

ActionAid Australia Pre-Budget Submission 2020-2021

Resourcing women's leadership in developing countries to respond to COVID-19

August 2020

1. Introduction

ActionAid Australia welcomes the opportunity to make a submission to Treasury on the 2020-2021 Federal Budget. ActionAid supports women living in poverty to stand up and claim their human rights by collectively confronting the injustices they face. In more than 45 countries, ActionAid supports women to understand their rights, reflect on the people and systems that affect them, and harness their collective power to change their lives and positions in society. More than 70,000 Australians support our efforts to advance economic and climate justice for women and their rights in emergencies. ActionAid has reached more than 10 million people through its efforts to respond to COVID-19 in over 40 countries, including working with women's organisations in the Pacific with the support of the Australian Aid Program.

COVID-19 is the world's largest global humanitarian crisis. Infection rates are surging around the world, and the health, economic and social impacts on communities in Australia and internationally are devastating. Developing countries are particularly vulnerable to these impacts, as the virus drives what the United Nations terms 'three waves of crisis' with a public health pandemic, economic shock and widespread starvation. Without urgent international action to support vulnerable countries to respond to the pandemic, up to 70 million additional people could be pushed into extreme poverty.¹ Women and girls are amongst the most impacted. An estimated one billion women workers in low paid and precarious employment have been left jobless in this crisis.² Women make up the majority of frontline health workers responding to the pandemic, and their unpaid work has magnified due to school and childcare closures and the need to care for sick family and community members. ActionAid research has also shown an alarming spike in violence against women in all countries undertaking lockdown measures.³

Developing countries urgently need additional resources to expand healthcare and increase funding for social protection and critical public services, including support services for women experiencing violence. Australia has an opportunity to show international leadership, by committing to an immediate increase in Official Development Assistance (ODA) in the 2020-2021 budget. There are also key opportunities to advance the Australian Government's commitment to gender equality globally, and to respond to the disproportionate impacts of COVID-19 on women and girls, through targeted policies and investment.

¹ World Bank (2020) *Updated estimates of the impact of COVID-19 on global poverty*, 8 June, <https://blogs.worldbank.org/opendata/updated-estimates-impact-covid-19-global-poverty>

² ILO estimate: 1.6bn informal workers face destitution by year end and another 300 million formal jobs will be lost by the end of the year. Women comprise 60% of the informal sector globally so we can estimate that almost a billion low-paid women workers face destitution.

³ ActionAid (2020) *Surviving Covid-19: A Women Led-response*, <https://actionaid.org.au/resources/surviving-covid-19-a-women-led-response/>

Recommendations

Recommendation 1: *The Government provides a new \$2bn injection in ODA between 2020/21 and 2023/24 as a part of a mounting global response to the world's largest global humanitarian crisis. Additional resourcing is crucial to ensure that support for COVID-19 response efforts does not come at the expense of vital development programs that contribute to broader goals such as gender equality. The health, gender and economic impacts of the pandemic are resulting in additional need and the government should respond to this need through additional resourcing.*

Recommendation 2: *The Government should establish a clear pathway to increase ODA to at least 0.7% of GNI over the next five years to meet its global obligations under the SDGs and ensure adequate resources are available to enable developing countries to reduce poverty and facilitate sustainable development.*

Recommendation 3: *Gender equality should remain central to Australia's ODA and the Government should adopt a twin-track approach to development policy that promotes standalone and integrated programming, with 30% of all new investments, including additional COVID-19 investments, having gender equality as their primary objective and 85% having gender equality as their primary or secondary objective.*

Recommendation 4: *The Government should respond to the alarming rise in gender-based violence globally by committing \$100m in ODA funding towards locally led violence against women services.*

Recommendation 5: *The Government should commit to directing 5% of all ODA, including COVID-19 investments, to frontline women's rights organisations in order to address the gendered impacts of the pandemic and ensure that COVID-19 responses are gender responsive.*

2. Increase Australian ODA by \$2bn between 2020/21 and 2023/24 in response to urgent need in developing countries, and develop a clear pathway to increase Australian aid to 0.7% of GNI over five years

The Government's international COVID-19 response plan, *Partnership's for Recovery: Australia's COVID-19 Development Response*, provides a strong framework for Australia's international response to COVID-19, recognising the profound human impact that this crisis is having in developing countries, particularly for women and girls.⁴ ActionAid applauds the response plan's high level of ambition and focus on women's rights. Australia's ODA must now be increased in line with this plan. Australia's current aid allocation is sitting at an all-time low of 0.22% of Gross National Income (GNI) and is set to decline further to 0.19% according to forward estimates.⁵ This puts Australia behind many other OECD countries in terms of net ODA as a percentage of GNI, with Australia dropping to 19th out of 30 countries in 2018. The United Nations Conference on Trade and Development (UNCTAD) is now estimating that an additional US \$500 billion is needed in international aid to enable developing countries to respond to this crisis.⁶ If wealthy countries like Australia do not exercise the leadership needed there is a real risk that this crisis will undo the gains that have been made by previous aid investments, as poverty and hunger increase and gender equality deteriorates.

The Government should use the 2020-2021 Federal Budget as an opportunity to scale up assistance to developing countries in our region and beyond. An additional \$2bn injection in Australian aid

⁴ DFAT (2020) *Partnerships for Recovery: Australia's COVID-19 Development Response*,

<https://www.dfat.gov.au/publications/aid/partnerships-recovery-australias-covid-19-development-response>

⁵ Clare, A (2019) *Official Development Assistance (ODA): a quick guide*,

https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1819/Quick_Guides/ODA

⁶ UNCTAD (2020) *UN calls for \$2.5 trillion coronavirus crisis package for developing countries*,

<https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2315>

between 2020/21 and 2023/24 would go a long way in supporting developing countries to expand healthcare and social protection measures. Support for Less Developed Countries (LDCs) that are most vulnerable to external shocks is particularly critical to halt growth in extreme poverty as a result of this crisis.⁷ This immediate aid investment should reflect a first step in a planned increase to international aid in line with Australia's obligations under the Sustainable Development Goals (SDGs)⁸ and the Government should establish a clear pathway to increase Australian aid to at least 0.7% of GNI over the next five years, with half of this aid allocated to the poorest LDCs. As a wealthy nation that ranks sixth in UNDP's Human Development Index, we have both the capacity and the moral obligation to step up our contribution and ensure everyone has a healthy and more sustainable future.

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Recommendation 2: *The Government should establish a clear pathway to increase ODA to at least 0.7% of GNI over the next five years to meet its global obligations under the SDGs and ensure adequate resources are available to enable developing countries to reduce poverty and facilitate sustainable development.*

3. Prioritise gender equality in ODA, including additional COVID-19 investments

Australia has a strong record of advancing gender equality internationally. The Department of Foreign Affairs and Trade's (DFAT) *Gender Equality and Women's Empowerment Strategy* has committed to advancing equality and economic empowerment for women across all aspects of Australia's foreign policy. Supporting the empowerment of women and girls is a cornerstone of Australia's engagement in our region, and DFAT has up until recently been committed to a target of 80 percent of all investment in the aid program to "effectively address gender issues in their implementation."⁹ Australia is also part of several international agreements that promote women's rights and gender equality, including the UN Convention on the Elimination of All Forms of Discrimination against Women (1979) and the SDGs (2015).

Given the disproportionate impacts the COVID-19 is having on women and girls, it is crucial that the Government not only maintains its focus on gender equality but takes steps to build on recent progress in mainstreaming gender equality into aid investments. To be most effective the Government should adopt a twin track approach that invests in both standalone programming that has gender equality as its central objective, alongside mainstreaming gender equality outcomes across all other investments. Gender equality should not be assumed under a broad category of social inclusion and targeted efforts to address harmful gender norms and discrimination are essential for progress in poverty eradication and sustainable development as well as responding to the gendered impacts of COVID19.

⁷ 33 of the world's Least Developed Countries (LDCs) are in the African region and experts are predicting that across the African continent 300,000 people could die from the virus and 27 million people could be pushed into extreme poverty as a result of the pandemic. See UNECA (2020) *COVID-19 in Africa: Protecting Lives and Economies*, <https://www.uneca.org/publications/covid-19-africa-protecting-lives-and-economies>

⁸ Sustainable Development Goals (2015) *Target 17.2: Implement all development assistance commitments*, <https://www.globalgoals.org/17-partnerships-for-the-goals>

⁹ DFAT (2016), *Gender Equality and Women's Empowerment Strategy*, <http://dfat.gov.au/about-us/publications/documents/gender-equality-and-womens-empowerment-strategy.pdf>

Recommendation 3: Gender equality should remain central to Australia's ODA and the Government should adopt a twin-track approach to development policy that promotes standalone and integrated programming, with 30% of all new investments, including additional COVID-19 investments, having gender equality as their primary objective and 85% having gender equality as their primary or secondary objective.

4. Provide \$100m in funding for violence against women services

There has been an alarming increase in violence against women in all countries experiencing lockdown measures. ActionAid research in six countries across all regions found that gender-based violence increased in all countries, including by 59% in Italy, 700% in the Gaza Strip and 983% in Bangladesh.¹⁰ Many women have been unable to access the support they need because services are underfunded and overwhelmed, lockdown rules have made accessing support services more difficult, or simply because these services do not exist. For example, in Uganda, support services for women experiencing violence have been forced to close due to lockdown rules, despite caseloads doubling in March and April.¹¹ Resources are urgently needed to respond to the rise in gender-based violence, so that support services can expand to meet increasing need and new services can be developed to reach those impacted by physical distancing rules.

Recommendation 4: The Government should respond to the alarming rise in gender-based violence globally by committing \$100m in ODA funding towards locally led violence against women services.

5. Support women-led development initiatives and COVID-19 response efforts

Women's organisations and community networks have a detailed understanding of the local context, including of power dynamics within local communities, and are best placed to develop gender-responsive, inclusive and effective development initiatives and humanitarian responses. For example, it is widely recognised that the sustained advocacy of feminist organisations has been the most important contributor to new laws, policies and programs to tackle violence against women globally. Despite this, women's rights organisations receive just 36 cents for every \$100 of ODA worldwide.¹² In the Pacific, less than 1% of grant funding is directed to Pacific Women's Organisations.¹³

Australia is currently performing above the OECD average in this area - coming in at seventh for its funding to women's equality institutions and organisations. However, this represents just 1.24% of ODA.¹⁴ The Government has a significant opportunity to match its policy leadership on gender equality with financial leadership by increasing Australia's contribution to 5% of ODA, including for new COVID-19 investments.

¹⁰ ActionAid (2020) *Surviving Covid-19: A Women Led-response*, <https://actionaid.org.au/resources/surviving-covid-19-a-women-led-response/>

¹¹ Ibid

¹² ActionAid Australia et al (2020) *A Feminist Foreign Policy for Australia: Joint submission to the 2020 Review of Australia's International Development Cooperation Policy*, <https://acfid.asn.au/sites/site.acfid/files/20200214%20joint%20submission%20feminist%20foreign%20principles%20to%20aid%20development%20policy%20review.pdf>

¹³ Fiji Women's Fund and the Urgent Action Fund, Asia and Pacific (2020) *Where is the money for women and girls in the Pacific: Mapping funding gaps, opportunities and trends*, <https://fijiwomensfund.org/wp-content/uploads/2020/02/Full-report-UAF-FWF-14Feb2020.pdf> - The report refers to funding allocations from OECD Development Assistance Committee members.

¹⁴ ActionAid Australia et al (2020) *A Feminist Foreign Policy for Australia: Joint submission to the 2020 Review of Australia's International Development Cooperation Policy*, <https://acfid.asn.au/sites/site.acfid/files/20200214%20joint%20submission%20feminist%20foreign%20principles%20to%20aid%20development%20policy%20review.pdf>

Recommendation 5: *The Government should commit to directing 5% of all ODA, including COVID-19 investments, to frontline women’s rights organisations in order to address the gendered impacts of the pandemic and ensure that COVID-19 responses are gender responsive.*

6. Conclusion

COVID-19 is the world’s largest humanitarian crisis and it is having profound impacts on communities across the world, particularly women and girls in developing countries. The Australian Government has taken critical steps to support communities across Australia as we work together to respond to the crippling health and economic impacts of this pandemic. For many of the countries that ActionAid works in, governments are unable to provide the same level of support to their citizens because they came into this crisis with weaker health and welfare systems, and they lack access to the necessary resources to respond to this pandemic. Australia has a unique opportunity to demonstrate leadership by supporting these governments to expand their COVID-19 response efforts so they can save lives and livelihoods in this crisis. If Australia does not play its part, it is vulnerable women and girls that will end up paying the price.

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