



## Better Aid Means Better Support for NGOs

*Even in the best years, NGOs have been given less than ten percent of the Australian aid budget, despite their strong support from the public.*

**Almost one million Australians regularly donate to Australian non-government organisations. Matthew Clarke argues that the Australian public shows greater confidence in these organizations than the Australian government.**

Non Government Organisations (NGOs) play a very significant role in improving the lives of the poor. Australian NGOs deliver development assistance to 135 countries. In 2005 Australian NGOs raised nearly \$872,000,000 in charitable donations from the public, including special funds raised for the 2004 Tsunami. This is equivalent to nearly one-third of the total Australian aid budget. NGOs deliver a substantial amount of private aid and have strong and ongoing support from the Australian public.

However, the present aid program does not adequately recognise the role played by Australian NGOs. During the same time they raised public funds equal to nearly a third of the total Australian aid budget, they were only able to access just over \$100,000,000 from the official Australian aid budget – or around four percent. Even in the best years in the past, NGOs have been given less than ten percent of the Australian aid budget.

Australia's recent expansion of its aid program is positive. Ten years ago, the Australian aid program was \$1.7 billion - by 2010 it will increase to \$4 billion.

The aid program is delivered in various ways, including through foreign governments, Australian managing contractors, international managing contractors, multilateral agencies and NGOs. Each provider has its own skills and capacities, and the best provider of aid will depend on the situation being addressed. It is important that the aid program is delivered in a flexible way that creates the greatest impact in reducing poverty and achieving sustainable development.

But the failure to fully utilise the expertise and particular strengths of NGOs is a weakness of the current aid program that must be reviewed. This is especially the case in the Pacific. In many Pacific communities, it is NGOs that are the delivering essential public services including health care and education, rather than the government of the country.

### **POLICY RECOMMENDATIONS**

#### **1. COMMIT TO TARGETS FOR NGO DELIVERY OF THE AUSTRALIAN AID PROGRAM**

The Australian government must commit to increase those funds it provides to NGOs through the aid program to a level commensurate with the support shown to NGOs by the Australian public.

#### **2. DRAW ON THE DEEP TIES NGOs HAVE IN PACIFIC COMMUNITIES**

In the Pacific, NGOs predominately work at the grassroots level, focusing on community development interventions. They are particularly skilled at reaching the poor and typically focus on improving health, education, economic security and gender equality. These are fundamental goals of the Australian aid program, and they would be better achieved by drawing on the deep ties NGOs have to Pacific island communities.

#### **3. SUPPORT NGOs TO ADVOCATE FOR DEMOCRATIC AND TRANSPARENT GOVERNMENT**

Advocacy is particularly important in fragile states, and where governments are corrupt and are failing to deliver essential services to their citizens. Advocacy programs aim to directly address those responsible for the weak policies that are contributing to poverty – those in power at the national level, and those working in international decision-making bodies. NGOs, working independently or in collaboration with other NGOs, can identify key policy issues affecting Pacific countries and put pressure on both the national government and the international community to address these issues. Their advocacy work is vital to the development of transparent and effective governments with strong democratic foundations.

Matthew Clarke ([matthew.clarke@deakin.edu.au](mailto:matthew.clarke@deakin.edu.au)) is a CIPRD Fellow, and senior lecturer and Deputy Director of the Masters of International and Community Development program at Deakin University. He undertakes regular evaluations of community development projects in the Pacific for various non-government organisations, with a particular interest in HIV/AIDS and health related projects.

*NGOs can be very effective in delivering aid within fragile states, and can also be effective in improving their governance.*

In the Pacific, NGOs predominately work at the grassroots level, focusing on community development interventions. They are particularly skilled at reaching the poor and typically focus on improving health, education, economic security and gender equality. These are fundamental goals of the Australian aid program.

The White Paper on the Australian Aid Program does note that it will “make continued and increased use of the non-government community as a delivery mechanism for Australian aid”. However, no targets or concrete commitments are made beyond this. The NGO sector is presently underutilised within the Australian aid program. While Australian contracting companies provide an important service, the Australian government should commit to increase those funds it provides to NGOs through the aid program to a level commensurate with the support shown to NGOs by the Australian public. This increase need not be at the expense of those presently delivering Australia’s aid program. High-quality providers should continue to deliver aid, regardless of whether they are public or private. However, some part of the future increases in the aid budget for the Pacific should be committed for use by NGOs, particularly where they can add substantial value to the aid program in the Pacific.

Australia is rightly concerned with the consequences of fragile states within our region. Fragile states are those states where the government cannot or will not deliver core functions to the majority of its people, including the poor. The aid program is also highly focused on improving governance within our neighbouring countries. Two of the four goals of the aid program identified in the White Paper on the Australian Aid Program include the fostering of functioning and effective states and promoting regional stability and cooperation.

NGOs can be very effective in delivering aid within fragile states, and can also be effective in improving governance in these environments. NGOs are playing an increasingly important role in countries where the government delivery of services is poor, and in many cases NGOs have themselves become the de-facto primary provider of community services and aid programs. NGOs also play an important advocacy role, placing constant pressure at both the national and international level to see more resources focused on essential services that also help to achieve the goals of the Australian aid program. They play an important role as agents of civil society by providing an “alternative model of development.”

NGOs have neither commercial nor political interests; rather they practice a different set of objectives and priorities to government-administered development models. By and large, NGOs emphasise community participation, retain a strong focus on the poor, advocate the fair distribution of resources, seek sustainability, promote gender equality and pursue environmental protection.

NGOs can be effective across a range of development issues. Improvements in the lives of the poor can be effective at the community level, regional or province level, and at the national or international level. Programs may include both service provision and advocacy activities. Work with communities, or “grassroots” programs, account for a significant proportion of NGO activities. This includes activities such as the provision of education services, care and support for those with HIV or malaria, feeding programs to improve child nutrition, crop improvement programs and microfinance schemes. Activities will aim to include men and women, local leaders, youth representatives, religious leaders and local government officials in decision making and program depending on the nature of the activity. Because they work closely with those receiving their services, NGOs are better able to target those most in need.

NGOs have recently begun to increase their advocacy work. Advocacy is particularly important in fragile states, and where governments are corrupt and are failing to deliver essential services to their citizens. Advocacy programs aim to directly address those responsible for the weak policies that are contributing to poverty – those in power at the national level, and those working in international decision-making bodies. NGOs may work independently or in collaboration with other NGOs. They will identify key policy issues affecting the country and put pressure on both the national government and the international community to address these issues. They may seek additional funds to support better education and training outcomes, or they may focus on increasing participation in the political process by calling on national governments to allow greater freedoms in various public spheres. Their advocacy work is vital to developing transparent and effective governments with strong democratic foundations.

Seeking to effect change requires specialised skills and knowledge. NGOs, with their deep ties to communities in developing countries, are ideally positioned to achieve the goals of the Australian aid program. It is time for NGOs to deliver a greater proportion of Australian aid and to receive stronger government support for their role in reducing poverty the Pacific.