The Global Neighbour Index

2018

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2018

BAPTIST WORLD AID AUSTRALIA
Be Love. End poverty.

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Contents

Foreword

John Hickey, CEO, Baptist World Aid Australia

John Hickey
CEO

On behalf of Baptist World Aid Australia and in collaboration with A Just Cause, which are both agencies of Australian Baptist Ministries, it is my pleasure to present the first edition of The Global Neighbour Index.

To see justice and sustained development for the most vulnerable people across the globe, has been Baptist World Aid's passion and mission for almost sixty years. We believe that, as a nation of significant capacity and long-standing wealth, Australia should act as a leading role model in addressing global poverty through policy and practice. Towards this purpose, we seek to influence government, the corporate sector, church movements, and broader communities to participate responsibly in seeking change at every level.

For more than a decade, Baptist World Aid has participated closely with Micah Australia to represent a combined Christian voice to Australia's political leaders, advocating for a more diligent commitment to addressing poverty.

Since 2013, Baptist World Aid has also been known for its world-leading ethical research through the Behind the Barcode project — which includes its Ethical Fashion Report. This work has been fundamental to changing corporate transparency and practices, in particular, the improvement of labour conditions throughout company supply chains across the developing world. It has also served to increase consumer awareness on this issue and alter consumer habits.

Additionally, Baptist World Aid seeks to mobilise Baptist church communities around Australia to speak out on social justice issues concerning poverty, environment, and refugee and asylum-seeker welfare.

In 2015 the United Nations introduced the Sustainable Development Goals (SDGs) — seventeen key indicators for nations, their governments, businesses, and civil society to work towards together, with the mission of ending poverty and human vulnerability globally by 2030.

The question is, how committed and effective is Australia's commitment to the SDGs? This report is designed for leaders, influencers, and advocates in Australia. It seeks to review our nation's progress and, importantly, asks how we can do better. This first edition focusses on those SDGs with most direct potential impact on the vulnerable. We hope it will guide discussion, constructive debate, and action. Our intention is to periodically review Australia's progress and add further SDG performance ratings in the years ahead.

I want to personally thank the Baptist World Aid Australia Advocacy Team, Rev Scott Higgins of A Just Cause, and Chris Hoy of The University of Sydney, for their inspiration, professionalism, and excellent effort in developing this Index and Report. I am confident it will be hugely valuable as an information and advocacy tool to influence change, with positive global impact.

August 2018

To see justice and sustained development for the most vulnerable people across the globe, has been Baptist World Aid's passion and mission for almost sixty years.

Executive Summary

This report grades Australia's contribution to achieving the Sustainable Development Goals (SDGs), against its peers who make up the 20 richest nations in the Organisation for Economic Cooperation and Development (OECD). These nations, among the most influential industrialised nations in the world, have the capacity and resources to most significantly assist in achieving the SDGs.

Each nation's contribution is assessed using the 'Global Neighbour Index', a set of ten criteria that allows ranking against the five SDG pillars: *People, Planet, Prosperity, Peace* and *Partnership*.[1] It is the intent of this report that its analysis and recommendations are used to provide guidance on how Australia can improve its performance against these criteria, and take a leadership position as a good global neighbour.

Sustainable development has become humanity's most pressing challenge.

After experiencing tremendous increases in human development — fuelled by technology, education, peace, and economic growth — the world has arrived at a tipping point.

Between 1990 and 2016, child mortality fell from 12.6 million to 5.6 million.[2] Between 1990 and 2013, extreme poverty fell by almost 70%, from 35% of the world living on less than $US1.90 per day to 10.7%.[3] Simultaneously, the world has seen gains in education, disease management, access to clean water, maternal health, and life expectancy. It has been a period of wonderful progress.

However, continued improvement will require the redoubling of global efforts.

There are now 7.6 billion people on the planet,[4] approximately ten times its population at the start of the Industrial Revolution.[5]

Sustainable development has become humanity's most pressing challenge.

The lot of this vast global population is anything but equal. The economy has grown as the population has swelled, but the benefits have not been spread evenly. Billions of people enjoy an abundance of prosperity and health, but, at the same time, 767 million people live in extreme poverty[6] and 815 million people live in hunger.[7] The inequality is stark and it is getting worse. The richest 1% of the world have more collective wealth than the entire bottom half.[8]

Inequality, poverty, climate change, and conflict — these are enormous challenges that require an ambitious global response.

The swelling of population and rise in economic activity are also creating a tremendous strain on the earth itself. Overfishing, loss of habitat, species extinction, and, most demandingly, climate change all has increasing impacts on global ecosystems and humanity. Sadly, it will be the poorest that are most vulnerable to these changes.

Beyond these challenges, the world is also contending with a rise in violence and conflict. The outbreak of civil war and State repression in nations throughout Africa, the Middle East, and South Asia have seen 22.5 million refugees leave their home countries in search of safety — the largest number on record.[9] Disturbingly, the risk of significant inter-State conflicts is also on the rise. Among the most troubling prospects has been the increasing volatility of North Korea, now a nuclear threat.

Inequality, poverty, climate change, and conflict — these are enormous challenges that require an ambitious global response.

And it was tackling these challenges that the nations of the world turned their collective mind to when shaping the SDGs.

Australia is not a laggard, but neither is it a leader in its contribution to seeing these goals achieved. On the Global Neighbour Index, Australia ranks 11th out of 20.[10]

Australia's most promising result was its contribution towards *Prosperity*, where Australia was the top ranked nation owing to its exceptional performance on trade and remittance volumes with developing countries. Both these areas can be, and have been, powerful drivers of economic growth.

Australia also ranked commendably for its contribution to *Peace*, ranking equal 3rd with the Netherlands, and behind Denmark (1st) and Ireland (2nd). Contributing to Australia's high rank was its low level of arms exports, adherence to United Nations (UN) Peacekeeping funding commitments, and its harmonious relationships with neighbouring countries.

Australia ranked 12th for *People* and, more concerningly, 13th for *Partnership*, and 16th for *Planet*.

Australia's *People* rank was dragged down by its low proportion of refugees, relative to its population size. It's low *Partnership* rank was most significantly impacted by its heavily cut aid program. It's *Planet* rank was impacted by its extraordinarily high CO_2 emissions per capita (only the United States and Luxembourg fared worse).

Sweden was the topped rank nation in the Global Neighbour Index, while the United States came in last.

Highlights

Where Australia Excels

PROSPERITY: Trade
Australia ranked 6th/20 for its trade volume with developing nations — but also worthy of significant commendation was Australia's leadership in tackling agricultural subsidies that harm the poor and restrict their trade competitiveness.

PEOPLE: Immigration
Australia ranked 5th/20 for its share of immigrants as a proportion of its total population, originating from the least developed countries as a proportion of its total population. Australia had the 3rd largest share of immigrants overall, the highest share of immigrants from non-OECD countries, and was one of only 5 nations with an immigrant share from the least developed countries making up over 1% of its total population. Australia's capacity to maintain high rates of immigration and social harmony is commendable, and provides benefits to Australia, the sending countries, and to the individual immigrants themselves.

Most Urgent Recommendations

PLANET: CO_2 Emissions Per Capita
Australia has extraordinarily high emissions per capita. It ranks 18th/20 on this indicator — a measure of the amount of emissions Australia produces. If emissions were instead measured on a consumption basis (that is, measuring the emissions that have gone into the production of the goods we consume) Australia would rank 20th/20. Beyond this, Australia's targets for emissions reduction are at the low end of developed nations commitments. Independent commentators suggest that Australia's current policy settings will be insufficient to achieve even this outcome.

Australia should develop and implement a plausible pathway by which it can decarbonise its economy by 2050. This should include an upward revision of its 2030 targets.

PARTNERSHIP: Aid
The last 5 years have seen the most significant cuts in the history of Australia's aid program. Australia ranks 19th/20 on this indicator, with an aid program equal to 0.22% of Gross National Income (GNI).

Australia should reverse this trajectory and set a timetabled commitment to investing 0.7% of GNI in aid, and 0.15% of GNI to the Least Developed Countries (LDCs), in line with its international commitments to the achievement of the SDGs.

PEOPLE: Refugees
On refugee share as a proportion of its population, Australia ranks 14th/20, with just 0.15% of its population classified as refugees. This is less than half the average of its rich, industrialised peers. But with most refugees being hosted by poorer nations, if Australia was instead benchmarked against the entire international community, its rank falls to 59th place.

As concerning as the low proportion of refugees is, Australia's policy to detain asylum seekers arriving by boat indefinitely is in violation of its international protection obligations.

Australia should re-engage with its protection obligations to asylum seekers by working with its neighbours to develop a framework for processing and settling refugees from our region into high and middle-income countries.

Country Rankings

Country	Overall Rank	PEOPLE		PLANET		PROSPERITY		PEACE		PARTNERSHIP	
		Immigration	Refugees	CO^2 Emissions	R&D Renew Energy	Trade	Remittances	Aid for Peace	GPI - Ex	Aid	Tax
Australia	11	5	14	18	10	6	5	8	6	19	6
Austria	14	16	2	8	14	13	17	19	3	12	12
Belgium	6	7	10	11	16	2	12	15	5	9	2
Canada	15	4	12	17	6	20	4	12	7	16	11
Denmark	3	9	6	5	7	7	9	3	9	4	9
Finland	8	12	9	12	1	11	14	13	13	11	10
France	4	6	8	3	3	17	1	16	19	10	8
Germany	9	15	3	13	5	10	18	6	10	6	15
Iceland	17	18	17	6	9	12	16	17	1	15	17
Ireland	13	17	16	9	15	4	15	11	2	13	5
Italy	10	13	13	4	8	14	3	20	8	14	4
Japan	19	20	20	15	2	8	20	18	15	18	18
Luxembourg	18	19	11	20	17	9	19	5	11	2	14
Netherlands	7	10	7	16	13	1	13	4	14	7	19
New Zealand	16	14	19	10	20	5	10	10	4	17	13
Norway	2	2	4	14	11	18	8	2	17	3	7
Sweden	1	1	1	2	4	16	6	1	16	1	3
Switzerland	12	8	5	1	19	3	11	7	12	8	20
UK	5	3	15	7	18	15	2	9	18	5	1
US	20	11	18	19	12	19	7	14	20	20	16

"We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment".[11]

1 PEOPLE

This section of The Global Neighbour Index explores two indicators used to measure a country's treatment of people — particularly concerning the movement of people across borders.

Refugees

INDICATOR 1: Proportion of population who are refugees

AUSTRALIA'S RANK 14/20

The sustainable development goals aim to foster a world in which everyone can fulfil their potential in dignity and equality, and enjoy prosperity and peace.

Background

The *1951 Convention Relating to the Status of Refugees*[12] (the Refugee Convention) and the *1967 Protocol Relating to the Status of Refugees*[13] provide the architecture for an international response to the global refugee population.

The Refugee Convention defines a refugee as a person who is outside his or her home country and is unable or unwilling to return due to a well-founded fear of persecution. It obligates signatories to provide protection to refugees who approach them seeking asylum. This protection is to be offered on a non-discriminatory basis; refugees are not to be refouled, that is, they are not to be returned against their will to the country they have fled, nor are they to be sent to any other country in which they feel their safety is threatened; and no punitive measures are to be taken against refugees for entering a country and seeking asylum. Host nations should afford refugees the freedoms necessary to live with decency such as the right to work, freedom of movement, and access to social services.

Refugee flows are often triggered by widespread violence and result in large numbers of people moving across borders in a short period of time, usually to a country that neighbours their own. This means a small number of nations play host to the majority of the world's refugees. The outbreak of civil war in Syria in 2011, saw more than 5 million Syrians fleeing the country over the next six years. The vast majority sought refuge in nations that border Syria — Turkey, Jordan, and Lebanon. More recently, the outbreak of violence against Rohingya people living in Rakhine state in Myanmar saw more than 600,000 Rohingyans flee to Bangladesh in just three months.

At the end of 2016, just 10 nations were host to almost 60% of the refugees under the United Nations High Commissioner for Refugees (UNHCR) mandate.[14]

At the end of 2016, there were 22.5 million refugees in the world. It was the highest number on historical record[15] and more than 90% came from just 21 countries — Syria, Afghanistan, South Sudan, Somalia, Sudan, Democratic Republic of Congo, Central African Republic, Myanmar, Eritrea, Burundi, Vietnam, Iraq, Colombia, Rwanda, Ukraine, Nigeria, China, Mali, Sri Lanka, Western Sahara, and Pakistan. More than 55% came from just three countries: Syria, Afghanistan, and South Sudan.[16]

Movements such as these place enormous strain on the capacity of host nations to meet their Refugee Convention obligations. Infrastructure can be stretched to breaking point, health and education services are often unable to meet the sudden and large spike in demand, and local economies are disrupted. The Refugee Convention recognises these risks and calls on members of the international community to share the burden, through both the financial support of host nations with large refugee populations and by the resettlement of refugees. However, unlike the detailed obligations to refugees who apply to a country for protection, the Refugee Convention does not spell out any binding obligations on the international community with regards to resettlement.

Global Efforts

The global refugee crisis has its origins in the failure of states to protect their citizens and remains a crisis due to the international community's failure to equitably share the burden of protection. With a few rare exceptions, the OECD nations are not providing less developed host nations with adequate financial support. Nor are they resettling sufficient numbers of refugees to render the refugee populations of major host nations manageable.

Developing nations, which in 2016 hosted 84% of the world's refugees under the UNHCR mandate, are bearing the bulk of the burden for refugee protection.[17] The least developed countries hosted 28% of the world's refugees, which is almost double the number hosted by industrialised nations.[18]

The UNHCR measures country capacity by two indicators: refugees per 1000 inhabitants and refugees per US$1 million GDP.

Using these indicators, at the end of 2016, developing nations accounted for nine of the top ten host countries in refugees as a proportion of the population. For refugees per US$1 million GDP, developing nations accounted for the top ten host countries.[19]

In most host nations, the full suite of Refugee Convention rights has not been

TOP TEN HOST NATIONS BY SIZE OF REFUGEE POPULATION AT END OF 2016	
Turkey	2,869,421
Pakistan	1,352,560
Lebanon	1,012,969
Iran	979,435
Uganda	940,835
Ethiopia	791,631
Jordan	685,197
Germany	669,452
Congo	451,956
Kenya	451,099

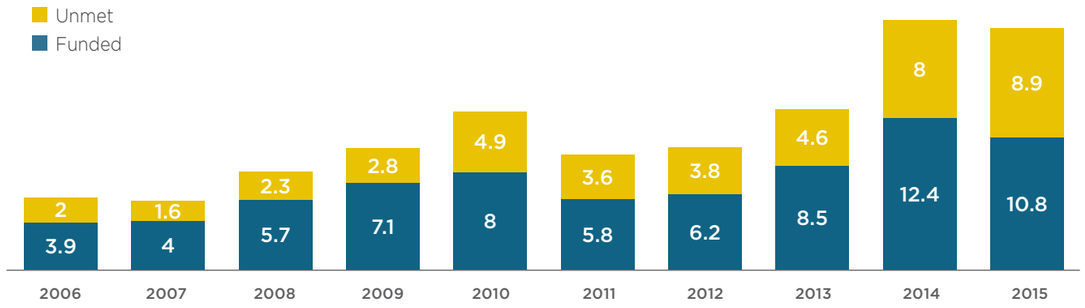
Source: UNHCR Global Trends 2016

PEOPLE

GLOBAL BURDEN SHARING TOP 10 NATIONS			
Refugees per 1000 Inhabitants		Refugees per US$1m GDP	
Lebanon	169	South Sudan	90
Jordan	88	Chad	38
Nauru	49	Uganda	23
Turkey	36	Niger	22
Chad	27	Lebanon	19
Sweden	23	Rwanda	19
Uganda	23	Burundi	18
South Sudan	21	Jordan	18
Djibouti	20	Mauritania	16
Malta	19	Cameroon	13

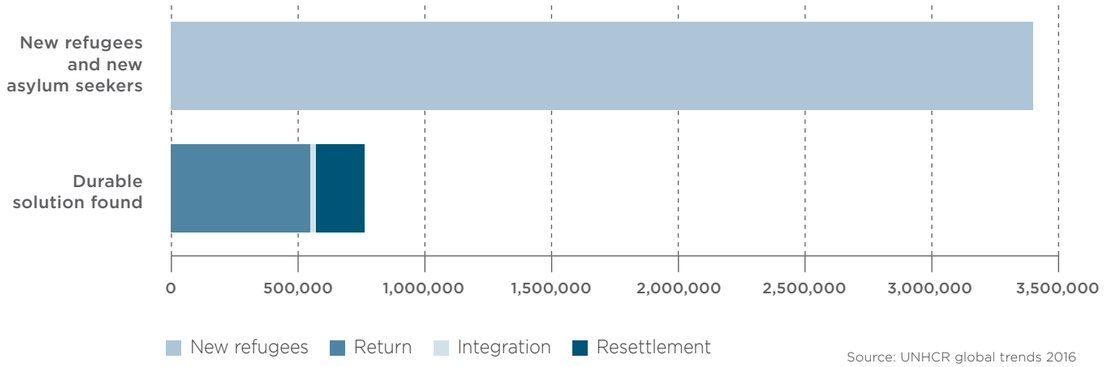
Source: UNHCR, *Global Trends, Forced Displacement in 2016* (2016)

UN HUMANITARIAN APPEALS
(US$ Billions)



Source: Global Humanitarian Assistance Report, 2016

NEW REFUGEES AND CEASED TO BE REFUGEES 2016



Source: UNHCR global trends 2016

implemented and the level of cooperation required to resolve the global refugee crisis has been grossly inadequate. The UNHCR, which has prime responsibility for assisting host nations to protect the rights of refugees, has been chronically underfunded for more than a decade. This means medical services, education services, trauma recovery, and other essential services cannot meet the demand.

Moreover, the members of the international community do not resettle sufficient numbers of refugees to relieve the burden on large host nations. In 2016, just 189,300 refugees, under UNHCR mandate, were resettled in third countries. Although this was a record number, it amounted to only 1% of UNHCR mandated refugees. Nor did the other two forms of durable solution — integration and safe return — resolve the crisis, despite 2016 seeing a record number of returns (551,000). In fact, the number of new refugees in 2016 exceeded the number who were able to return home, integrate into their host country, or resettle in a third country. Moreover, this has been the pattern for several years.[20]

Among OECD nations, Germany has demonstrated the greatest commitment to meeting its Refugee Convention obligations, with more than one million refugees and asylum seekers given refuge in 2015 and 2016.[21]

▶ Australia's Efforts

Australia currently refuses to accept asylum seekers who arrive without a valid visa. Naval interception is used to prevent boats of unauthorised asylum seekers from arriving in Australian waters.[22] If a boat does make Australian territory, the occupants are detained indefinitely at an offshore location and are never granted entry to Australia. Those who arrived in Australia before the implementation of

this policy are eligible only for temporary protection visas or 'Safe Haven' visas. These prevent them from leaving the country, bringing family members to Australia through the family reunion program and leave them in a state of continued uncertainty about their future. Australia's policy is argued on the grounds that Australia needs to demonstrate control of its borders to shore up support for the offshore resettlement program and to prevent people drowning during what can be a treacherous crossing from Indonesia to Australia.[23] Yet, whatever its justifications, the policy means Australia has unilaterally withdrawn itself from core provisions of the Refugee Convention. It does not offer asylum to those who arrive unlawfully. It effectively imprisons people who have committed no crime; and the uncertainties that surround the detention of asylum seekers and the provisions for Temporary Protection Visa holders are deleterious for their physical and emotional health.[24]

Australia does contribute to durable solutions for refugees through its humanitarian migration programs, something that is not required by the Refugee Convention. Between FY2012 and FY2016, 78,782 humanitarian visas were granted, 43% of which were for resettlement of refugees.

Only the United States and Canada resettle more refugees and, on a per capita basis, Australia's resettlement program is the largest. The program is well-managed and enables refugees to begin life in Australia with community support and access to the services available to any Australian.

This does not, however, provide an accurate indication of the degree of burden sharing assumed by Australia, for resettlement is only one pathway by which refugees enter host countries. A better indicator is the ratio of refugees to population, as this measures a nation's burden sharing by whatever means refugees have entered that country. Using this indicator, Australia ranks 14th among the 20 wealthiest industrialised nations, with just 0.15% of its population classified as refugees — less than half the mean of the industrialised nations. But the sobering reality is, with the exception of Germany and Sweden, industrialised nations are host to only 26% of the world's refugees. And if the entire international community were used as the yardstick for this index, for a ratio of refugees to population, Australia's ranking would be 59th and 95th for refugees per US$1 million GDP.[25]

AUSTRALIA'S HUMANITARIAN PROGRAM

Category	2011–2012	2012–2013	2013–2014	2014–2015	2015–2016
Refugee	5,993	11,980	6,491	5,994	8,284
Special Humanitarian Program	714	503	4,505	5,007	7,268
Onshore	7,037	7,505	2,751	2,747	2,003
Total	**13,744**	**19,988**	**13,747**	**13,748**	**17,555**

Source: Department of Immigration and Border Protection

Recommendations

1. **Australia should substantially increase its refugee intake, with a generous upper boundary for resettling refugees under a regional framework (see below) and an annual quota for refugees resettled from elsewhere in the world.**
2. **Australia should abolish temporary protection visas and transfer all those currently on temporary protection visas to permanent protection visas.**
3. **Australia should work with its neighbours to develop a framework for processing and settling refugees from our region. Under this framework, asylum seekers arriving unlawfully in any country in the region would be sent to jointly managed processing centres. Their claims would be processed in a timely manner and those found to be refugees would be resettled in one of the middle to high-income countries in the region, with each nation sharing equitably using the country capacity indicators of the UNHCR.**

Immigration

INDICATOR 2: Proportion of population that are from Least Developed Countries

AUSTRALIA'S RANK 5/20

The sustainable development goals aim to foster a world in which everyone can fulfil their potential in dignity and equality and enjoy prosperity and peace.

Background

Migration is one of the established realities of the modern world. More than 247 million people now live in a country which is not their country of birth.[26] The benefits of migration are varied depending on the circumstances surrounding the migration. For example, countries that strictly control their borders and open migration to those who possess skills in areas in which the receiving nation has a shortfall, usually find that their migrant population integrates more quickly than in countries whose immigrant population is largely humanitarian. With these caveats in mind, the types of benefits presented by migration include:

Global Efforts

International migration is an integral part of the modern world, with the migrant population growing from 2.1% of global population, or 78 million, in 1970 to 3.2% of the population, or 243 million in 2015.[27]

In 2013, half of the world's international migrants lived in just 10 countries: USA (46.6 million); Germany (12 million); Russian Federation (11.9 million); Saudi Arabia (10.2 million); UK (8.5 million); United Arab Emirates (8.1 million); Canada (7.8 million); France (7.8 million); Australia (6.7 million); and Spain (5.8 million).[28]

The immigration status of the 20th wealthiest OECD members is described in the table below.

International comparisons in the realm of immigration are fraught with difficulty due to the particular circumstances that surround migration to each nation. For example, among the OECD members, New Zealand, Canada, Australia, and Israel are commonly identified as settlement nations in which immigration is a key component of nation-building. This sees them attracting a large proportion of highly educated immigrants who generally have good labour market outcomes and are able to quickly adjust to life in a new country.

BENEFITS OF IMMIGRATION

To Sending Nation	To Receiving Nation	To Immigrant
• remittances (see the remittances section of this report on page 46–50); • the opportunity for families to diversify their income sources; • the acquisition of skills and knowledge that can then be reinvested in the home country; • a cultural exchange that broadens human understanding of other people and their cultures.	• the capacity to fill gaps in the labour market; • the ability to maintain a labour force of sufficient size, relative to the aging of its population; • the opening of relational connections and knowledge that come through cultural exchange.	• opportunity to live in a country or region with a higher living standard, leading to improved quality of life; • opportunity to find higher paying or more interesting work • a cultural exchange that broadens an individual's understanding of people and cultures

By contrast, Austria, Belgium, France, Germany, and the Netherlands, received large flows of immigrants as a result of the displacement caused by World War II. Those who immigrated had relatively low skills and low education levels and, over the years, many family members have joined them. Immigrants in these nations are consequently overrepresented amongst the unemployed, the economically inactive, and those living in poverty.

Other continental European countries, such as Denmark, Finland, Norway, Sweden, also have a humanitarian driven program, but have seen their migration bulge in the last decade or so. These countries have very strong social policies and employment policies to integrate their large humanitarian migrant population, yet humanitarian immigrants still have lower educational and employment outcomes than the general population.

▶ Australia's Efforts

Among the OECD nations, Australia maintains one of the largest immigration programs, with 28% of its population immigrant, 12% higher than the OECD average of 16%.[29] Over the course of the past 70 years, Australia has received around 7 million immigrants and, should the current policy settings remain the same, will receive another 13 million by the year 2060.[30] The migrant share of Australia's population is exceeded only by Luxembourg (44%) and Switzerland (29%). Perhaps more significantly for a good global neighbour, Australia has the largest proportion of immigrants from non-OECD countries and is one of only six OECD nations where more than 1% of its population is drawn from Least Developed Countries.

IMMIGRATION AMONG 20 WEALTHIEST OECD MEMBERS			
Country	Share of Population Who Are Immigrants	Share of Population from Non-OECD Countries	Share of Population from Least Developed Countries
Australia	28.44	14.62	1.22
Austria	17.33	8.73	0.25
Belgium	12.30	4.45	0.79
Canada	21.86	14.33	1.24
Denmark	10.09	5.42	0.70
Finland	5.76	2.85	0.61
France	11.65	7.49	1.22
Germany	14.75	6.87	0.27
Iceland	11.34	3.25	0.14
Ireland	16.08	4.51	0.16
Italy	9.52	7.72	0.50
Japan	1.61	1.11	0.01
Luxembourg	43.77	4.85	0.04
Netherlands	11.69	7.21	0.69
New Zealand	22.62	12.51	0.47
Norway	14.28	7.69	1.59
Sweden	16.73	10.11	1.70
Switzerland	29.43	11.33	0.48
UK	13.12	8.16	1.26
USA	14.51	8.77	0.68

Source: OECD Statistical database

When considering the benefits of Australia's immigration program, not only for Australia, but also for those countries from which it sources migrants, it is important to recognise the value of both its permanent immigration (approximately 190,000 per year at present) and temporary migration (approximately 600,000 per year) programs.

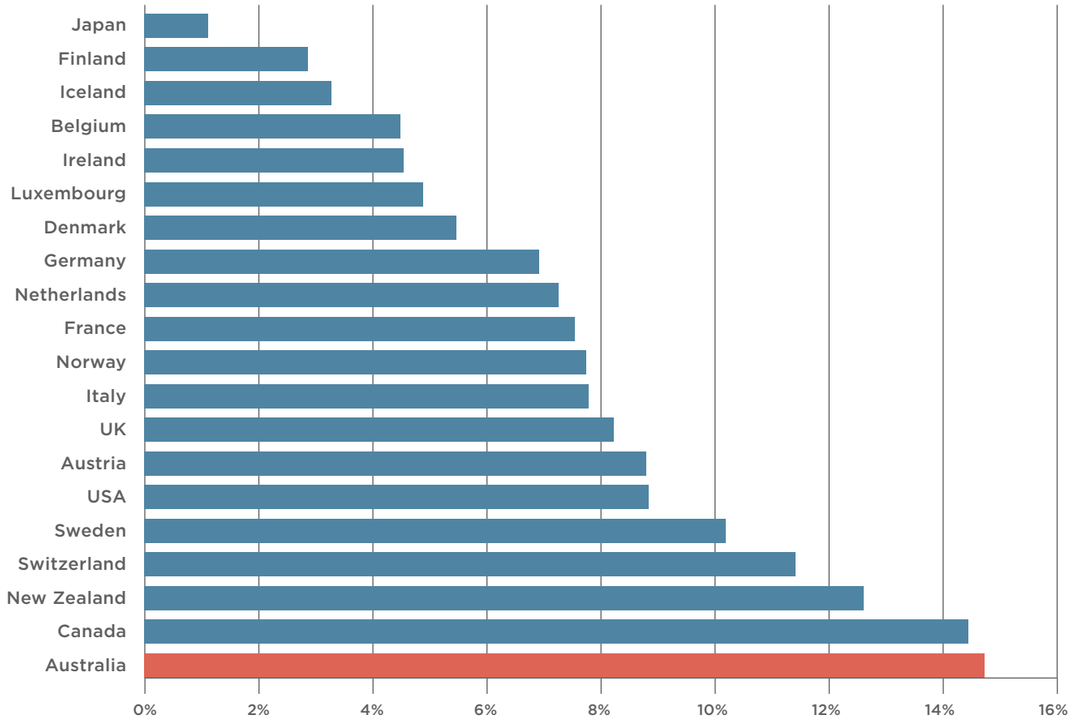
The permanent migration program devotes most of its spaces to immigrants with business skills that are deemed valuable for Australia, followed by a family reunion component. A relatively small number (currently 16,250) are granted visas under the humanitarian program.

The temporary migration program is comprised of people granted student visas (426,000 in September 2015); working holiday visas (144,000 in September 2015); and short-term work visas (190,000 in September 2015)[31]. With many of this group drawn from developing and other non-OECD nations, there can be substantial benefits that return to the country of origin when the temporary migrant returns. The 457 visa offers business owners the opportunity to attract labour in areas where there would otherwise be shortages, but it also enables wage opportunities for workers and the ability to send money back to their own country. Similarly, education, which has become an important export industry for Australia, builds the capacity of students to add value to their home nations upon completion of their studies.

POPULATION DRAWN FROM LEAST DEVELOPED COUNTRIES	
Sweden	1.70%
Norway	1.59%
UK	1.26%
Canada	1.24%
Australia	1.22%
France	1.22%
Belgium	0.79%
Switzerland	0.78%
Denmark	0.70%
Netherlands	0.69%
USA	0.68%
Finland	0.61%
Italy	0.50%
New Zealand	0.47%
Germany	0.27%
Austria	0.25%
Ireland	0.16%
Iceland	0.14%
Luxembourg	0.04%
Japan	0.01%

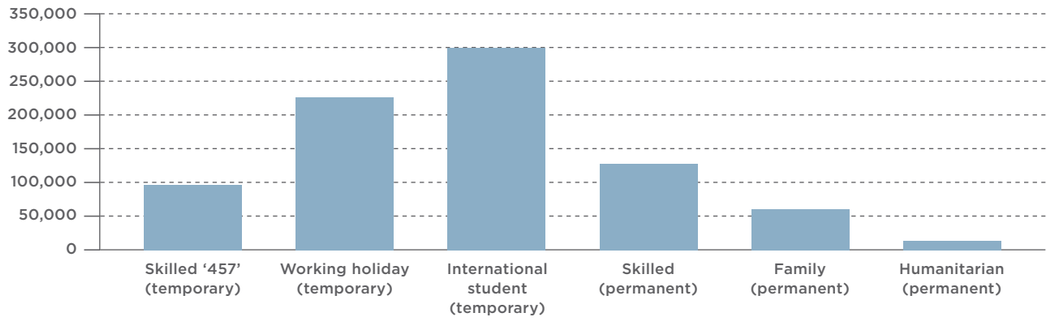
Source: OECD Statistical database

NON-OECD IMMIGRANTS AS PROPORTION OF POPULATION



Source: OECD Statistical database

AUSTRALIA'S IMMIGRATION PROGRAM 2014–15



Source: Department of Immigration and Border Protection (various sources)

The Seasonal Worker Programme has proven particularly important for our Pacific Island neighbours. Pacific island states are characterised by small populations and geographic isolation, which place severe constraints on economic development. The supply of labour to other nations under programs such as seasonal worker schemes is one of their most promising economic opportunities. In 2016 Australia had 6166 seasonal workers, a figure which has risen steadily each year since 2011.[32] Given 40,000 backpackers also engage in seasonal work each year there is room for Australia to substantially increase the numbers of seasonal workers from the Pacific. For example, a 2016 report by the World Bank and Australian National University showed that if Australia and New Zealand lifted restrictions on labour movement for seasonal worker schemes, 240,000 more Pacific Islanders could migrate abroad by 2040, and an additional AU$10 billion of income flow to the islands.[33]

Recommendations

1. **The permanent migration program should continue to prioritise business migration while increasing the size of the humanitarian intake, including increases in the refugee intake commensurate with the need and our capacity.**
2. **The temporary migration programs should be adjusted to allow for increased opportunities for seasonal workers from our Pacific Island neighbours and to mitigate against opportunities for exploitation of workers in the 457 Visa program.**

"We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations".[34]

2 PLANET

This section of The Global Neighbour Index explores two indicators used to measure a country's commitment to care for the planet.

CO_2 Emissions

INDICATOR 3: Per Capita CO_2 Equivalent Emissions

AUSTRALIA'S RANK 18/20

SUSTAINABLE DEVELOPMENT GOAL 13:
Take urgent action to combat climate change and its impacts.

Background

Humankind shares a global environmental commons, in which the ecological impacts of human beings anywhere can impact the global environmental systems on which human beings everywhere depend. In recent years, earth scientists have pointed to biodiversity loss, ocean acidification, disruption of the nitrogen and phosphorus cycles, changing land use, and climate change as areas in which human activity is adversely impacting global environmental systems. Climate change, if unmitigated, will see temperature rises of 2.5–7.8° by the end of the century (relative to pre-industrial levels), with continuing rises beyond this point. The impacts on human well-being will be devastating.[35]

Global Efforts

The global architecture for responding to climate change is the United Nations Framework Convention on Climate Change (UNFCC). At the 2015 UNFCC Paris Climate Conference, the international community committed to keep temperature rises "well below 2°C by 2100".[36] A 2° target, at a 66% probability, requires CO_2 concentrations in the atmosphere to stabilise at no more than 450 parts per million. There are a number of pathways by which this can be achieved, but they are usually characterised by a 40–70% reduction in anthropogenic greenhouse gas by 2050 and near or below zero emissions in 2100. A 1.5° threshold would require emission reductions of 70–95% by 2050.[37] Because emissions accumulate, the longer action is delayed, the more costly it will become.

EMISSIONS REDUCTIONS TARGET

4°C+ World	<4°C World	<3°C World	<2°C World	<1.5°C World
Critically Insufficient	**Highly Insufficient**	**Insufficient**	**2° C Compatible**	**1.5° C Paris Agreement Compatible**
Chile Russia Saudi Arabia Turkey Ukraine USA	Argentina China Japan Singapore South Africa South Korea	Australia Brazil Canada EU Indonesia Kazakhstan Mexico New Zealand Norway Peru Switzerland UAE	Costa Rica Ethiopia India Philippines the Gambia	Morocco

Source: Climate Action Tracker Website. 2017 update.

PARIS AGREEMENT COMMITMENTS

Country/Region	Stated Target	Change from 2005 in 2030
UK	50% below 1990 levels by 2023–2027	–61%
Switzerland	50% below 1990 by 2030	–51%
Germany	55% below 1990 by 2030	–45%
Norway	At least 40% below 1990 by 2030	–44.5%
USA	26 to 28% below 2005 by 2025	–35 to –39%
EU	At least 40% below 1990 by 2030	–34%
Canada	30% below 2005 levels by 2030	–30%
New Zealand	30% below 2005 levels by 2030	–30%
Australia	26 to 28% below 2005 levels by 2030	–26 to –28%
Japan	26% below 2013 levels by 2030	–25%
China	60–65% reduction in carbon intensity by 2030 relative to 2005 levels. This is consistent with Peak CO^2 emissions around 2030.	+72 to +96%
Republic of Korea	37% below Business as Usual by 2030	+1 to –5%

Source: http://climatechangeauthority.gov.au/comparing-countries-emissions-targets

Under the UNFCC, each nation is to submit a "nationally determined contribution" (NDC) which identifies its emissions targets to 2025 or 2030, its plans for achieving those targets, and a commitment to review its plans every five years. To date, the combined NDC commitments of the international community are not consistent with achieving the 2° target.[38] The Climate Action Tracker, an independent science-based assessment, which tracks the emission commitments and actions of countries, identifies only a handful of countries as having targets consistent with achieving a below 2°C outcome, and none of these are OECD nations.

CO_2 EMISSIONS PER CAPITA 2011

Source: World Bank

Source: OECD 2015

▶ Australia's Efforts

Australia is one of four OECD nations with very high per capita emissions, ranking 17/20 for per capita emissions measured on a production basis (that is, measuring the emission of what we produce, regardless of whether those products are consumed in Australia or exported for use in another country) and 20/20 on a consumption basis (that is, measuring the emissions that have gone into the production of the goods we consume).[39] This suggests Australia is consuming more than its fair share of the remaining global "carbon budget" and, as such, is responsible for taking action to correct this.

Australia's Paris Agreement commitment is for an emissions reduction of 26–28% in 2030 compared to 2005 levels. This places Australia at the lower end of developed nation commitments.

Australia incentivises emission reductions through the operation of an Emission Reduction Fund and Safeguard Mechanism, National Energy Productivity Plans for efficiency and transport, ozone and hydrofluorocarbon (HFC) measures, and technology improvements.[40] Independent observers, such as Climate Action Tracker and Reputex, which is one of Australia's leading energy and emissions advisory firms, suggest these policy settings will leave Australia well short of its 2030 target.[41] The Climate Action Tracker states:

"To meet its 2030 emissions targets, Australian emissions should decrease by an average annual rate of between 1.9–2.7% until 2030; instead, with current policies, they are set to increase by an average annual rate of between 0.3–0.7% per year... Without accelerating climate action and additional policies, Australia will miss its 2030 target by a large margin. The Emissions Reduction Fund (ERF) — the so-called "centerpiece" of the Australian Government's suite to reduce emissions — does not set Australia on a path to meeting its targets."[42]

Australia's high level of per capita emissions is due, in large measure, to its reliance on coal for generating electricity. Yet, substantive plans to end Australia's dependence on coal and to decarbonise the economy have been hindered by a fractious political debate around the reality of anthropomorphically-induced climate change, the necessity of Australia taking action when it accounts for less than 2% of total global emissions, and the price of electricity.

Recommendation

Australia should develop and implement a plausible pathway by which it can decarbonise its economy by 2050. This must include an upward revision of its 2030 targets. An independent panel of climate scientists and economists should confirm that the pathway is scientifically and economically plausible and provide an annual report to Parliament on progress.

Environmental Research and Development (R&D) Investment

INDICATOR 4: Environment and clean energy R&D expenditure as a share of Gross Domestic Product (GDP)

AUSTRALIA'S RANK 10/20

SUSTAINABLE DEVELOPMENT GOAL 13: Take urgent action to combat climate change and its impacts.

SUSTAINABLE DEVELOPMENT GOAL 14: Conserve and sustainably use the oceans, seas and marine resources.

SUSTAINABLE DEVELOPMENT GOAL 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss resources.

Background

Humankind's demands on the environment are growing as both the size of the global population and the per capita intensity of demand are increasing. Sustainable use of our land, water, forests, oceans and atmosphere will require modification of consumption behaviours, the application and refining of existing technologies, and the development of new technologies. This will necessitate substantial investments in environmental Research Development and Demonstration (RD&D). In the Paris Agreement the international community has set itself the tasks of

a) *Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels...*

b) *Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production.*[43]

Achieving this requires nothing less than a massive transformation in the way that the global population produces and consumes energy. This includes modifying our behaviours in the consumption of energy; developing greater energy efficiencies in sectors such as construction, transport, and agriculture; applying existing technologies in new ways to both mitigating climate change and adapting to it; and developing new technologies for adaptation and mitigation. In recognition of this the Paris Agreement noted that "Accelerating, encouraging and enabling innovation is critical for an effective, long-term response to climate change and promoting economic growth and sustainable development."[44]

Wind and solar sources of energy demonstrate both the possibilities of innovation and the ongoing need for further innovation in this area. Wind turbines can now generate 100 times more power than they could 30 years ago.[45] Between 2010 and 2015, the average costs for new onshore wind plants fell by 30%, while the costs for new utility-scale solar panel installations fell by two-thirds.[46] In fact, the efficiencies that have been created by RD&D mean that these forms of clean energy are now cost comparable with other forms of electricity generation.[47] The challenge, however, remains in creating innovations around large-scale deployments (such as the capacity to store energy) which would enable the full benefit of wind and solar energy to be gained.[48]

While innovation in response to climate change receives the greatest popular attention, it is just one of a number of our interactions with the environment that demand our focus. As the global population approaches 10 billion people by 2050 humankind will confront new challenges in sustainable food production, access to fresh water, preservation of biodiversity, managing waste, and safeguarding terrestrial, freshwater and marine environmental systems and assets.

Both public and private investment in RD&D is critical to innovation. Research involves the search for new knowledge and solutions; development translates the knowledge gained from research into concrete technologies; while demonstration applies the concrete technologies to performance in field conditions so that its feasibility can be evaluated by potential users. From here the technologies can be scaled commercially.[49]

Private RD&D investment tends towards the later stages of RD&D and focuses improving existing technologies or to build on the results of publicly-funded early stage work.[50] This makes public investment critical, particularly in the early stages of RD&D where the financial risk profile is high.

Governments, therefore, have two responsibilities with regards to environmental RD&D investment. First, they must fund RD&D in those areas in which government has a direct policy interest, or where the public good outcomes are very high but the risk profile for early stage RD&D is too great for business to bear. Second, they should create a policy environment which incentivises investment in RD&D for the private sector.

Global Efforts

Globally, public and private funding for RD&D has been growing, but from 2000–2015 the proportion devoted to environmental RD&D, which refers to "research directed at the control of pollution and developing monitoring facilities to measure, eliminate and prevent pollution" [51] has remained unchanged.[52]

New Zealand, Germany and Norway are consistently among the leading nations in terms of environment RD&D as a proportion of GDP.[53]

With regard to publicly funded energy-related RD&D, investments have historically been volatile and continue to be insufficient to achieving the Sustainable Development Goals. Publicly funded energy related

RD&D by IEA member countries reached US$ 22 billion in 1980, declined by half over the two decades to the end of last century, rose to its previous high in the first decade of the twenty-first century, fell from 2012–2016, before rising again in 2017 to reach close to US$18 billion.[55] Over the course of that time the focus of energy RD&D has shifted from nuclear (over 70% of energy RD&D was spent on nuclear in 1974) to a roughly equal share between nuclear, fossil fuels, renewables, cross-cutting areas, and energy efficiency, and smaller shares for hydrogen, fuel cells, and other power and storage.[56] After years of decreases and stagnation, in 2017 global public spending on low-carbon energy RD&D rose by 13% to exceed US$20 billion.[57]

IEA SUSTAINABLE DEVELOPMENT SCENARIO

POWER	BUILDINGS	TRANSPORT	INDUSTRY	ENERGY INTEGRATION
Solar PV	Building envelopes	Electric vehicles	Chemicals	Energy storage
Onshore wind	Heating	Fuel economy of cars & vans	Iron & Steel	Smart grids
Offshore wind	Cooling	Trucks & Buses	Cement	Demand response
Hydropower	Lighting	Transport biofuels	Aluminium	Digitalisation
Bioenergy	Appliances & equipment	Aviation	CCUS in industry & transformation	Hydrogen
Geothermal	Data centres & networks	International Shipping		Renewable heat
Concentrating solar power		Rail		
Ocean				
Nuclear power				
Natural gas-fired power				
Coal-fired power				
CCUS in power				

On Track
More Effort needed
Not on track

Source: IEA Tracking Clean Energy Innovation progress 2018

PROPORTION OF GDP DEVOTED TO ENVIRONMENTAL RD&D[54]

Country	2013	2014	2015	2016	2017
Australia	0.017%	0.017%	0.016%	0.015%	0.015%
Austria	0.019%	0.008%	0.006%	0.006%	0.007%
Belgium	0.014%	0.014%	0.012%	0.012%	0.011%
Canada	0.020%	0.018%	0.019%		
Denmark	0.016%	0.016%	0.021%	0.015%	0.011%
Finland	0.013%	0.011%	0.011%	0.020%	0.021%
France	0.014%	0.012%	0.021%	0.009%	
Germany	0.025%	0.026%	0.025%	0.024%	0.026%
Iceland	0.034%	0.003%	0.003%	0.003%	0.000%
Ireland	0.005%	0.004%	0.003%	0.006%	
Italy	0.014%	0.015%	0.013%	0.013%	
Japan	0.018%	0.012%	0.013%	0.014%	0.014%
Luxembourg	0.021%	0.023%	0.017%	0.015%	0.016%
Netherlands	0.005%	0.004%	0.005%	0.004%	0.004%
New Zealand	0.051%	0.051%	0.050%	0.033%	0.037%
Norway	0.022%	0.023%	0.022%	0.023%	0.025%
Sweden	0.017%	0.016%	0.012%	0.012%	0.011%
Switzerland		0.002%	0.002%		
UK	0.016%	0.013%	0.012%	0.012%	
USA	0.003%	0.003%	0.003%	0.003%	0.003%

Source: OECD

These levels of investment are a tiny fraction of GDP and far short of what is required. In 2015 the International Energy Agency estimated that to achieve the world's climate goals, public investment in climate RD&D needed to triple.[58]

Moreover, in 2018 the IEA reported that only 4 of 38 clean energy technologies are on track to reach its Sustainable Development Scenario.[59]

The Paris Agreement galvanised commitments to greater public climate RD&D. Mission Innovation, for example, is a global initiative of the European Union and 22 non-EU countries, including Australia, which have committed to doubling their public clean energy research and development investments between 2015 and 2020.[60] The challenge, of course, is for countries to reach this target.

Private investment in RD&D needs to increase alongside the boosted public investment. To stimulate this, Governments must create a policy environment in which there is a clear vision for decarbonising the economy and policy signals that support this. These include such measures as

"Public funding for basic research, subsidies for private R&D, better access to finance, funding for demonstration projects, technology accelerators and incubators, and support for the commercial deployment of early-stage technologies, such as feed-in tariffs that subsidise electricity produced from renewable sources".[61]

To date, one of the most effective instruments has been the introduction of a price on carbon, which incentives research by making fossil fuel based products relatively more expensive. For example, the introduction of the European carbon market in 2005, resulted in a sharp increase in low carbon patent filings.[62]

▶ Australia's Efforts

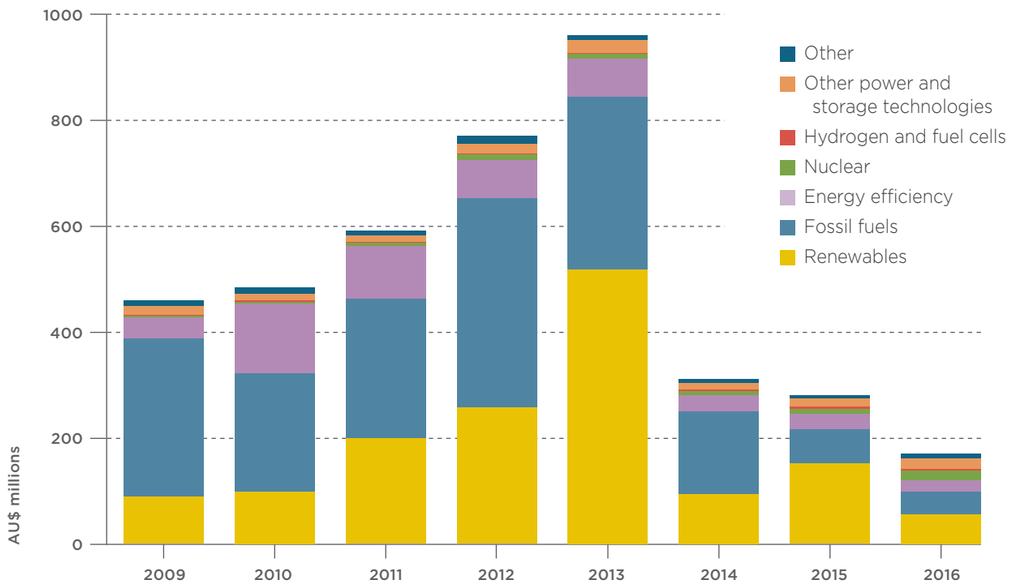
In 2015 Australia's public investment in all RD&D was 2.1% of GDP in 2015, which placed Australia 12th out of the top 20 OECD nations[63] and Australia's public investment in environmental RD&D was 0.16% of GDP, which placed Australia 7th of the top 20 OECD nations.

Australian public investment in energy-related RD&D increased four-fold between 2000 and 2013. By 2013 45% of Australia's energy RD&D was invested in clean energy RD&D, and Australia and Denmark ranked equal first in terms of clean energy RD&D as a proportion of GDP.[64] Yet where other nations have since increased their spending in this area, Australia's energy RD&D was reduced by two-thirds in 2014 and trended further downwards in 2015 and 2016. In 2015 Australia spent just 0.024% of GDP on energy RD&D, placing it second last among the top 20 OECD member countries.[65]

Australia's Mission Innovation commitment is to increase it's clean energy RD&D by $108 million against the baseline year of 2015, reaching a target of AU$208 million total clean energy RD&D in 2020.[66] It has committed to investing these funds into research and development in renewable energy; energy storage; fuel cells; smart grids; energy efficiency; nuclear; and carbon capture and storage.[67]

Australia invests in a range of environmental RD&D areas where it has particular interests and has developed research strengths in oceanography,

AUSTRALIA'S ENERGY RD&D SPENDING BY CATEGORY



Source: IEA Energy Policies of IEA Countries 2018

marine life, soil and water, solar and carbon capture and storage. The decline in energy RD&D reflects ongoing policy around mechanisms for reducing Australia's greenhouse emissions. The absence of a price on carbon, the rejection of the modest clean energy target proposed in the Finkel report, and the uncertainty over an emissions target under a National Energy Guarantee, mean the incentives for private sector investment in innovative technologies is low.[68] This is particularly concerning given the energy sector accounts for 78% of Australia's Greenhouse Gas emissions and the power sector is the most carbon intensive among IEA nations and accounts for half of the energy sectors emissions.[69]

The Government claims that its policy settings are sufficient for Australia to meet its commitment for 2030 emissions to be 26–28% lower than in 2005. As noted in the section of this report on CO_2 emissions, this target is lower than the trajectory required to meet the below 2°C warming goal, and independent observers believe Australia's current policy settings will see it fall short of its 2030 commitment.

ENERGY RD&D LANDSCAPE IN AUSTRALIA						
	GRANTS		GRANTS & INVESTMENT		GRANTS etc	
	Early R&D	Applied R&D	Market Demonstration	Deployment & Commercialisation	Market Accumulation	Diffusion
CSIRO	■	■				
Universities	■	■				
ARC	■	■				
Arena		■	■	■	■	
NLECI		■	■	■	■	
CEIF			■			
CEFC				■	■	
ERF					■	■
RET					■	■
NEPP					■	■

Source: IEA Energy Policies of IEA Countries 2018

The Australian Government invests in R&D across the "innovation chain", developing partnerships with universities, research bodies and private firms.[70]

RD&D on carbon capture and storage is arguably defensible on the grounds that all Intergovernmental Panel on Climate Change (IPCC) pathways that involve a reasonable chance of containing warming below 2°C require the development and deployment of carbon capture and storage systems.[71] While coal will need to be displaced by renewables, 10% of global greenhouse gas emissions come from the production of steel and cement. Existing technologies are capable of producing a 30–50% cut in emissions by 2050 but are not able to deliver the near zero emissions requirement for keeping below 2°C.[72] For this CCS or another as yet undeveloped technology will be required.

Recommendations

1. **Australia should ensure it follows through on its commitment to double clean energy RD&D by 2020, make plans to continue increasing clean energy RD&D beyond 2020, and make sure that funding is directed towards those areas that are likely to produce the strongest environmental outcomes.**
2. **Australia should create a policy framework in which carbon is priced, and stronger mandatory targets around renewable energy incentivise environmental RD&D for private investment.**

Notes

"We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature".[73]

3 PROSPERITY

This section of The Global Neighbour Index explores two indicators used to measure a country's contribution to economic development.

Trade

INDICATOR 5: Share of Trade with Developing (Non-OECD and non-BRICS[74]) Countries.

AUSTRALIA'S RANK 6/20

SUSTAINABLE DEVELOPMENT GOAL 17.11:
Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

SUSTAINABLE DEVELOPMENT GOAL 10.A:
Implement the principle of special and differential treatment for developing countries, in particular, least developed countries, in accordance with World Trade Organization agreements

Background

The Sustainable Developments Goals recognise that trade can be an important catalyst for economic growth and poverty reduction. Indeed, every country that has been able to achieve high and sustained rates of economic growth, has participated in international trade. However, history has demonstrated that trade is not always universally positive, and that liberalisation and globalisation can have substantial negative impacts on sustainable development.

There are many benefits to international trade. It allows nations to specialise in products that they can produce with relative efficiency and, in doing so, boost their economic growth. It also incentivises the movement of capital within the global economy to take advantage of these efficiencies. Beyond this, trade fosters innovation, decreases inflation, and assists in facilitating the transfer of knowledge and technology around the world. However, trade can also be harmful if policy settings are not well coordinated.

A reduction in international trade barriers often leads to the closure of industries that can't compete on the international stage. While theory suggests this frees up labour and resources to be concentrated in more competitive industries in developing countries, where there is already high unemployment, closing existing industries may simply lead to further unemployment and higher rates of poverty.

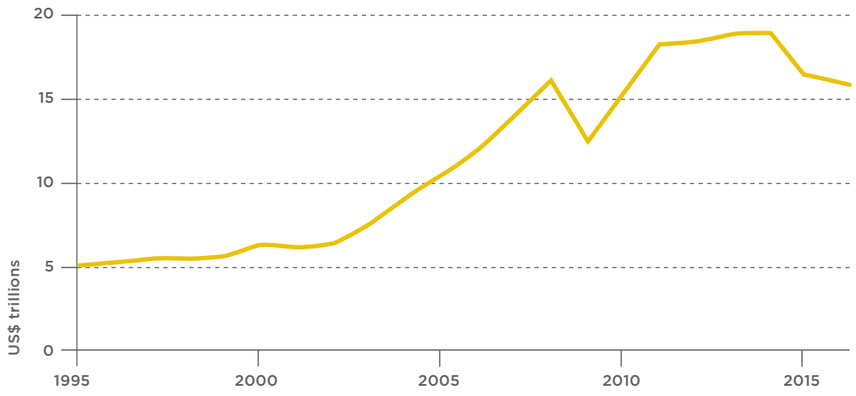
Moreover, increased international competition can have other drawbacks for nations. In countries where the key source of competitive advantage is the prevailing low wage of their workforce, trade can further suppress wages as nations are forced to compete with other low-wage nations. Even for developed countries, without sufficient planning, increased trade puts downward pressure on wages, particularly for jobs that are easily outsourced.

Finally, where trade does successfully boost economic activity, the benefits of this growth can be concentrated in the hands of the already rich, exacerbating inequality and, sometimes, harming the poor.

Stiglitz points out that the North American Free Trade Agreement (NAFTA) is a clear demonstration that the promised gains of trade do not always materialise for poorer nations. Despite there being a six-fold wage difference between the United States and Mexico (and the United States being the largest global market in the world at the time of the agreement) NAFTA failed to pull Mexico forward in the way that its advocates promised.[75] NAFTA was hampered by the fact that Mexican farmers were forced to compete with highly subsidised American corn, US quotas on other agricultural goods like sugar, a restriction on Mexico's rights to impose duties on subsidised products, and the presence of a range of non-tariff barriers imposed by the US.[76]

However, trade with the right policy context can be highly beneficial. Chang notes that the nations that have been most successful in making the transition from developing to developed in the past half century — Singapore, South Korea, Taiwan, and Hong Kong (separate to China) — were able to effectively use trade as a tool,

VALUE OF GLOBAL TRADE

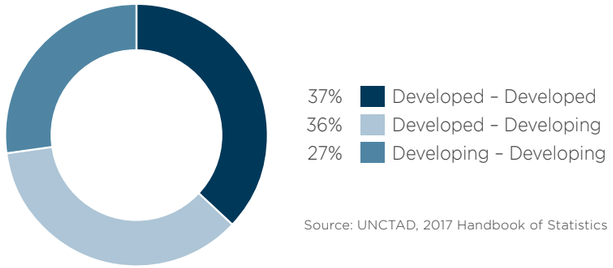


Source: UNCTAD (2017) 2017 Handbook of Statistics.

PROSPERITY

DIRECTION OF MERCHANDISE TRADE

The chart demonstrates the importance of developing countries to global trade.



Source: UNCTAD, 2017 Handbook of Statistics

alongside careful government planning. The governments of these nations did not liberalise rapidly but, rather, chose and promoted specific industries for export, coupling the promotion of these industries with significant investments in infrastructure and education.[77]

The rapid growth of South East Asian nations, and the current growth of countries such as China and India, demonstrate that trade can be a catalyst for sustainable development and, when managed well, can represent a significant way in which rich nations can assist developing nations.

Global Efforts

Despite two years of contraction, the total value of global trade remains near record highs. Total global exports of merchandise are valued at US$16.1 trillion, while the total value of service exports is US$4.9 trillion.[78] Exports collectively represent just over a quarter of global production.[79]

Overall, global trade is highly concentrated. The top ten traders are responsible for more than half of the world's trade and include European nations, North American nations, and China.[80] Promisingly, however, developing economies are increasing their share in global trade, raising their total share of merchandise exports from 31.1% in 2001 to 44.6% in 2015. Developing economies now also command a 36% share in trade of services.[81] However, for the least-developed countries (LDCs), share of global trade remains very low — below 1%.

Slightly more than a quarter (27%) of global merchandise trade occurs between developing countries. A further 36% occurs between developed and developing countries. The United States and China, the two biggest global economies, also represent the largest recipients of developing country exports, receiving US$1.2 trillion and US$0.9 trillion respectively. For LDCs, the next three most important destinations were Germany, the United Kingdom, and Thailand.[82]

Making it easier to spread the benefits of trade

SDG target 10.A calls for preferential trade treatment for developing and least developed countries. The hope is that this will assist in creating more export opportunities.

Developed country markets have been increasingly offering duty free access to goods produced by developing countries. In the last decade-and-a-half, the share of developing country exports entering developed markets duty free reached 79%, and was higher still for LDCs at 84%.[83]

There is also progress in tariff reduction across export product categories. From 2005 to 2015, the proportion of product categories imported from developing countries that were given duty free status increased from 41% to 50%. For products coming from LDCs, the proportion increased from 49% to 65%.[84] However, some key export categories for developing countries still face significant tariff barriers. For example, 66% of clothing exported from developing countries still incur duties.[85]

► Australia's Efforts

Australia performs well when it comes to facilitating trade with developing countries. Amongst the 20 richest OECD nations, Australia ranks 6th for the volume of trade it conducts with developing countries as a proportion of its GDP.[86] Australia has taken significant steps to facilitate trade with developing countries and continues to be a champion for better integration of this trade in global markets.

Reducing trade barriers for developing countries

Australia has taken the significant step of providing duty free access to goods coming from least developed countries and has promoted trade with LDCs. In the four years from 2010, Australia increased its share of imports coming from LDCs from 0.13% to 0.36%. Despite this positive trend, the proportion of imports from LDCs is still marginal.[87]

Addressing agricultural subsidies

Australia is active in pursuing reductions in agricultural subsidies and other trade barriers. Millions of farmers around the world are unfairly disadvantaged by having to compete with subsidised and protected agricultural production. Beyond hampering the economic growth of the agricultural sector in developing countries, these distortions impede efforts to achieve global food security. Farmers in developing countries suffer the most because of these policies, but all farmers are impacted and the global economy is weakened as a result.

Australia often takes a leadership role in negotiations to address these issues, including through its work with the Cairns group.[88] At the 10th World Trade Organisation Ministerial Conference, held in 2015, Australia played a role in negotiating an end to export subsidies on agricultural products that is government subsidies designed to assist in the competitiveness of agricultural exports through measures such as direct payments, low cost loans, and tax incentives.

Having achieved success on export subsidies, Australia is now shifting its focus to excessive agricultural subsidies in general. Major subsidisers, such as the United States, China, India, the EU, and Japan, spend more than US$100 billion annually on agricultural subsidies — an amount comparable to the global volume of aid. Ending these subsidies will provide

a pathway to better food security and better trading opportunities for many developing countries, as well as freeing up significant resource that can be deployed to more efficient endeavours.

Aid for Trade

Despite Australia's diminished aid program, the country has maintained a focus on providing aid that helps developing countries integrate into, and take advantage of, global markets. In FY2016, Australia provided AU$694 million in aid for trade, including AU$183 million to the Pacific Islands and Papua New Guinea and AU$201 million to East Asia.[89]

While aid for trade has been demonstrated to be effective at improving trade, the link between aid for trade and poverty reduction has been more elusive. Increasingly, proponents of aid for trade have argued that investments need to be targeted at achieving "inclusive development" that benefits the poor.[90]

Recommendations

Australia's performance on trade is commendable. The recommendations below are focused on continuing and strengthening this positive performance.

1. **Australia should continue to advocate for the inclusion of developing countries into the global market. This includes continuing its current leadership in addressing agricultural subsidies and its advocacy for a fair, inclusive and transparent global trading regime, through engagement with the World Trade Organization and other international platforms.**
2. **Australia should ensure that its aid for trade investments promote inclusive development and poverty reduction, including helping small holder farmers and small and medium enterprises to gain access to local, regional, and global markets.**

Notes

Remittances

INDICATOR 6: Remittances flows to the least developed countries as a proportion of GDP.

AUSTRALIA'S RANK 5/20

SUSTAINABLE DEVELOPMENT GOAL 10C:
By 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%

Background

More than 247 million people, or 3.4 percent of the world's population, live outside their countries of birth.[91] Collectively, they are responsible for transferring more than US$529 billion back to their home nations. More than 70% of this figure (US$429 billion) is currently received by developing countries.[92] It is an amount that is expected to grow.

If we are to achieve the SDGs, remittances will be a critical source of finance. Beyond being specifically recognised by SDG 10, target C1, remittances have also been proven to reduce poverty (SDG 1); improve food security and nutrition (SDG 2); improve health, particularly among infants (SDG 3); and double school enrolment (SDG 4) — and these are just some of a host of other SDG connected benefits.[93]

Remittance flows to developing countries represent more than triple the amount of Official Development Assistance, or aid.[94] Beyond being substantial in volume, remittances flows are stable sources of finance, and are even counter-cyclical relative to other sources of finance — in times of need or disaster, remittances will often increase, in contrast with the inherent volatility of private capital flows (debt, equity and foreign investment).

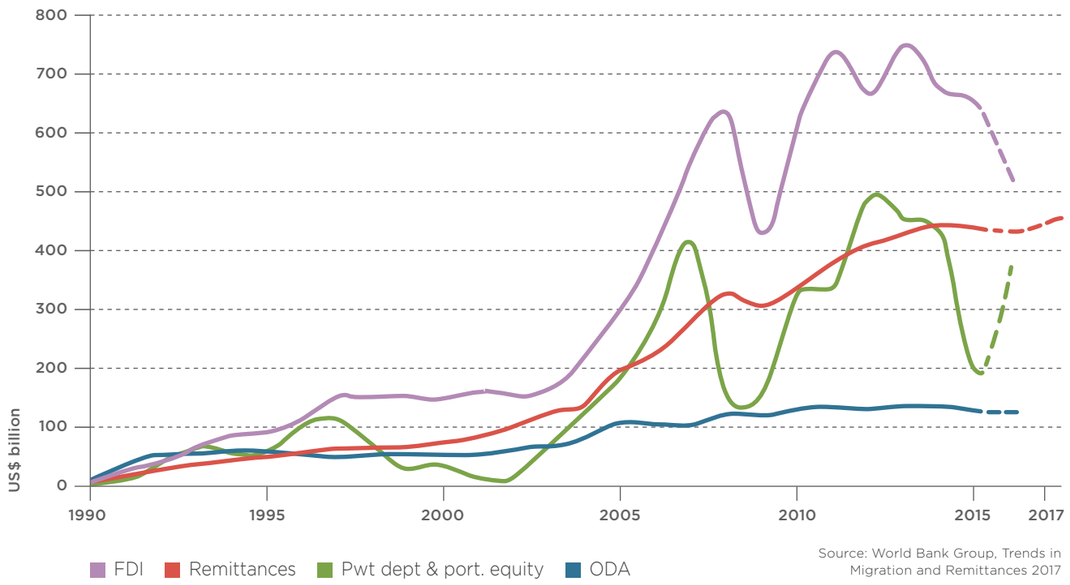
An estimated 800 million people worldwide are directly supported by remittances. Combined with the more than 200 million people that send remittances, more than 1 billion people on the planet — one out of every seven — are directly connected to remittances flows.[95]

Remittances also make up a significant proportion of financial inflows and available resources for many developing economies. In fact, for 25 developing nations, remittances constitute more than 10% of their GDP.[96] This impact is even more pronounced for some of the poorest and most fragile states *(see table opposite)*.

While these volumes are significant, so too is their impact on development.

Source: World Bank Data 2016, Personal Remittances Received

FINANCIAL FLOWS TO DEVELOPING COUNTRIES, 1990–2017



Source: World Bank Group, Trends in Migration and Remittances 2017

Research examining the impact of remittances in Mexico and Sri Lanka found that households who receive remittances had lower rates of infant mortality and higher birth weights.[97] Similarly, a World Bank study of Nepal revealed that a dramatic increase in remittances was responsible for the overall reduction in the nation's rate of headcount poverty, which declined from 42% in FY1996 to 31% in FY2004.[98]

These specific country findings are also supported by the results of globally focussed research. One study that examined 71 developing countries, found that a 10% per capita increase in remittances produced a 3.5% decrease in the proportion of people living in poverty.[99]

Global Efforts

An estimated US$6.5 trillion in remittances will be sent to low- and middle-income countries between 2015 and 2030.[100] Facilitating and encouraging remittances presents the global community with one of the most significant opportunities to work together to build a stable, more equal, and more prosperous planet. It's only been in the last 15 years that remittances have come forward as a substantial

TOP 10 RECIPIENTS OF REMITTANCES BY REMITTANCE SHARE OF GDP

	Country	Remittances % of GDP
1	Nepal	31.2
2	Kyrgyz Republic	30.4
3	Haiti	29.4
4	Tajikistan	26.9
5	Liberia	26.1
6	Moldova	21.7
7	The Gambia	21.5
8	Comoros	21.2
9	Tonga	20.3
10	Honduras	18.0

SOURCE: World Bank

area in development thinking, but since recognising their contribution, significant efforts have been made to realise their potential.

Reducing Transaction Costs

The cost of sending remittances remains a significant barrier to maximising their impact. High transaction costs reduce the money received by recipients and serve to create a disincentive for remittance flows. For this reason, the SDGs have set a target to reduce average remittance transaction costs to 3% and to ensure that there are no areas where it costs more than 5% to remit funds.

20 years ago, remittance costs averaged over 15%. By 2008, they had fallen to 9.81% and, since that time, they have fallen a further 24% to 7.45% in 2017.[101]

France has been the only country to reduce remittance costs by 5% in the last 5 years. The efforts of Italy, Russia and the United States have also seen remittance costs fall below the global average. Despite these gains, transaction costs have remained essentially flat over the past few years and are unacceptably high in many low-volume corridors (countries between which the volume of remittance flows are not substantial).[102]

By reducing average transaction costs to the SDG target of below 3%, an additional US$20 billion of remittance flows will be made available[103] — equalling approximately 6.5 times the total volume of Australian aid.

In recognition of the benefits that can be gained from lowering remittance costs and improving remittance volumes, several major international discussions have increased their focus on these issues. Significantly, remittances were emphasised in the September 2016 United Nations summit's *New York Declaration on Refugees and Migrants*, the *2015 Addis Ababa Action Agenda*, and recent G20 *Leaders Communiques*.

Improving Migrant Labour Standards

Migrant workers are particularly vulnerable to exploitation and poor working conditions. Improving migrant access to decent work and addressing poor working conditions will have positive impacts on the quantity of remittances, as well as the wellbeing of migrant workers.

Recruitment fees are a significant cause of migrant worker exploitation. A Bangladeshi construction worker travelling to the Middle East is estimated to incur an average recruitment fee of US$2,891 — an amount equivalent to 14.5 months of wages, while the corresponding figure for a Nepali is US$1,200 — equivalent to 6 months of wages.[104] These exorbitant recruitment fees prevent workers from having surplus funds to send money home, and worse yet often leave them in situations that amount to modern slavery.

▶ Australia's Efforts

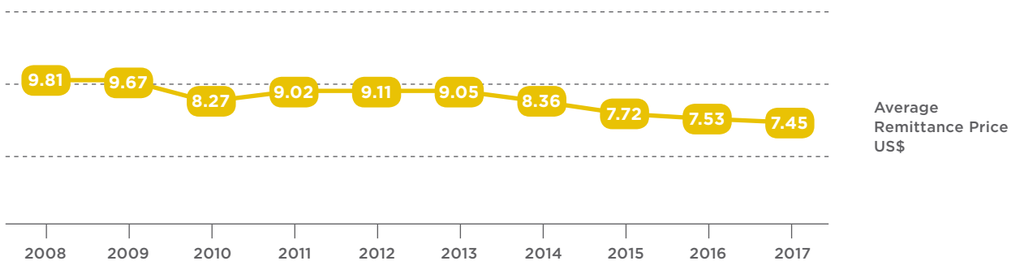
Amongst the 20 richest OECD nations, Australia has one of the highest remittance volumes. As a proportion of GDP, it sends the sixth highest amount of remittances to non-OECD countries and the sixth highest amount to the least developed countries — largely due to Australia's relatively high immigration intake and high wages.

World Bank estimates of bilateral remittances suggest Australia remits approximately US$320 million to the least developed countries, with its remittances having a particularly pronounced impact in Pacific Island nations, where these flows make up a significant proportion of the GDP of nations such as Samoa and Tonga.[105]

However, Australia has some significant opportunities to bolster the performance of remittance flows leaving the country.

At 9.65%, Australia's remittance costs are amongst the highest of all rich nations and are 2.2 percentage points higher than the global average. Furthermore, while Australia has reduced remittance costs over the past 5 years, globally these costs have been falling 50% faster than the Australian rate.[106] In 2015 Australia established the National Remittance plan, which recognised Australia's high remittance costs, and included a series of initiatives designed to address the issue.[107] While some positive steps have been taken, progress has been slow.

GLOBAL AVERAGE REMITTANCE PRICE



Source: The World Bank, Remittance Prices Worldwide (2017) available at http://remittanceprices.worldbank.org

Australia can also do more to address the exploitation and opportunities of migrant workers. Recent cases have demonstrated that migrant and seasonal workers in our nation are vulnerable to exploitation. Examples include exploited farm workers producing fruits and vegetables sold by Woolworths, Coles, IGA, and Aldi; international students being exploited by 7-Eleven; and the largest tomato farm in Western Australia, where 180 migrants were found to be working in unsafe and exploitative conditions.

Labour hire firms are often the facilitators and beneficiaries of these exploitative practices. Several government inquiries, including an inquiry into Australia's Seasonal Worker Programme, an inquiry into establishing a Modern Slavery Act in Australia, and a Victorian Inquiry into the Labour Hire Industry and Insecure Work, concluded that these firms were insufficiently regulated and monitored, and recommended the establishment of a licencing scheme to help address the problem.[108]

Recommendations

1. **Australia should accelerate the implementation of its 2015 National Remittance Plan, particularly the harnessing of emerging technologies to support low-cost transfers and financial inclusion in the Pacific.**
2. **Australia should strengthen protections of migrant workers in Australia, including the introduction of a mandatory national licensing scheme to assist labour hire firms in addressing this issue.**

Notes

"We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development".[109]

4 PEACE

This section of The Global Neighbour Index explores two indicators used to measure a country's contribution to global peace.

External Peacefulness

INDICATOR 7: External peace data of the Global Peace Index — a set of indicators that measure how peaceful a country is outside its national borders.

AUSTRALIA'S RANK 6/20

SUSTAINABLE DEVELOPMENT GOAL 16:
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Background

Since the end of the Cold War, the trend in global armed conflict had generally been downward,[110] but over the last decade, the world has seen a historic spike in violence. In recent years, the number of conflicts, as well as their longevity and severity, has surged.[111] According to the 2017 Global Peace Index, the global level of peace has deteriorated by 2.14% since 2008, with the Middle East and North Africa (MENA) region experiencing the most significant deteriorations.[112] In the Asia-Pacific region, eleven countries are currently classified as fragile or conflict-affected states.[113]

While the number of inter-state wars have markedly declined, intra-state conflicts remain a hallmark of this contemporary era. Given the increasing internationalisation of these conflicts, the enormous humanitarian needs that they create, and the economic cost of conflict, all states have a responsibility to pursue peacefulness beyond their national borders.

Internationalisation of intra-state conflicts

Conflict is becoming increasingly widespread, protracted, and intractable, due in part to the rise in internationalised intra-state conflicts.

The number of major civil wars has trebled in the past decade, and in 2016, 38% of them were internationalised — meaning the conflict involved the military presence of an external actor on at least one side.[114] This rise in the internationalisation of civil wars has led to internal conflicts becoming longer and more deadly.[115] Moreover, negotiating peace agreements in these contexts has become exceedingly difficult, given the increased numbers of parties involved, the divergent interests of those actors, and the inherent challenges of engaging armed groups in diplomacy.[116] The conflict in Syria is one such example, where the military involvement of a variety of external actors, has made the prospect of a negotiated solution incredibly complicated.[117]

Humanitarian Needs

The recent spike in conflict has also left an unprecedented number of people requiring humanitarian assistance. In 2016, an estimated 164.2 million people in 47 countries, required humanitarian assistance due to conflict and/or disasters associated with natural hazards.[118] Over a quarter of these people resided in just three countries — Yemen, Syria and Iraq — all countries currently experiencing major conflicts.[119]

The world's forcibly displaced population is also at an all-time high. According to the UNHCR, 65 million people are currently displaced, largely as a result of conflicts in the Middle East and Sub-Saharan Africa.[120] Of the 22.5 million UNHCR-mandated refugees in the world, more than half come from just three countries: Syria (5.5 million), Afghanistan (2.5 million) and South Sudan (1.4 million).[121] More than half of the world's refugees are under the age of 18.[122]

Economic Consequences

The economic and financial cost of conflict and violence around the world is estimated to be US$14.3 trillion, or 12.6% of the global economy.[123] In 2016, armed conflict alone cost the world US$1.04 trillion.[124] In that same year, approximately US$10 billion was spent on peacebuilding, meaning the world spent less than 1% of the cost of war on peace.[125]

The 2017 Global Peace Index demonstrates that amidst continuing social and political turmoil, the world continues to spend vast resources on creating and managing violence, while spending very little on peace. Moreover, if the world could decrease violence by even 10%, US$1.43 trillion in spare economic resources and activity could be generated.[126]

Global Efforts

The external peace indicators of the Global Peace Index (GPI) assess the peacefulness of countries beyond their national boundaries.[127] Three of these indicators are of particular importance to the 20 richest OECD nations and their contribution to achieving the SDG goal of peace: Weapons Exports, Neighbouring Countries Relations, and Financial Contributions to UN Peacekeeping.

Weapons Exports

A country's contribution to global peace is affected if they supply arms to other countries.

In 2016, the global trade of major weapons reached its highest level since the end of the Cold War.[128] The global trade of major weapons refers to the transfer of all major conventional weapons (and technology necessary to produce them) from one

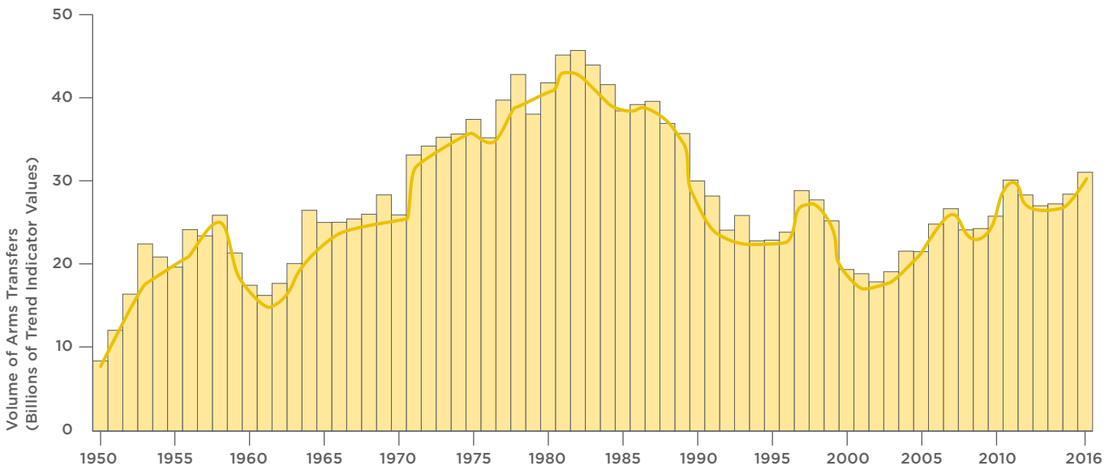
55% of refugees worldwide came from three countries

South Sudan **1.4m** | Afghanistan **2.5m** | Syria **5.5m**

Source: UNHCR, Global Trends Report, 2016.

PEACE

THE TREND IN INTERNATIONAL TRANSFERS OF MAJOR WEAPONS, 1950–2016

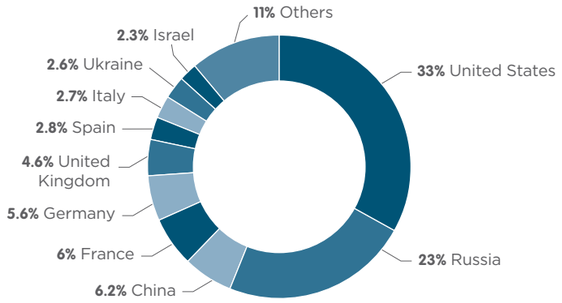


Source: Sipri Arms Transfer Database (20 Feb 2017)

country, rebel force, or international organisation, to another country, rebel force, or international organisation.[129] The volume of transfers of major weapons from 2012 to 2016 was 8.4% higher than from 2007 to 2011.[130]

According to the Stockholm International Peace Research Institute (SIPRI), over a quarter of all global exports of major conventional weapons go to countries in the MENA region, where armed conflict has dramatically surged in the last decade.[131] This is also the region with the highest concentration of displaced people, as civilians flee war and instability in Syria, Iraq Afghanistan, Libya, Somalia, Sudan, and Yemen. According to SIPRI, it is likely that the recent increase in arms imports have contributed to conflict, fragility and human rights abuses in that region.[132]

GLOBAL SHARE OF MAJOR ARMS EXPORTS BY THE 10 LARGEST EXPORTERS, 2012–2016



Source: sipri.org

Alarmingly, a number of the 20 richest OECD nations continue to be major arms suppliers to these countries. In May 2017, the United States, which ranked last place on the External Peace Indicator in this Report, announced US$110 billion worth of potential arms sales to Saudi Arabia — a nation that routinely engages in military operations in Yemen, in a conflict that, to date, has killed more than 10,000 civilians. In October 2017, the UK Department for International Trade demonstrated that the UK sold £1.1 billion worth of arms to Saudi Arabia, including air-to-air missiles, aircraft components, and sniper rifles in the first half of the year. Conversely, in 2016 the Dutch parliament voted to ban military exports to Saudi Arabia in 2016, citing ongoing violations of humanitarian law by Saudi-led forces in Yemen.

Financial Contributions to UN Peacekeeping

As the Institute for Economics and Peace acknowledges in the Global Peace Index, although countries may fund programs in development or peacebuilding outside of the UN system, the records on contributions to UN peacekeeping are easily accessible, understandable, and provide an "instructive measure of a country's commitment to peace".[133]

Each UN Member State is required to pay their respective share towards UN Peacekeeping. UN Peacekeeping operations:

"Support countries transitioning from armed conflict to ceasefire to sustainable peace. Today, peace operations take on many roles, including protecting civilians, ensuring the rule of law, assisting in disarmament processes and the facilitation of elections, and supporting the development of functioning national institutions."[134]

The UN currently fields 15 peacekeeping operations, from Lebanon to Haiti to the Democratic Republic of the Congo, most of which are overstretched. The Rand Corporation, a US think tank, analysed 8 UN peacekeeping missions, and found that, despite nearly always being undermanned and under-resourced, UN peacekeeping efforts generally have been successful.[135] UN Peacekeeping is also regarded as cost-effective, with a budget that is currently less than 0.5% of the global military spending.[136] Yet, led by the United States, the General Assembly voted to cut US$600 million from the UN Peacekeeping budget in June 2017.

Relations with other neighbouring countries

This indicator is the heaviest weighted of the GPI's external peace indicators and looks at tensions between countries. It is an assessment of the intensity of contentiousness of neighbours, ranked from 1–5 by the Economist Intelligence Unit country analysis team — with 1 being the score awarded to a country with good relations with other neighbouring countries, and 5 being the score awarded to a country with active conflict or tensions with neighbouring countries.[137] Country analysts are asked to assess this indicator on an annual basis, for the period from March to March.[138]

Overall, this indicator saw the second largest deterioration from 2016 to 2017 in the Global Peace Index. And the top 20 richest OECD nations were not immune from these deteriorations. For example, although the risk of tensions escalating into conflict is deemed to be low, the relationship between Russia and the Nordic countries deteriorated

in 2016, leading to the scores for those countries — Denmark, Finland, Norway and Sweden — also deteriorating.[139] Given the heavy weighting of this assessment area, these tensions affected the scores for the Nordic countries substantially. All of the aforementioned countries received a score of 2, meaning that relations with neighbouring countries are "generally good", but that some "aggressiveness is manifest in political speeches".[140]

Brazilian soldiers patrol the camp Jean Marie Vincent in Port-au-Prince, Haiti.

Marcello Casal Jr/ABr - Agência Brasil

▶ Australia's Efforts

Weapons Exports

Contributing heavily to Australia's high rank on the external peace indicator, is its low arms exports. Australia is the world's 20th largest exporter of major weapons, accounting for 0.3% of global exports.[141] Australia's top three recipients are USA, Indonesia, and Oman.[142]

There are concerns, however, that Australia may soon engage in arms sales to Middle Eastern countries like Saudi Arabia. In July 2017, Defence Industry Minister Christopher Pyne stated his desire for Australia to become a major arms exporter, and to use those exports to "cement relationships with countries in volatile regions such as the Middle East".[143]

Financial Contribution to UN Peacekeeping

Also contributing to Australia's high rank on this indicator, was its financial contribution to UN Peacekeeping.

Australia has been an active participant in UN Peacekeeping operations for nearly 70 years.[144] Australia is the 11th largest financial contributor to the UN Peacekeeping Budget.[145] In FY2016, Australia contributed AU$226.8 million for UN Peacekeeping missions — a decrease of AU$6.7 million on last year, due to increase in value of Australian dollar.[146]

Australia's high rank in the External Peace indicator is also, in part, due to its adherence to its UN Peacekeeping funding commitments. This specific indicator calculates the percentage of countries' "outstanding payments versus their annual assessment to the budget of the current peacekeeping missions" over an average of three years.[147] Australia received the best score possible, meaning it has 0–25% of its contributions still owing.[148]

Relations with Neighbouring Countries

In the 2017 GPI, Australia was given a score of 1, meaning it has peaceful relationships with neighbouring countries. Australia is not currently in conflict with its neighbouring countries, has not been attacked by any of its neighbours since 1950, nor does it engage in aggressive rhetoric or experience serious economic or diplomatic restrictions from other countries.

Despite hosting 11 fragile or conflict-affected states, the Asia-Pacific region is currently ranked third after Europe and North America as the most peaceful region in the world. After Japan and New Zealand, Australia is the third most peaceful nation in the region.

Recommendations

1. **Given that the recent surge in arms exports to the Middle East region has contributed to the instability, violent conflict, and human rights violations in the region, the Australian Government must follow the example of the Netherlands in formally banning military exports to Saudi Arabia.**
2. **Australia should continue to invest in peacekeeping as a cost-effective and sustainable way to contribute to international peace and security efforts.**
3. **As a good neighbour, Australia should remain committed to building and sustaining peaceful relations with its regional neighbours.**

Peacebuilding: Official Development Assistance (ODA)

INDICATOR 8: Percentage of Gross National Income going to Peacebuilding ODA.

AUSTRALIA'S RANK 8/20

SUSTAINABLE DEVELOPMENT GOAL 16:
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Background

Poverty, fragility and conflict are intimately connected and mutually affective. According to the World Bank, 2 billion people live in countries where development outcomes are affected by fragility, conflict and violence, and half of the world's poor currently live in fragile or conflict-affected states.[149]

SDG16 recognises that development gains, and the achievement of the SDGs, can be substantially undermined by fragility and conflict.

Conflict and Development

Conflict and instability can have a destructive impact on a country's development. Violent conflict destroys essential infrastructure like hospitals and schools, increases the risk of sexual and gender-based violence, and drives forced displacement. According to the World Bank's seminal *2011 World Development Report*, countries in protracted crises can fall over "20 percentage points behind in overcoming poverty".[150]

Conflict causes long-term damage to a country's economy. It decreases demand for products and services, reduces foreign investment and erodes public institutions like law enforcement and judicial systems. Intra-state conflicts — the most common form of armed conflict in our contemporary era — cost the average developing country approximately 30 years of Gross Domestic Product (GDP) growth.[151]

In the *2015 Millennium Development Goals Report*, conflict was named as the biggest threat to human development.[152] Unsurprisingly, low-income, fragile, and conflict affected countries recorded lower levels of MDG achievement and, in some cases, saw a reverse in progress. For example, in countries affected by conflict — the proportion of children not receiving an education increased from 30% in 1999 to 36% in 2012.[153]

Conflict trap

Some developing countries affected by armed conflict also suffer what's known as the "Conflict Trap".[154] This is where the impact of conflict further increases the risk factors associated with conflict.[155] For example, low socio-economic development can create conditions that breed violence, but it is also a consequence of violence. Countries with weak institutions are more vulnerable to conflict as they do not have effective means for conflict resolution, but conflict also leads to weak institutions.

Peacebuilding

The shift from inter-state conflict to intra-state conflict as the predominant form of war, has meant that while diplomacy between states remains a critical way to prevent armed conflict and war, strengthening the capacity of states to prevent and manage violence within their borders has become increasingly important.[156] Peacebuilding involves:

"A range of measures targeted to reduce the risk of lapsing or relapsing into violent conflict by strengthening national capacities at all levels for conflict management, and to lay the foundations for sustainable peace and development." [157]

Research has shown that investing early to prevent disputes escalating into larger conflicts is, on average, 16 times more cost effective than intervening after violence erupts.[158]

Therefore, one way that states can sustainably and cost-effectively contribute to peace and security around the world is by investing Official Development Assistance (ODA) in peacebuilding.

Despite this fact, the area of peacebuilding is a relatively underfunded sector of the global aid budget.

Global Efforts

In 2017, the Institute for Economics and Peace (IEP) undertook research into measuring the cost-effectiveness of peacebuilding, including both donor expenditure or ODA, and domestic expenditure or government spending.

Counted as peacebuilding expenditure were 17 categories of ODA that fell within the broad areas of basic safety and security, such as prevention and demobilisation of child soldiers, participation in international peacekeeping operations and control and removal of land mines; inclusive political processes such as civilian peacekeeping, conflict prevention and resolution; and core government functions such as public-sector policy and administrative management.[159]

In its report, the IEP found that when it comes to ODA, peacebuilding expenditure makes up a relatively small proportion of the global aid budget. From 2002 to 2013, peacebuilding ODA averaged US$13 per capita, per year for conflict-affected countries, compared to US$62 per capita for all other ODA during that period.[160] Moreover, the ten countries most at risk of deteriorating into conflict only received US$10 billion during the 2002–2013 period, which represented just 6.65% of the total peacebuilding funding invested.[161]

Of the top 20 OECD nations, in 2016 Sweden, Norway, and Denmark gave the

largest amount of peacebuilding assistance as a proportion of their Gross National Income (GNI). Japan, Austria and Italy gave the least.[162]

The IEP suggests that the necessary peacebuilding expenditure is US$27 per capita, per year in conflict-affected countries,[163] or more than double the average amount invested over the 2002–2013 period. This will require peacebuilding expenditure to increase from US$64.8 billion to US$183.7 billion invested in 31 fragile countries over the next ten years.[164]

► Australia's Efforts

In 2016 Australia gave just 0.034% of its GNI to peacebuilding ODA. While this represented approximately 13% of the total aid budget, putting it in the top 10 donors for peacebuilding ODA as a proportion, it should be noted that this is actually 13% of a dramatically reduced aid budget, which makes up approximately 0.22% of total GNI. As a result, Australia ranks 8th on this indicator.

Despite its relatively low investment in peacebuilding, Australia contributes to this vital work in many ways. Australia is the largest provider of ODA to the Solomon Islands — a fragile state in our region. In FY2016, Australia committed AU$141 million to the Solomon Islands to promote peace, justice, and inclusion, following the conclusion of the Regional Assistance Mission to the Solomon Islands. In June 2017, Australia also extended its AU$80 million annual aid program to Afghanistan from 2017 to 2020.

As a share of the global peacebuilding budget, however, Australia gives relatively little. Given the number of fragile and conflict-affected states in the Asia-Pacific, and Australia's privileged position in that region, Australia can and should invest more in peacebuilding and contribute its fair share towards the AU$183.7 billion required over the next ten years.

Recommendation

Australia should increase its aid budget in line with the SDGs and scale up investment in peacebuilding ODA to contribute its fair share towards the global peacebuilding budget over the next ten years.

Brian Hartigan, Australian Federal Police

The Royal Solomon Islands Police along with RAMSI (Regional Assistance Mission to Solomon Islands) forces at Honiara waterfront.

PEACE

"We are determined to mobilize the means required to implement this Agenda through a revitalised Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focussed in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people".[165]

5 PARTNERSHIP

This section explores two indicators used to measure a country's contribution to global action for sustainable development.

Tax

INDICATOR 9: Financial Secrecy Index, Secrecy Score. An index that ranks a jurisdiction according to their secrecy and the scale of their offshore financial activities.

AUSTRALIA'S RANK 6/20

SUSTAINABLE DEVELOPMENT GOAL 16.4:
By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.

Background

One of the major challenges of achieving the SDGs will be finding sufficient sources of finance. Domestic revenues are arguably the most stable, predictable, and efficient sources to meet these challenges.

However, through illicit financial flows and tax dodging, countries across the world are having their domestic revenue bases undermined.

While the problem for rich countries is substantial, for developing countries, not being able to fund lifesaving essential services and vital infrastructure like schools, hospitals, courts, and roads means, in many cases, their citizens are simply forced to go without. Not only can wealthier countries take action to address tax dodging and illicit financial flows within their own borders, they have substantial power to assist in creating a transparent and fair global tax system.

The scale of the problem

The scale of the problem is difficult to estimate. By their nature, illicit financial flows and the use of secrecy jurisdictions to avoid tax are clandestine activities. Nevertheless, a number of substantive estimates have been taken to understand impact of these activities.

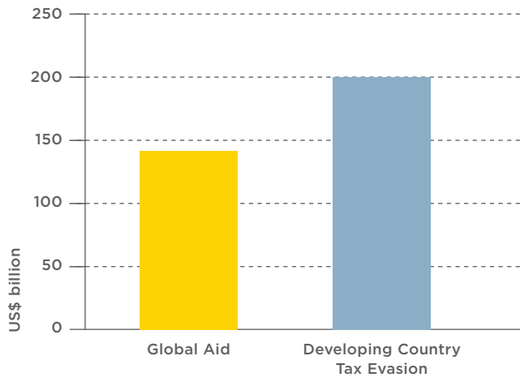
It is generally agreed that the quantity of private wealth held offshore, either untaxed or lightly taxed, has significant implications for global tax revenue. A widely quoted estimate by James Henry suggests that between US$21 to US$32 trillion of private financial wealth is held in secrecy jurisdictions around the world.[166] An alternative, and substantially more conservative estimate was put forward by Gabriel Zucman,[167] who estimates that the equivalent of 10% of gross world product, about US$7.6 trillion, is held as offshore wealth. Part of the difference in these estimates is explained by Henry including some assets that are held offshore and have been declared to tax authorities, where Zucman focussed on undeclared assets, and hasn't considered some assets which ought to be included in gauging the scope of the problem.

Interestingly, despite these methodological differences, both researchers have arrived at similar estimates for the global tax losses attributable to private wealth held offshore. Henry approximates US$189 billion, while Zucman estimates US$190 billion.

The impact of corporate tax dodging on the global revenue base is even more pronounced than that of offshore private wealth. The International Monetary Fund estimates that approximately US$600 billion is lost through corporate tax dodging. Approximately US$200 billion of this amount is attributable to losses to low income (non-OECD) countries and accounts for approximately 1.3% of their total GDP. High income nations like Australia are also heavily impacted by tax dodging, with losses to OECD countries being estimated at more than US$400 billion.[168] Research by the Tax Justice Network (using a different data set) comes up with a more conservative global revenue loss estimate of US$500 billion, however, this research concurs that the loss to lower income countries is around US$200 billion.[169] Even at the lower estimate of US$500 billion, the number still represents more than 20% of global corporate tax revenues.[170]

Furthermore, the scale of corporate tax dodging has been rising rapidly in recent decades. One estimate that considered the extent to which profits were misaligned, relative to economic activities (an indicator of profit shifting for favourable taxation), suggested that 5–10% was misaligned in the 1990s, 15–20% in the early 2000s, and more than 25% was misaligned today.[171]

TAX EVASION IMPACTS NEGATIVELY ON DEVELOPMENT



Source: Gabriel Zucman, *The Missing Wealth of Nations*

Developing countries lose far more to corporate tax dodging than they receive in aid.

US$190 billion

The amount of tax lost due to private money being held offshore.

Global Efforts

The global profile of illicit financial flows and tax dodging has been increasing in recent years. Civil society groups, investigative journalists, and campaigners have actively sought to put the issue on the public agenda: enormous information leaks like the Luxembourg Leaks, the Panama Papers, and, most recently, the Paradise Papers have exposed offshore accounts and suspect financial structures. Government inquiries like Australia's Senate inquiry into tax dodging have demonstrated that the problem is systemic; and high profile cases like Apple, Google, and Chevron have demonstrated that these practices are being carried out by well-known companies. As awareness has grown, so too has the public and political will to take action.

In 2013, at the request of the G20 group of countries, the OECD published a report on base erosion and profit shifting (BEPS) which included an action plan to address the ongoing problem. It is a plan that has aided in achieving progress, but the plan does not go far enough, nor does it sufficiently include the voices of developing countries.[172]

Significantly, however, the plan and the efforts of the G20 gave rise to an agreement to share tax related information among countries by 2018, setting a common standard and framework for the automatic exchange of tax information. This will make it harder for people to use offshore accounts and investments to avoid tax or hide the proceeds of corruption and crime. Though it has not yet been fully implemented, the first exchanges of information have seen tax evaders come forward to declare US$55 billion in tax revenues that were previously undeclared.[173]

Public Country-by-Country Reporting

One of the most effective transparency measures available to address multinational tax dodging is public Country-by-Country Reporting (CbCR). Aggregated global or regional reporting standards allow multinationals to obscure the distinctions between where they are generating revenue and where they are locating their taxable income. But a CbCR standard disaggregates financial data at a country level and this transparency sheds light on when and where profit shifting activities may be occurring.

The United States was an early adopter of a partial form of CbCR. Section 1504 of the 2010 Dodd Frank Wall Street Reform and Consumer Protection Act mandated that extractive companies report, at country level, all their government payments.[174] While payments to governments provide some useful data about a company's tax affairs, without additional investigation or data, this information is not by itself sufficient to identify tax dodging activities. Unfortunately, even this partial country-by-country transparency was repealed by the Trump administration in February 2017.[175]

Due to concerns about corruption and misuse of funds in resource-rich countries, several CbCR initiatives focus on the extractives industry. Canada has legislated CbCR for extractives since 2014,[176] and the Extractive Industry Transparency Index (EITI) requires extractive companies to publish all their payments to governments (similar to the Dodd Frank rule). EITI implementation is voluntary and guided by an in country multi-stakeholder group, which includes government and civil society.[177]

In 2013, the European Union (EU) launched the Capital Requirement Directive, requiring all financial institutions with operations in the EU to disclose financial data using CbCR. The European parliament is now proposing legislation requiring all large multinationals (those with revenue greater than €750 million) operating in Europe, to engage in public CbCR.[178] Additionally, the United Kingdom has been considering the introduction of public CbCR.[179]

Public Registers of Beneficial Ownership

Many companies and trusts are set up in ways that obscure who their real owners are and who it is that receives benefit from their existence. They do this by existing as shell corporations, by using shadow directors, or through other elaborate financial structures. These structures lend themselves to being used for illicit activities including tax dodging. It's a problem that can be addressed by mandating that the true beneficiaries of companies and trusts be listed on a publicly accessible register. The creation of such registers has been a recommendation of the OECD's Financial Action Task Force and, in 2016, the United Kingdom was the first nation to introduce a public register of beneficial owners. Since that time, they have been followed by the Ukraine and Denmark.[180] A dozen other countries are committed to implementing registers and the EU is considering adopting the policy as part of its fifth anti-money laundering directive.[181]

Addressing Tax Havens Directly

Recently, there has been an increased focus on directly engaging nations that act as tax havens. These countries use their legislative power to provide secrecy and attract companies and capital by assisting in profit shifting and other illicit activities. In November of 2017, the European Union released a tax haven blacklist that named and shamed 17 countries that may be acting in ways that allow companies to artificially shift profits through their nations to avoid tax. The list is another step in ramping up the political pressure to end these destructive practices. However, the absence of many countries that should be included (including several EU members) and the lack of agreed sanctions for named companies, undermines the potential effectiveness of the blacklist.[182]

► Australia's Efforts

Among the 20 richest OECD nations, Australian ranks 6th on the 2018 Financial Secrecy Index, making it neither a leader or a laggard. Australia has taken significant steps to address tax evasion and avoidance, especially as it relates to domestic revenue losses. However, its efforts to help prevent illicit financial flows and tax dodging beyond its borders are mixed.

In 2006, Australia established a multi-agency taskforce, Project Wickenby, to address the secrecy of jurisdictions for tax dodging. The project raised AU$2.3 billion dollars in tax liabilities and was heralded as a model for other nations to follow.[183] From 2015, the project was replaced with the Serious Crimes Task Force, whose work is ongoing.[184]

Australian leadership at the 2014 G20 was instrumental in helping to realise the agreement for automatic information exchange. Australia is set to begin its first transfers of information in line with its commitment in 2018. However, there is more that Australia can do:

1. Australia has CbCR, but it's not public

In 2016, Australia took a strong positive step by requiring large multinationals to begin reporting their financial details on a country-by-country basis. However, the fact that this information is only shared amongst tax authorities limits its benefits, particularly to developing countries. Making this information public will allow civil society groups, the media, and citizens to hold companies to account, while also inhibiting the capacity for officials and companies to collude in creating unfair (or corrupting) tax deals. For nations with low resource capacity, it will also mean third parties can work to assist and advocate for the development of better policies to address tax dodging.

2. Australia yet to legislate a public beneficial ownership register

Australia has committed to improving the transparency of beneficial ownership of companies and has been actively consulting on the establishment of a public register of the beneficial ownership of companies. While the process has been positive, it should now move quickly to the establishment of a publicly accessible register.

On the positive side the Australian Government has announced it will implement a Director Identification Number, which will make it harder for companies to be set up with front people, but this does not replace the need to also reveal the real owners and controllers of companies and trusts.

3. Australia's anti-money laundering and counter terrorism laws are lacking

The strength of Australian Law to address money laundering in the banking sector has proven to be effective. However, despite recommendations from international bodies like the OECD Financial Action Task Force, the Tax Justice Network, and Transparency International, Australia has chosen not to extend these laws to cover lawyers, accountants, the companies that set up companies, and real estate agents. This substantially undermines Australia's ability to address illicit financial flows and prevent money laundering in the country. Sam Koim, the head of Task Force Sweep, PNG's anti-corruption body stated that "Australia is becoming the destination for dirty politicians in the region to park their funds".[185]

Recommendations

1. **Make the country-by-country reporting standard for multinational companies registered in Australia public.**
2. **Legislate the OECD Financial Action Task Force's recommendation to require a public register of the true owners and beneficiaries of companies, and trusts.**
3. **Extend Australia's existing anti-money laundering and counter terrorism laws to include lawyers, accountants, the companies that set up companies and real estate agents.**

Notes

Official Development Assistance (ODA)

INDICATOR 10: Percentage of Gross National Income going towards ODA.

AUSTRALIA'S RANK 19/20

SUSTAINABLE DEVELOPMENT GOAL 17:
Strengthen the means of implementation and revitalise the global partnership for sustainable development.

Background

Official Development Assistance (ODA), or aid, is one way that countries can support global and regional peace, prosperity and stability, and form partnerships to address some of the world's most pressing problems.

The OECD Development Assistance Committee (DAC), has set strict criteria for aid; its primary objective must be the welfare and economic development of developing countries and assistance must be concessional, either through the provision of grants or soft loans.[186]

Alongside other forms of financing (e.g. domestic tax revenue, foreign investment, and remittances), aid remains a critical source of funding for international development and humanitarian assistance.

Impact of aid

Over the last 20 years, the world has made enormous progress towards ending global poverty. Aid has played a significant role in this progress.

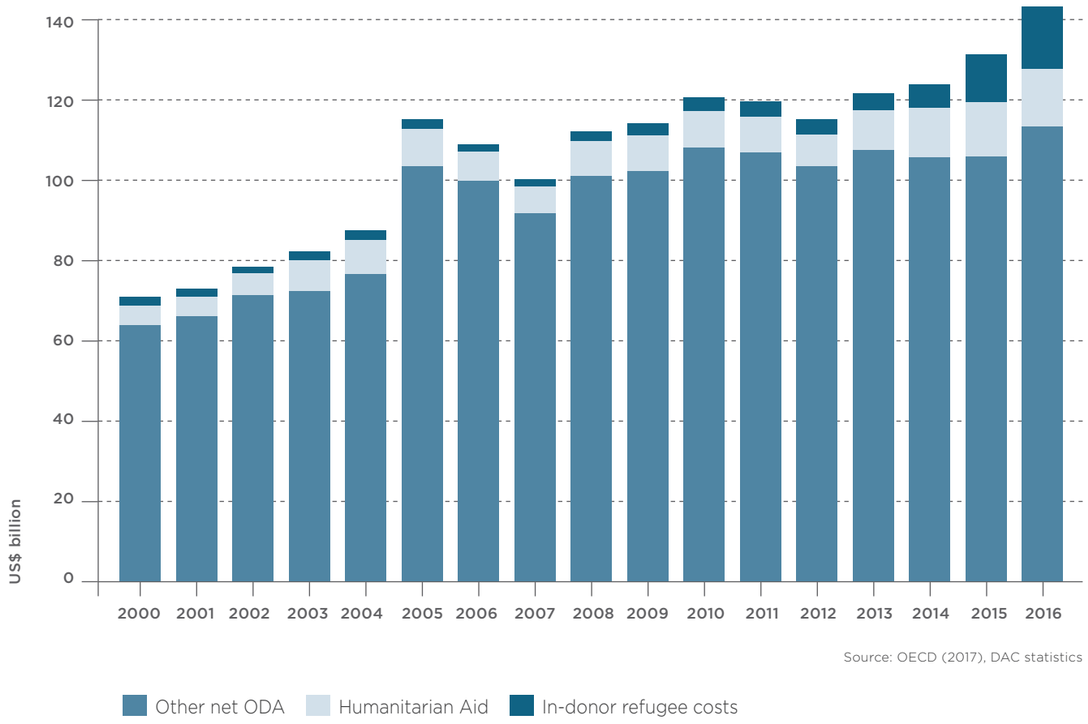
Effective at providing focussed anti-poverty outcomes, aid has proven instrumental in improving areas such as health, education, and emergency assistance. Aid is widely credited as eradicating small pox, an achievement that has saved at least 60 million lives. Aid has also contributed to a reduction in the number of deaths caused by other diseases such as malaria and diarrhoea (health improvements have averted about 10 million deaths per year, from these diseases alone).[187] Moreover, millions of children have been able to attend school, communities have been given access to clean drinking water, and governments have received assistance to strengthen their tax systems.[188]

Although aid should be considered alongside other forms of finance, its targeted focus on ending poverty and inequality means that it was a vital resource for achieving many of the Millennium Development Goal (MDG) targets and remains a vital resource for achieving the SDGs.

International Aid Target

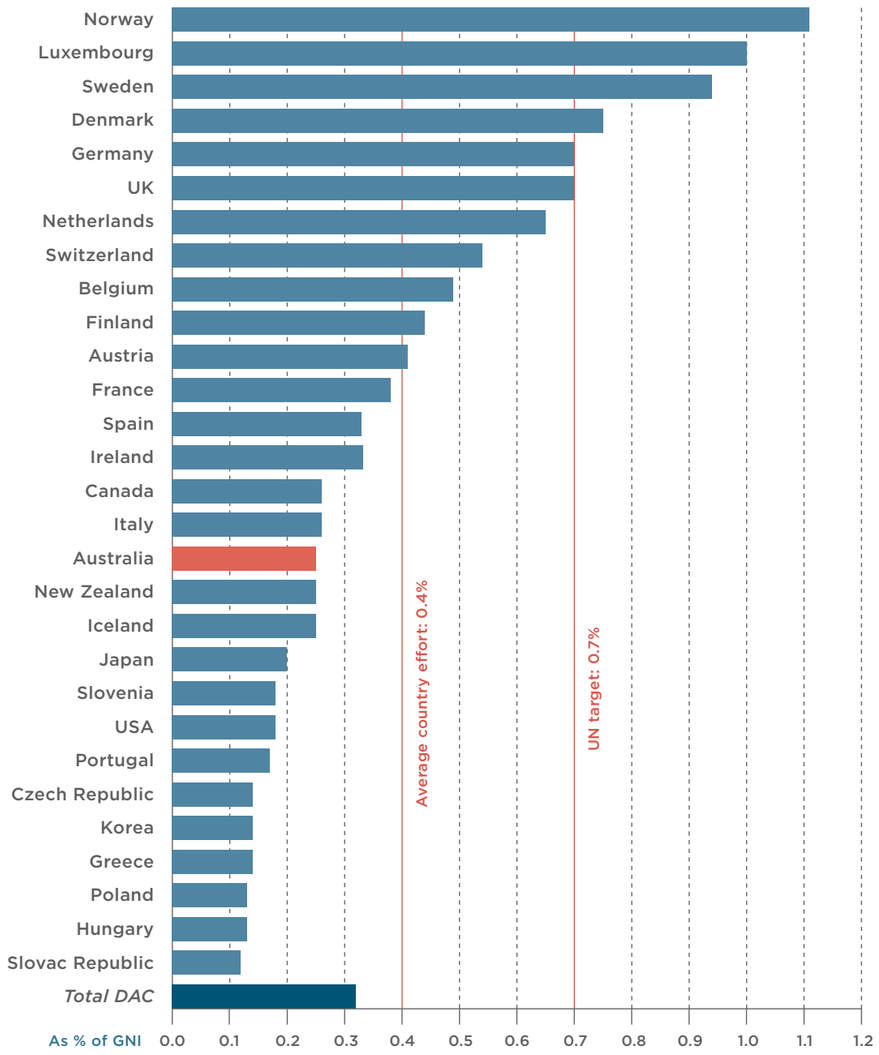
Since 1970, donor countries have repeatedly reaffirmed their commitment to investing 0.7% of their Gross National Income (GNI) in aid. This figure of 0.7% has become known as the "international aid target".

GLOBAL DEVELOPMENT ASSISTANCE



Source: OECD (2017), DAC statistics

% GNI SPENT ON ODA BY OECD COUNTRIES



Source: OECD, 11 April 2017

At the Addis Ababa Conference on financing the SDGs in July 2015, and at the adoption of the SDGs in September 2015, the international aid target was once again affirmed. It is also included in SDG Target 17.2:

"Developed Countries to implement fully their official development assistance commitments, including the commitment by many developed countries to achieve the target of 0.7% of ODA/GNI to developing countries and 0.15 to 0.20% of ODA/GNI to least developed countries."

A nation's proximity to this target of 0.7%, along with its aspiration or commitment to achieve it, has long been regarded by the OECD and the broader international community as the principal measure of that nation's generosity in aid-giving.[189]

Moreover, the target of 0.15–0.20% of GNI as aid to least developed countries (LDCs) — which has emerged more recently — provides a further measure of a nation's generosity towards those countries deemed to have significant development needs. The continuing investment of resource in countries experiencing the greatest need is essential for achieving inclusive and sustainable development and ensuring all countries can reach their SDG targets.[190]

Global Efforts

Global Aid Flows

Global aid flows have been rising gradually since 2012. In 2016, aid reached a new peak of US$142.6 billion. This represents an increase of 8.9% from 2015, more than doubling since 2000.[191]

In 2016, the average aid contribution was 0.32% of GNI, up from 0.3% in 2015, with aid volumes rising in the majority of donor countries.[192] Of the countries ranked in this report, net aid rose most dramatically in Germany, Belgium, Austria, and Italy.[193] Aid fell most dramatically in Australia, Finland, the Netherlands, and Sweden.[194]

As of 2017, only 6 DAC countries have reached the international aid target of 0.7% — the United Kingdom, Germany, Denmark, Sweden, Luxembourg, and Norway, with the latter four countries exceeding this target.[195]

In 2013, amidst tight austerity measures, the UK's conservative Government reached the 0.7% target, and in 2015, the UK became the first DAC donor to enshrine the international aid target of 0.7% in legislation.[196] This means that UK governments are now legally bound to meet that target each year.[197]

Aid to Least Developed Countries (LDCs)

Although aid reached a new peak in 2016, aid to LDCs fell by 3.9% in real terms. In 2016, only seven countries reached or exceeded the abovementioned target of 0.15% — Luxembourg, Norway, Sweden, the United Kingdom, Denmark, Belgium, and the Netherlands.

▶ Australia's Efforts

In 2017 Australia was the 19th largest of the 20 richest OECD nations, on a measure of aid contribution as a percentage of GNI.

From the year 2000, when Australia signed on the MDGs, the Australian aid budget began an upward trend — both in dollar terms and as a percentage of our GNI. Between FY2005 and FY2013, aid dramatically increased from AU$3 billion to

AU$5.6 billion, averaging a growth rate of 7% per year.[198] From 2007 and 2013, there was bipartisan support to increase aid to 0.5% of GNI.

After years of constant increases, however, in the last 5 years unprecedented reductions have been made to the Australian aid budget. The largest single year cut, announced in December 2014 as part of the budget savings in the Mid-Year Economic and Fiscal Outlook, represented a 20%, or AU$1 billion reduction. This change was implemented in the FY2016 budget.

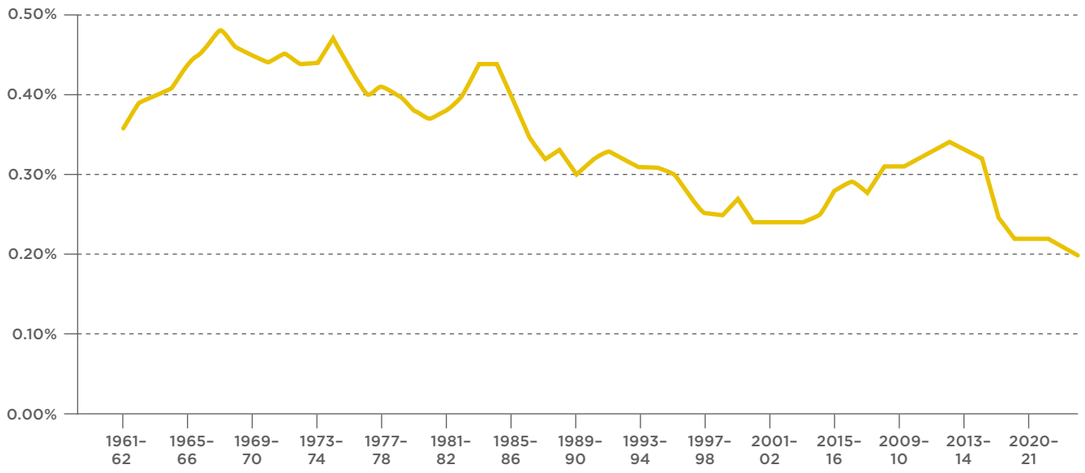
In FY2017, the aid budget is AU$3.8 billion, around one third less in real terms than the AU$5.1 billion spent in FY2012.

As a percentage of its GNI, Australia's aid budget represents just 0.22%. As a percentage of total spending in the Federal Budget it is less than 1%. Australian spending on aid is now at its lowest level since records began, and is well below the global average of 0.32%. At just 0.08% of GNI, Australia's contribution to LDCs also falls short of the international target of 0.15–0.20%.[199]

Despite being one of the wealthiest and least indebted nations in the world, Australia is one of the least-generous when it comes to aid-giving.

According to the Australian Council for International Development, dramatic reductions to the aid budget have

GENEROSITY: AUSTRALIAN AID AS A PERCENTAGE OF GNI



Source: Development Policy Centre, Aid Tracker

diminished Australia's influence in the global debate on development.[200] During a visit to Australia in April 2017, Helle Thorning-Schmidt, the former Prime Minister of Denmark, remarked that Australia was failing to take its place in the world and that the country's foreign aid contributions have made it less influential on the world stage.[201]

"When your development budget is at an all-time low, which it is right now, it feels like Australia is not taking its place in the world." [202]

Aid Quality

In addition to aid quantity, aid quality is also a vital measure of a country's aid program. When subjected to internal and external reviews, Australian aid has, on the whole, been reviewed positively.[203] For example, in the most recent DAC peer review of Australian Aid in 2013, Australia was found to be "in a very strong position to deliver a growing aid budget effectively and efficiently"[204]. That was, however, during the scale-up period and before the cuts began.[205]

The 2015 Development Policy Centre Australian Aid stakeholder survey, completed by aid experts who, "have worked with the aid program regularly and who have first-hand experience of its performance", found that while the majority of aid stakeholders (61%) think that Australian aid is effectively given, most worry that the quality is getting worse.[206] 75% of aid experts believe that the aid program's performance had deteriorated since 2013, with respondents clearly attributing the reduced effectiveness to budget cuts.[207]

When delivered effectively and efficiently, Australian aid does enormous amounts of good. It helps ensure children are vaccinated, enables families to gain access to clean water, and provides life-saving assistance to people fleeing conflict and communities recovering from disaster.

But our ability to contribute to this vital work is hampered by excessive cuts to the Australian Aid budget. In order to regain our standing as a generous nation, Australia should rebuild its aid program and scale up its contribution to LDCs.

Recommendation

Set a timetabled commitment to investing 0.7% of GNI in ODA, and 0.15% of GNI to LDCs, in line with our international commitments and contribution to the achievement of the SDGs.

Recommendations

People

- Australia should substantially increase its refugee intake, with a generous upper boundary for resettling refugees under a regional framework (see below) and an annual quota for refugees resettled from elsewhere in the world.
- Australia should abolish temporary protection visas and transfer all those currently on temporary protection visas to permanent protection visas.
- Australia should work with its neighbours to develop a framework for processing and settling refugees from our region. Under this framework, asylum seekers arriving unlawfully in any country in the region would be sent to jointly managed processing centres. Their claims would be processed in a timely manner and those found to be refugees would be resettled in one of the middle to high-income countries in the region, with each nation sharing equitably using the country capacity indicators of the UNHCR.
- The permanent migration program should continue to prioritise business migration while increasing the size of the humanitarian intake, including increases in the refugee intake commensurate with the need and our capacity.
- The temporary migration programs should be adjusted to allow for increased opportunities for seasonal workers from our Pacific Island neighbours and to mitigate against opportunities for exploitation of workers in the 457 Visa program.

Planet

- Australia should develop and implement a plausible pathway by which it can decarbonise its economy by 2050. This must include an upward revision of its 2030 targets. An independent panel of climate scientists and economists should confirm that the pathway is scientifically and economically plausible and provide an annual report to Parliament on progress.
- Australia should ensure it follows through on its commitment to double clean energy RD&D by 2020, make plans to continue increasing clean energy RD&D beyond 2020, and make sure that funding is directed towards those areas that are likely to produce the strongest environmental outcomes.
- Australia should create a policy framework in which carbon is priced, and stronger mandatory targets around renewable energy incentivise environmental RD&D for private investment.

Prosperity

- Australia should continue to advocate for the inclusion of developing countries into the global market. This includes continuing its current leadership in addressing agricultural subsidies and its advocacy for a fair, inclusive and transparent global trading regime, through engagement with the World Trade Organization and other international platforms.
- Australia should ensure that its aid for trade investments promote inclusive development and poverty reduction, including helping small holder farmers and small and medium enterprises to gain access to local, regional, and global markets.
- Australia should accelerate the implementation of its 2015 National Remittance Plan, particularly the harnessing of emerging technologies to support low-cost transfers and financial inclusion in the Pacific.
- Australia should strengthen protections of migrant workers in Australia, including the introduction of a mandatory national licensing scheme to assist labour hire firms in addressing this issue.

Peace

- Given that the recent surge in arms exports to the Middle East region has contributed to the instability, violent conflict, and human rights violations in the region, the Australian Government must follow the example of the Netherlands in formally banning military exports to Saudi Arabia.
- Australia should continue to invest in peacekeeping as a cost-effective and sustainable way to contribute to international peace and security efforts.
- As a good neighbour, Australia should remain committed to building and sustaining peaceful relations with its regional neighbours.
- Australia should increase its aid budget in line with the SDGs and scale up investment in peacebuilding ODA to contribute its fair share towards the global peacebuilding budget over the next ten years.

Partnership

- Make the country-by-country reporting standard for multinational companies registered in Australia public.
- Legislate the OECD Financial Action Task Force's recommendation to require a public register of the true owners and beneficiaries of companies, and trusts.
- Extend Australia's existing anti-money laundering and counter terrorism laws to include lawyers, accountants, the companies that set up companies and real estate agents.
- Set a timetabled commitment to investing 0.7% of GNI in ODA, and 0.15% of GNI to LDCs, in line with our international commitments and contribution to the achievement of the SDGs.

Appendix

Global Neighbour Index Methodology:

Summary

The OECD is comprised of 35 member states who are committed to democracy and market economics.

The Global Neighbour Index consists of the 20 richest OECD countries (in per capita terms (PPP)) and is centred around the Sustainable Development Goals development agenda of the 'Five Ps': people, planet, prosperity, peace, and partnership.[208]

To develop the index, statistical indicators for each of the Five Ps were selected based upon the following criteria:

- Two indicators were selected for each of the Five Ps to ensure a more balanced approach and that any one indicator alone would not skew overall index.
- The statistical indicators all focus on international or global interactions the countries have on the Five Ps issues.
- The indicators used were chosen as they are orientated towards more altruistic actions rather those which clearly benefit the OECD member country — for example the trade indicator focuses exclusively on trade with countries that are developing (non-OECD and BRIC countries), rather than total trade figures.

Creation of the Index

To create the index, each country's rank for each indicator was totalled, the countries were then ranked in order of those with the lowest total rank (the best global neighbours) to those with the highest.

In a small number of cases there was not data available for each country for each indicator. When this occurred the countries with missing data received the average score of those countries with data available.

INDICATOR REFERENCE TABLE

Five Ps	Indicator	Source	Year
PEOPLE	Refugees per 1000 people	UNHCR: *http://popstats.unhcr.org/en/overview* Table 14 Indicators of host country capacity and contributions	2017
	Immigrants from Least Developed Countries as a share of total population	UNESA: Trends in International Migrant Stock: Migrants by Destination and Origin: Table 16. Total migrant stock at mid-year by origin and by major area, region, country or area of destination, 2015 *http://www.un.org/en/development/desa/population/migration/data/estimates2/estimates15.shtml* United Nations, Department of Economic and Social Affairs (2015). Trends in International Migrant Stock: Migrants by Destination and Origin (United Nations database, POP/DB/MIG/Stock/Rev.2015).	2015
PLANET	CO2 Metric Tonnes per Capita	World Bank: *http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators*	2014
	Investment in R&D in Environment as a proportion of GDP	R&D in Environment OECD: *https://www.oecd.org/sti/outlook/e-outlook/stipolicyprofiles/newchallenges/greentechnologyandinnovation.htm* GDP: World Development Indicators Current US$	R&D: Different years — median 2009 GDP 2009
PROSPERITY	Trade — Share of GDP Trade (Imports and Exports) with Non-OECD and BRICS	OECD Stats: Imports and Exports Quarterly as share of GDP, Unit US Dollar *https://stats.oecd.org/Index.aspx?DataSetCode=MEI_TRD#*	2016
	Remittances	World Bank Stats: Bilateral Remittance Estimates for 2015 using Migrant Stocks, Host Country Incomes, and Origin Country Incomes (millions of US$) *http://www.worldbank.org/en/topic/migrationremittances diasporaissues/brief/migration-remittances-data*	2017
PEACE	Global Peace Index — External Peace component	Global Peace Index: *http://www.visionofhumanity.org/#/page/indexes/global-peace-index*	2017
	Peacebuilding ODA as a share of GNI	Peacekeeping ODA: *https://stats.oecd.org/Index.aspx?DataSetCode=CRS1* Consistent with following report: *https://trove.nla.gov.au/work/223393778?selectedversion=NBD59854950*	2016
PARTNERSHIP	Financial Secrecy Index	Secrecy Score: *http://www.financialsecrecyindex.com/PDF/FSI-Methodology.pdf*	2018
	ODA as share of GNI	ODA as a share of GDP: *https://data.oecd.org/oda/net-oda.htm*	2017

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This is the first edition of the The Global Neighbour Index. Look for future updates at: www.baptistworldaid.org.au/global-neighbour-index

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