclusion and rights.

We work to ensure people with disabilities are engaged in, and benefit equally from, Australia's development assistance. This enhances the rights and quality of life of people with disabilities. It also enables countries to harness the potential of all citizens, maximising sustainable economic growth and reducing poverty.

Effectively addressing the needs of the most marginalised, including people with disabilities, is crucial for social cohesion. Australia has restored funding to the central disability budget to \$12.9 million in 2022–23, to support partners implement the Convention on the Rights of Persons with Disabilities and build the capacity of organisations of persons with disabilities. This is part of Australia's larger contribution to disability inclusive development across bilateral, regional and multilateral programs that, in 2020–21, totalled \$97.7 million.

Humanitarian

Global humanitarian needs continue to grow. Where disaster impacts exceed a country's capacity to respond, Australia stands ready to assist.

We have a long history of supporting our partners respond to, and prepare, for humanitarian disasters. So far in 2022–23, we have supported the Pacific, including Tuvalu and Kiribati, respond to severe droughts. We have also assisted Pakistan to manage devastating floods, and Sri Lanka to address severe food shortages. We recognise the importance of preventing and reducing the impact of disasters before they occur.

Humanitarian crises have a severe impact on the most vulnerable. During and after crises, women and people with disabilities suffer disproportionately. In 2021–22, Australia responded to multiple crises, and provided emergency assistance to over 23 million vulnerable women, men, girls and boys.

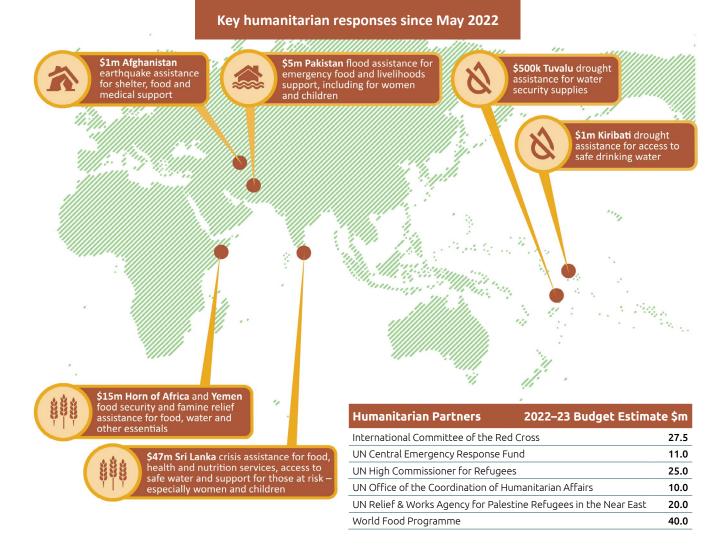
Our commitment to provide annual, predictable funding to our global humanitarian partners amplifies our support. It also gives them the flexibility they need to respond quickly, avoid supply chain breaks and to ensure efficient and effective operations.

COVID-19 recovery

Managing the health, economic and social impacts of COVID-19 remains a shared challenge for our region.

Australia is supporting its neighbours to strengthen health security and build more resilient health systems that are better prepared for future pandemics. This includes preventing, detecting and responding to emerging infectious disease outbreaks while ensuring continuity of essential health services. We have shared over 47 million COVID-19 vaccines across the region to date. We continue to respond to partner countries' vaccine needs on request.

Australia is also supporting the region's economic recovery. Our assistance to the Indo-Pacific, amid significant fiscal and economic challenges, ensures that essential services including health, education and social protection continue. We are also working to keep vital transport corridors open. Australia's budget support, through grants and loans, is also helping address the ongoing budgetary needs of our closest neighbours.



AUSTRALIAN OFFICIAL DEVELOPMENT ASSISTANCE

Table 1: Australian ODA allocations by country, regional and global programs2021–22 and 2022–23 Budget Estimate

	2021–22 Budget Estimate \$m	2022–23 Budget Estimate \$m
Papua New Guinea	479.2	479.2
Solomon Islands	103.1	103.1
Vanuatu	46.0	46.0
Fiji	40.0	40.0
Samoa	27.0	27.0
Nauru	25.5	25.5
Kiribati	24.2	24.2
Tonga	20.1	20.1
Tuvalu	8.4	8.4
Niue and Tokelau	1.8	1.8
North Pacific	5.0	3.6
Pacific Regional	396.5	609.2
Pacific	1,176.8	1,388.0
Indonesia	255.7	265.7
Timor-Leste	73.0	77.3
Philippines	63.4	68.0
Vietnam	57.2	61.7
Cambodia	43.4	46.7
Myanmar	42.1	42.1
Laos	20.6	22.6
Mongolia	5.6	5.6
ASEAN and Mekong	77.0	94.6
Southeast and East Asia Regional	38.3	46.6
Southeast and East Asia	676.3	731.0
Afghanistan	50.0	50.0
Bangladesh	30.8	30.8
Sri Lanka	16.0	23.0
Nepal	9.1	9.1
Bhutan	2.1	2.1
Maldives	1.8	1.8
South and West Asia Regional	14.3	14.3
South and West Asia	124.1	131.1
Sub-Saharan Africa	15.0	15.0
The Middle East and North Africa	17.1	17.1
The Middle East and Africa	32.1	32.1
Country and Regional Programs	2,009.3	2,282.2

	2021–22 Budget Estimate \$m	2022–23 Budget Estimate \$m
Climate Change and Environment	122.4	137.2
Regional Health Security	280.1	216.2
Global Health Programs	139.6	217.2
Regional and Global Health	419.7	433.4
Scholarships	54.0	50.8
Education Partnerships	8.0	19.0
Education and Scholarships	62.0	69.8
Gender Equality, Disability and Social Inclusion	92.8	97.7
Humanitarian Emergency Fund	150.0	150.0
COVID-19 Response Fund and Assistance to Ukraine ¹	100.0	0.0
Global Humanitarian Partnerships	119.0	123.5
Protracted Crises and Strengthening Humanitarian Action	114.3	144.9
Disaster Risk Reduction, Preparedness and Response	52.0	52.0
Humanitarian, Emergencies and Refugees	535.3	470.4
Economic Resilience Partnerships	39.1	39.7
Cyber Cooperation	10.6	10.4
Debt Relief	42.7	44.6
Global, Peace and Security Contributions	91.6	113.9
National and Economic Resilience	184.0	208.6
Australian Volunteers Program	26.0	21.0
Global NGO Programs	139.1	145.4
NGOs, Volunteers and Community Programs	165.1	166.4
International Development Association	158.6	160.7
Asian Development Fund	100.1	94.2
Multilateral Development Banks	258.7	254.9
UN, Commonwealth and Other International Orgs	41.0	38.9
Development Effectiveness and Research	11.5	13.8
Cross Regional and Global Programs	1,892.5	1,891.2
Other Government Departments	338.1	274.1
Departmental (ODA)	266.8	274.4
Adjustments	-50.0	-70.8
Total Australian ODA	4,456.6	4,651.1

1. The COVID-19 Response Fund has now concluded and the ongoing COVID-19 response is being taken forward through global and regional health programs.

The COVID-19 Response Fund did not count towards 2020–21 and 2021–22 humanitarian expenditure.

All 2021–22 and 2022–23 Budget figures are Budget Estimates.

Due to rounding, discrepancies may occur between sums of the component items and totals.

Table 2: Australian ODA by country and region of benefit2021–22 and 2022–23 Budget Estimate

	2021–22 Budget Estimate \$m	2022–23 Budget Estimate \$m
Papua New Guinea	587.8	602.2
Solomon Islands	156.4	169.4
Vanuatu	75.6	83.1
Fiji	81.2	87.8
Samoa	39.7	52.0
Tonga	35.6	42.7
Kiribati	32.0	43.3
Nauru	32.2	32.9
Tuvalu	13.8	15.5
Niue and Tokelau	3.9	4.0
North Pacific	11.1	7.9
Pacific Regional	548.8	760.4
Pacific	1,618.1	1,901.1
Indonesia	299.0	307.3
Timor-Leste	105.2	114.0
Philippines	79.0	85.8
Vietnam	78.9	92.8
Cambodia	65.9	80.8
Myanmar	95.5	120.6
Laos	39.3	46.5
Mongolia	7.0	8.8
Southeast and East Asia Regional	394.4	372.5
Southeast and East Asia	1,164.1	1,229.1
Afghanistan	51.0	51.3
Bangladesh	133.8	118.9
Sri Lanka	22.7	54.3
Pakistan	8.0	17.5
Nepal	20.5	26.6
Bhutan	4.4	5.7
Maldives	2.2	2.8
South and West Asia Regional	31.1	106.1
South and West Asia	273.8	383.2
Sub-Saharan Africa	59.3	103.3
The Middle East and North Africa	31.4	45.3
The Middle East and Africa	90.7	148.6
Latin America and the Caribbean	1.6	1.3
Core contributions to multilateral organisations and other ODA not attributable to particular countries or regions	1,308.4	987.8²
Total Australian baseline ODA	4,456.6	4,651.1

Table 3: Australian ODA delivered by othergovernment departments 2022–23 Budget Estimate

	ODA delivered directly from appropriations \$m	ODA delivered in partnership with DFAT \$m	Total ODA \$m
Agriculture, Fisheries and Forestry	15.6	3.9	19.5
Australian Centre for International Agricultural Research	103.2	12.2	115.4
Australian Federal Police	49.2	7.5	56.6
Employment and Workplace Relations	25.1	0.0	25.1
Commonwealth Scientific and Industria Research Organisatior		9.4	9.4
Health	14.3	9.0	23.3
Treasury	62.1	0.1	62.2
Other	3.8	40.9	44.7
States and Territories	0.8	3.4	4.2
Total ODA delivered by other government departments	274.1	86.3	360.4

2 Changes to this figure reflect better attribution of funding to countries and regions.

All 2021–22 and 2022–23 Budget figures are Budget Estimates.

Due to rounding, discrepancies may occur between sums of the component items and totals.