



MEDIA RELEASE 14 -2-14

Australian aid watchdog concerned about DFAT back-flip on aid to Grenada

AID/WATCH supports the Government of Grenada making a diplomatic protest on the renegeing of Australian aid funding committed to rebuild a new parliament building on the Caribbean-island nation.

The \$5 million project to build a new Parliament was promised and confirmed, with building expected to commence within weeks. With a population of only 100,000 people, the jobs created through this project was considerable and the public were looking forward to a parliament building since the last one was destroyed by a hurricane 9 years ago.

AID/WATCH Director Thulsi Narayanasamy said:

“The way in which this news was disclosed to the Government of Grenada is unacceptable. They received no notice or explanation as to why funding which had already been pledged was suddenly taken away. This goes against basic principles of respectful and professional communication.”

“It is clear that the lack of transparency and accountability demonstrated by DFAT extends beyond Australia to relations with other Commonwealth countries. They have also done this to Pacific Island nations by promising that aid would not be cut, then promptly cutting \$63 million in aid to these very countries. It’s dishonest and sly.”

“The Australian Government is taking advantage of a small island nation with limited capacity to make alternative funding arrangements abandoning the Grenadian Government to deal with the repercussions with their people.”

“This decision needs to be viewed in the context of other programs which have been recently cut and those which have been retained. DFAT are making it very clear that those that have been retained have direct benefits to the Australian private sector and many which have been cut would not have a direct link to Australia’s commercial interests.”

“The Australian government needs to rethink this decision before credibility of our international commitments is further called into question. We are supportive of the diplomatic protest by the Government of Grenada.”

AID/WATCH is an independent monitor of Australia’s foreign aid and trade.

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