Australian International Development Network

Australian International Development Network (AIDN)'s submission to the Department of Foreign Affairs and Trade (DFAT)'s public call to inform the new International Gender Equality Strategy.

The Australian Government is committed to being a global leader on gender equality. To support that commitment, the Department of Foreign Affairs and Trade (DFAT) is developing a new International Gender Equality Strategy. DFAT has invited public submissions as part of this process, to hear from people and organisations, and to inform the priorities for the strategy.

The new International Strategy will recognise gender equality as central to Australia's foreign policy, international development, humanitarian action, trade and security efforts. In addition to this strategy, DFAT is developing a First Nations approach to foreign policy, an International Disability Equity and Rights Strategy, a Humanitarian Strategy and a human rights engagement strategy for LGBTQIA+ equality and inclusion. DFAT will work to build clear connections between these new statements of foreign policy and strategy, including in consultations for stakeholders and partners.

DFAT has outlined four key questions that should sit at the heart of the public submissions:

- 1. What are international gender equality priorities?
- 2. What are the most effective approaches for achieving gender equality globally?
- 3. How can Australia best support efforts to achieve gender equality internationally?
- 4. What should the government/ DFAT consider when developing the new international gender equality strategy?

Executive Summary

In this submission, AIDN puts forward four key points, aligned with AIDN's own core pillars, to respond to DFAT's outlined submission questions.

- First, AIDN argues that the new International Gender Equality Strategy (henceforth "IGE Strategy") should include clear and innovative financial mechanisms for increasing investment in women, girls and gender minorities. In particular, AIDN advocates for enhanced impact investment and blended finance mechanisms to mobilise private capital to achieve these goals;
- Second, AIDN argues that if Australia is to become a regional leader in gender equality, then the IGE Strategy must look inwards before it looks outwards. In particular, the IGE Strategy must first include reflection upon and initiate investment in Australia's domestic gender issues and opportunities;
- Third, AIDN argues that an enhanced focus on gender equality investment, and all wider policies in the IGE Strategy, must be underpinned by a contemporary definition of gender equality committed to intersectionality. This is particularly important in an international development policy context that inherently works with women and individuals of diverse ethnicities, cultures, regions and socio-economic backgrounds;
- Fourth, AIDN argues that the IGE Strategy must look to and efficiently leverage existing expertise and mechanisms within Australia's NFP, for-purpose and impact investing sector to inform Points 1-3 above and all wider policies in the IGE Strategy.

1. The new International Gender Equality Strategy should focus on "investing in gender equality", primarily through impact investing or blended finance mechanisms, to achieve SDG 5: Gender Equality.

AIDN strives to lead the discussion on increasing international giving and the future of innovative development financing in Australia, including impact investing, blended finance, private capital crowding and private-public partnerships to achieve the Sustainable Development Goals (SDGs).

At present, there is a \$4.2 USD trillion shortfall in achieving the SDGs by 2030 (ACFID 2022). However, even if all OECD countries were to meet their Official Development Assistance targets of contributing 0.7 % of Gross National Income (GNI) total ODA would likely not exceed USD 400 billion per year. This means that there is not enough public funding to close this gap (ACFID 2022 p.2). On the other hand, it would take only 1.1% of total global finance (estimated at USD 379 trillion) to fill the SDGs financing gap (OECD Global Outlook on Financing for Sustainable Development, 2022 p.2). This means that the need to engage with all relevant giving partners, particularly the private sector, has never been greater.

AIDN believes that this core principle - that private capital must be mobilised to achieve the SDGs - also applies to gender equality (SDG 5: Gender Equality). On the one hand, it is not new knowledge that investing in women and girls supports economic growth (IMF <u>2022</u>). On the other hand, when there is a lack of investment in gender equality the consequences can be devastating: in the newly released 2023 UN Women and UN DESA Gender Snapshot Report it was revealed that 340 million women and girls will live in extreme poverty by 2030 unless increased investment is urgently raised (UN Women <u>2023</u>).

Whilst AIDN welcomed both the increased focus on gender and climate financing, and raising of the Emerging Markets Impact Investment Fund (EMIIF) cap in the 2023 Australian <u>International Development Policy</u>, the IGE Strategy is an opportunity to further expand our financial mechanisms and increased investment in women, girls and gender minorities. In particular, AIDN advocates for enhanced impact investment and blended finance mechanisms to mobilise private capital to achieve these goals. This objective aligns with wider global trends, such as the "Orange Movement", that is seeking to mobilise \$10 billion by 2030 to empower 100 million women, girls, and gender minorities (<u>Orange Movement</u> 2023).

Importantly, it should also be noted that AIDN maintains that "investing in gender equality" must mean "investing in all and diverse genders". This is because a focus on investing in "gender equality", rather than "investing in women", takes into account critical gender and power dynamics. Moreover, it seeks to avoid investment strategies predicated on the belief that achieving gender equality is primarily dependent on women and that men are not required to be active participants in this process. This is not to say that explicit investment strategies for "investing in women" are not also crucial. "Investing in women" projects should sit alongside "investing in gender equality" projects.

In this vein, AIDN further contends that the new IGE Strategy should require investment projects where the explicit focus is gender equality - to complement other projects that include gender mainstreaming but where the explicit objective is not gender equality. Indeed, at present, just 4.6% of bilateral allocable global ODA goes to programs where gender equality is the explicit objective (UN Gender Snapshot <u>2022</u>). Including a "gender lens" to existing projects is key but only half the battle.

2. Look inwards before we look outwards.

Whilst AIDN primarily focuses on the international development sector, AIDN wholeheartedly believes that if Australia is to become a regional leader in gender equality that is also committed to decolonisation, and align with the commitments made in the region by the Pacific Islands Forum, ASEAN and APEC, then the IGE Strategy must first look inwards before it looks outwards.

In particular, when formulating the new IGE Strategy, AIDN contends that being a global leader requires critical self-reflection on Australia's own domestic gender policies and complexities, including our own continued issues with gender-based violence, gender pay

¹ We note that Australia's ODA currently sits at 0.2% GNI (Budget Review Index <u>2023</u>).

gaps and sexual assault. Despite having a long way to go, Australia has made significant progress in these areas and should leverage our own learnings, failings and expertise into the policy. The IGE Strategy should also use this opportunity to initiate additional funding into channels that address our own domestic gender issues. Indeed, the new IGE must reflect the Government's commitment to achieve gender equality in Australia's forthcoming first National Strategy to Achieve Gender Equality, the National Plan to End Violence against Women and Children 2022-2032, and Australia's National Action Plan on Women, Peace and Security 2021-31.

3. The new International Gender Equality Strategy must be committed to a contemporary definition of gender equality committed to intersectionality.

AIDN is steadfast in its belief that any discussion about international gender equality, including gender equality focused international development programs, policies or global investments, must employ a definition of gender equality with intersectionality at its core - in addition to our focus on "investing in diverse genders".

At AIDN, we are aware that working in international development means consistently employing an intersectional approach to women's rights and gender equality. Working between worlds: where women's rights can look completely different is complex but doesn't need to be complicated (AIDN, McNicol <u>2023</u>). Intersectional feminism means acknowledging that the struggle of women can look and be experienced differently depending on intersections of ethnicity, class, sexuality, and identity.

Consequently, AIDN believes that the IGE Strategy should be informed by the perspectives of and include practical mechanisms for the active involvement of First Nations women, women from diverse cultural backgrounds, gender minorities and women living with disabilities. Australia is an inherently diverse and multicultural society - let this rich, wealth of varied insights advance our IGE Strategy to ensure it is appropriate for the other cultures, ethnicities and regions Australia works with abroad.

4. The new International Gender Equality must look to and efficiently leverage existing expertise and mechanisms within Australia's NFP, for-purpose and impact investing sector to inform Points 1-3 above, and all wider policies in the IGE Strategy.

Acting as a neutral and connective film across the Australian international development sector, AIDN has had the privilege of building a diverse and far-ranging network in the Australian International Development, For-Purpose and Impact Investment sector. In particular, we seek to support a flourishing network of givers, donors and practitioners in the international development ecosystem. Consequently, we have witnessed first-hand

the extraordinary expertise and innovation of the Australian development ecosystem and believe that this pre-existing expertise must be efficiently and appropriately leveraged to inform and implement the new IGE Strategy.

Whilst AIDN welcomed the increased focus on impact investing in the new Australian International Development Policy, one criticism that emerged within the sector was that the policy did not provide an active role for pre-existing Australian impact investing specialists to contribute to and lead the charge. In this context, AIDN believes that involvement from pre-existing and diverse gender equality experts (including gender equality or women focused charities, organisations or advocates) should be consulted and actively engaged from the get go, and then a space for their continued involvement in the policy should be created. It should be noted that by doing this, the IGE Strategy is more likely to be appropriately underpinned by diversity and intersectionality.

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