

# AusAID Budget Outcomes: Commercial Suppliers Perspective

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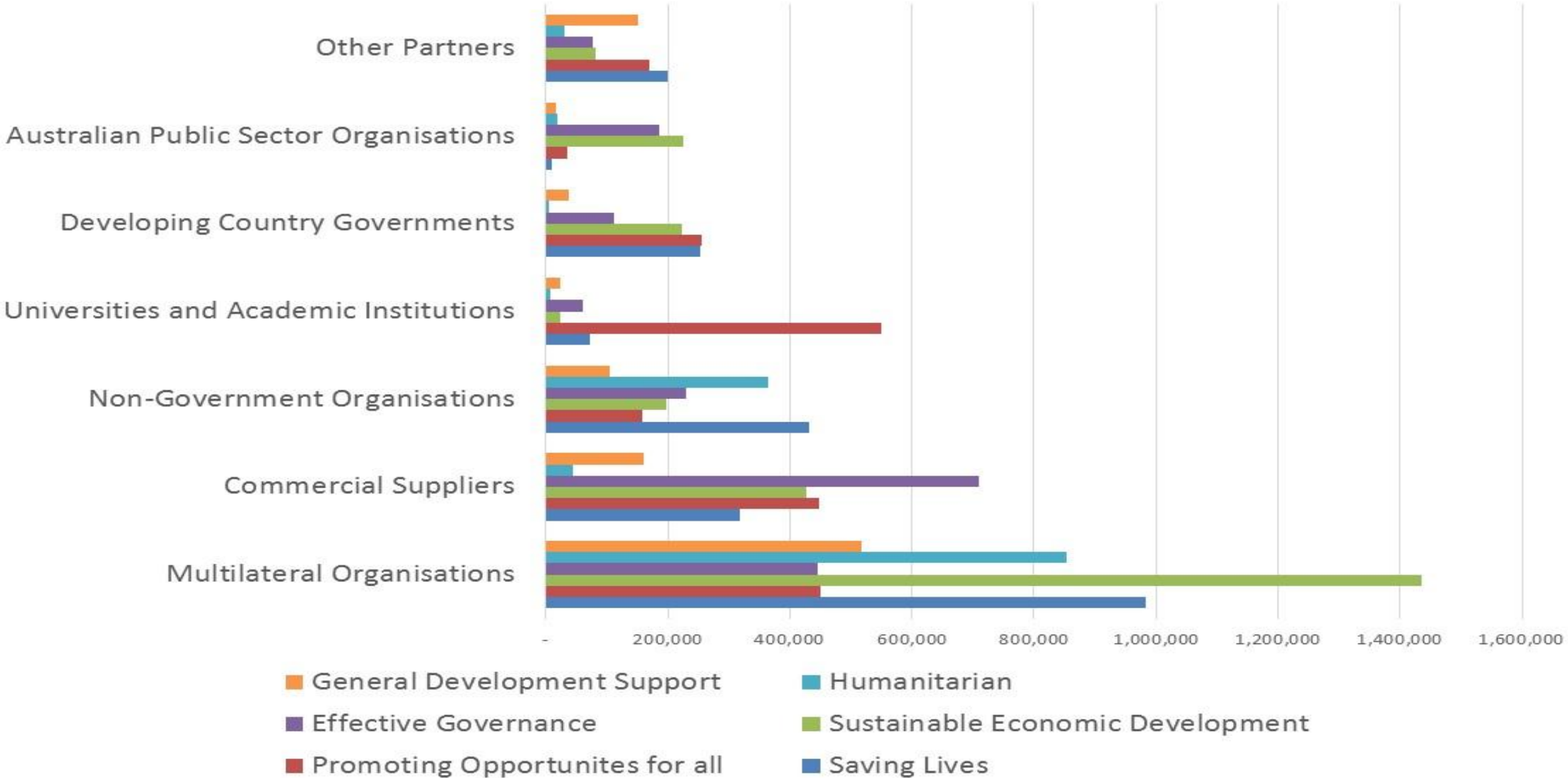
# International Development Contractors (IDC) Australia

- International Development Contractors (IDC) Australia brings together over 20 Australian private sector companies
  - Members are commercial organisations delivering international aid to the world's poorest countries.
    - Diverse group of global to small companies, University commercial arms, research institutes and individual contractors
  - IDC aims to contribute to the effectiveness of the aid program by combining members experiences, knowledge and resources and providing advice and support to the international development community
- <http://idcaustralia.com.au/>

# Budget Outcome

- Excellent result
  - ⇒ restrained new budget measures
    - ⇒MDGs - health and education
    - ⇒continuing commitment Solomon Islands
- ODA expenditure represents :
  - \$1.45 for every \$100 of budgeted Government expenditure
    - 2012/13 = \$1.42
    - 2007/08 = \$1.17
- What does it mean for commercial suppliers

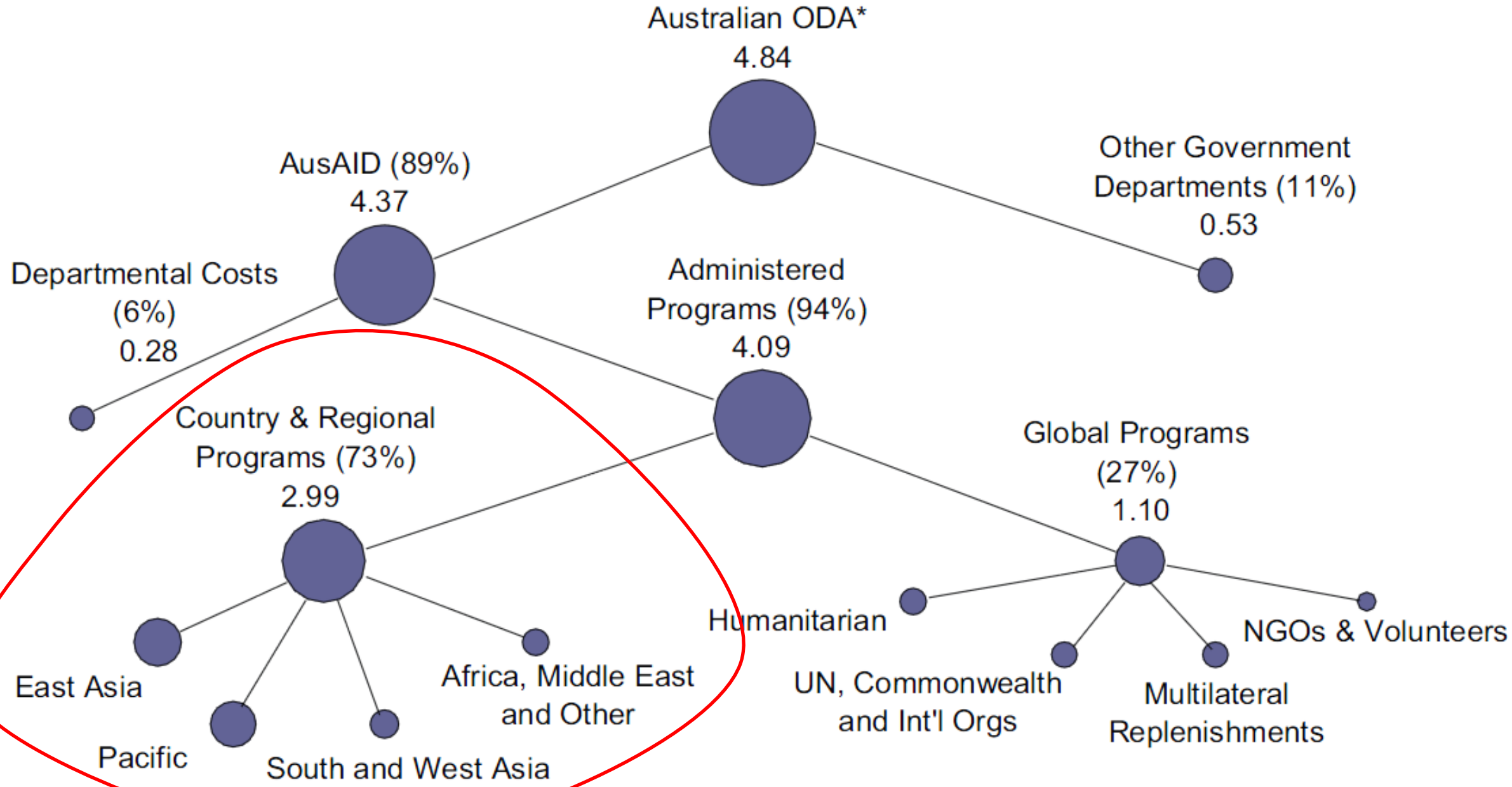
# Development Partners by Aid Objective (total 2009-2011)



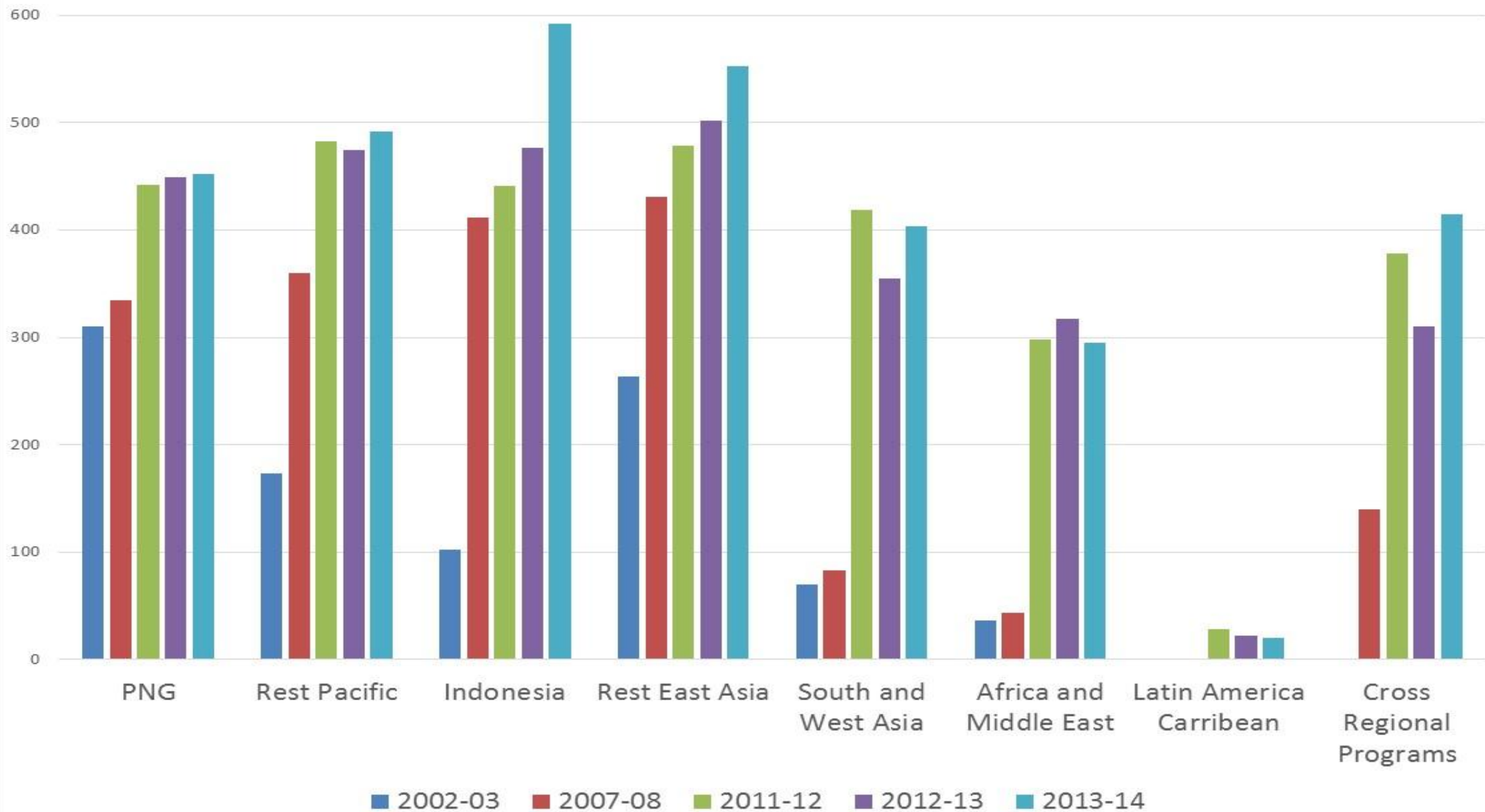
# Strategic Goals:

- Sustainable Economic Development: from 27% to 19%
- Promoting Opportunities for all: from 21% to 22%
- Effective Governance: from 18% to 16%
  
- Saving Lives: from 18% to 19%
- Humanitarian & Disaster Response: from 10% to 17%

# Diagram 3: Composition of 2011-12 Australian ODA (\$bn)



# Country Programs ODA



# Country Programs % of Total ODA

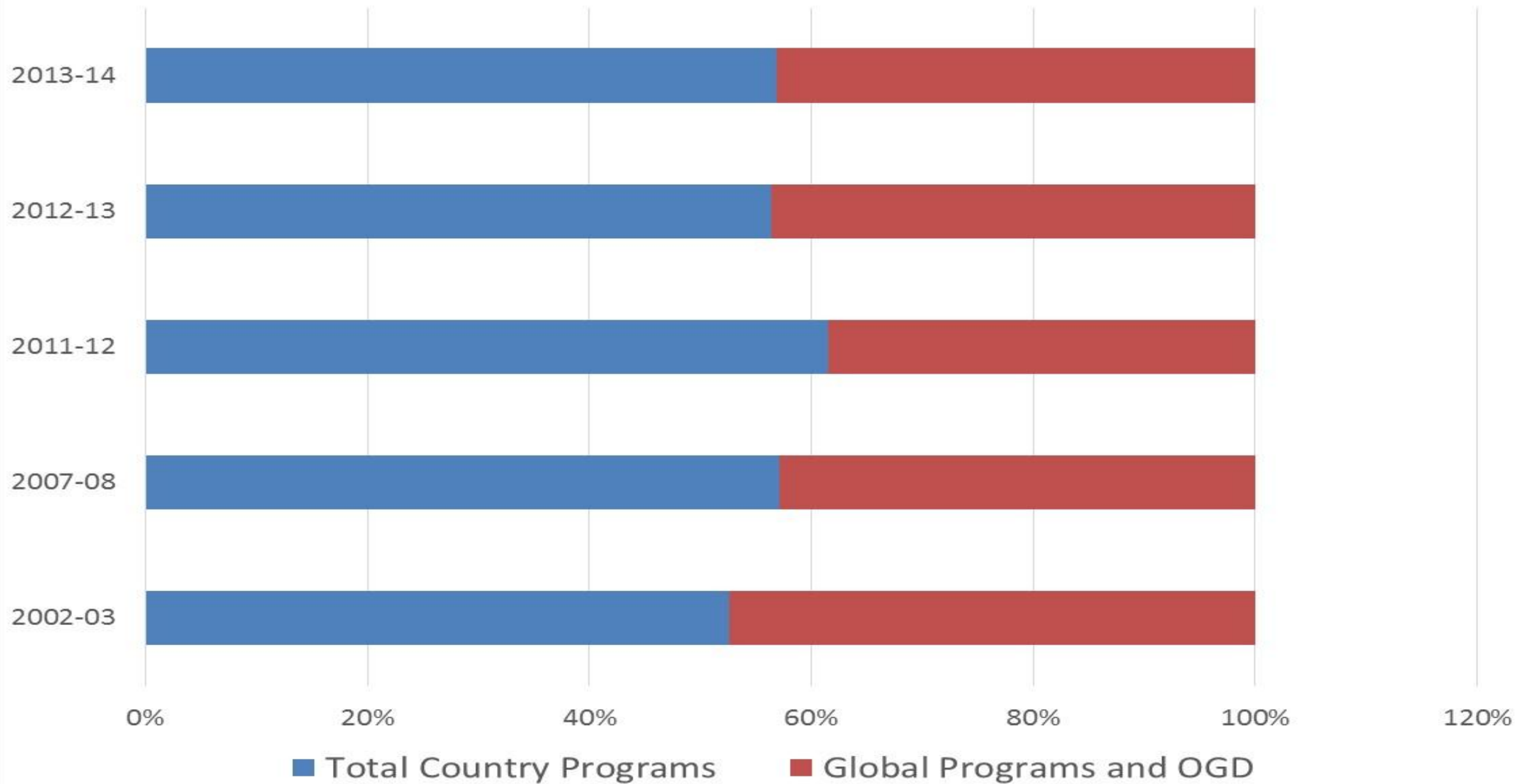
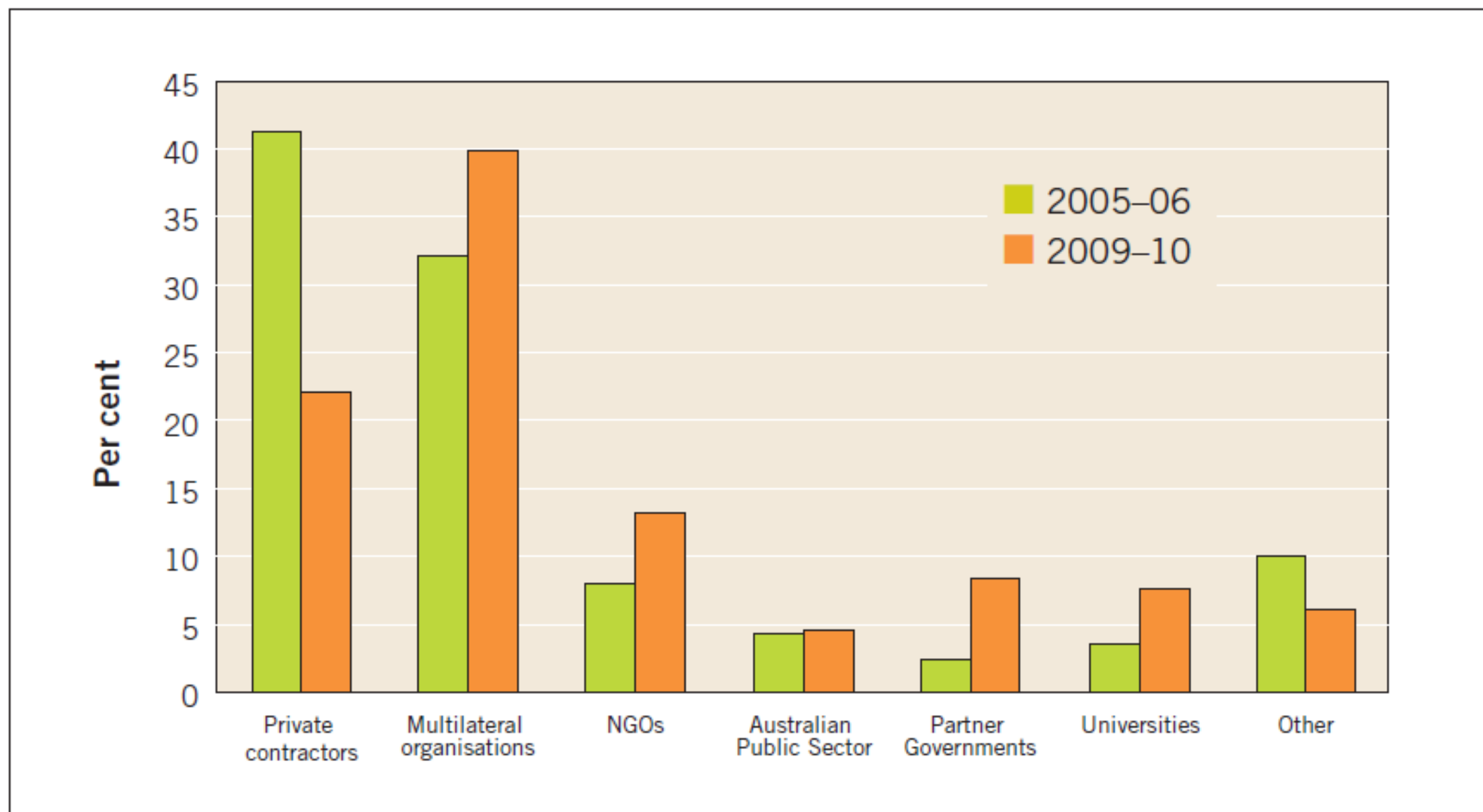
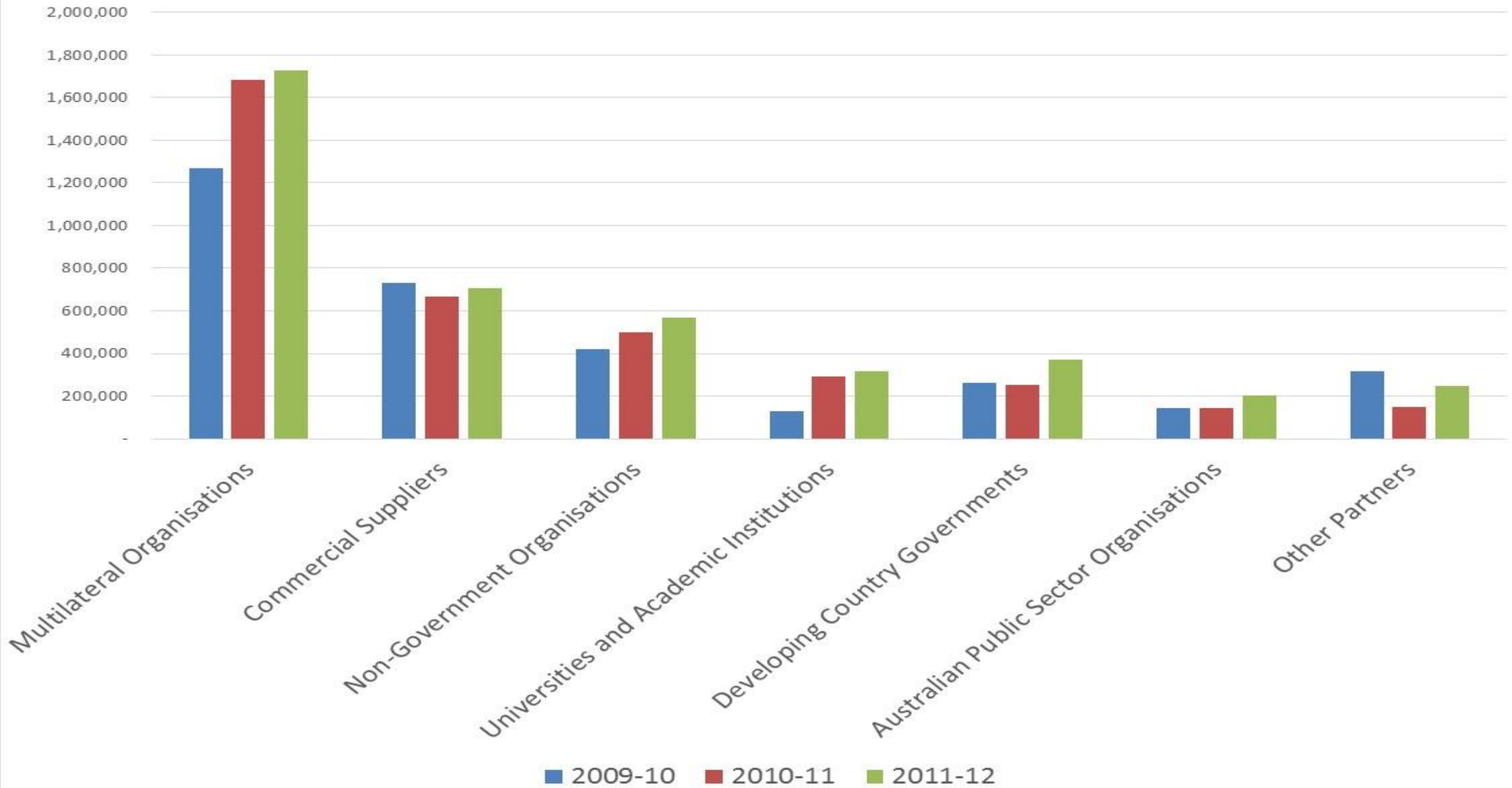




Figure 2.8: AusAID Expenditure by Mode of Delivery



## Delivery of Australia Aid by Type of Partner



# Modes of Delivery

- Relative effectiveness of different modes?
  - AusAID Guidance for initiatives but any ex-post evaluation considering relative outcomes from different modes of delivery?
  - Private sector service provision applied to aid delivery
    - Value for Money
    - Due Diligence requirements
- Commercial services declining in real terms
  - Changes to aid procurement of commercial services post-Aid Effectiveness Review?
  - Aid Advisory Services (AAS) – new panels enabling selective tendering up to \$50 million

# Aid Fragmentation and Scaling up

- What is impact on aid fragmentation?
  - Of AAS for commercial suppliers – more activities?
  - Multilateral growth driven by country programs – more activities?
  - NGOs moving to deliver larger programs?
- What are the challenges for effective spending of another \$3 billion per year by 2017-18
  - Country absorption
  - Modes for Delivery and enabling coordination (cross program / donors)

# Country Programs ODA

