



Media Release

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Aid continues to promote donor interests, new international report reveals

The reality of aid in 2008 is that it fails to promote human development for the eradication of poverty, according to an international report released in Australia today.

The Reality of Aid 2008: an independent review of poverty reduction and development assistance examines government aid practices and their impact on the lives of the poor and marginalised populations in developing countries. The report reveals that donor governments have failed to deliver on even the most modest commitments on aid effectiveness made in the Paris Declaration three years ago.

“International aid continues to stray from its more altruistic objectives to instead be a vehicle for promoting donor country interests in developing countries”, said Ms Lara Daley, the Director of AID/WATCH, Australia’s independent aid monitor.

“The result is an unequal aid system that too often is donor-driven, lacks democratic ownership in developing countries and leaves little room for human rights”.

Aid practices such as donor-led technical assistance, imposed policy conditions and the promotion of donor trade and investment agendas undermine the ability of parliaments and citizens in the poorest developing countries to set their own development priorities.

The report finds that opportunities to reverse these directions are being frittered away in endless technical debates on aid management, while resources and reforms that might improve conditions for poor people to claim their right to education or access to health care, receive scant attention.

“Australia, a signatory to the 2005 Paris Declaration on Aid Effectiveness, is among the donor countries which continue to rely on high levels of expensive technical assistance in aid delivery and who use aid payments to leverage change in recipient countries. In 2008-09 up to \$100 million of the Australian aid budget will be tied to performance outcomes in developing countries”, said Ms. Daley.

The report calls for the elimination of all forms of tied aid and aid conditionality. Instead greater transparency in international aid and the strengthening of democratic and local ownership will ensure the participation of people on the ground in determining their own development futures.

The Reality of Aid 2008: an independent review of poverty reduction and development assistance is written by the Reality of Aid network, an international southern-led Civil Society Organisation (CSO) network. The AID/WATCH chapter is entitled ‘Australian Aid to Papua New Guinea: Change without Change’.

The report can be accessed online <http://www.realityofaid.org/roareport.php?table=roa2008&id=1>

For Comment: Ms. Lara Daley, AID/WATCH Director

0411 584 012

**ABN: 97 491 078 647,
19 Eve St, Erskineville, NSW 2043
PHONE (+61) (02) 9557 8944 FAX (+61) (02) 9557 9822 EMAIL info@aidwatch.org.au
All donations to AID/WATCH of \$2 or more are tax deductible
www.aidwatch.org.au**