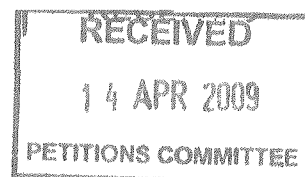


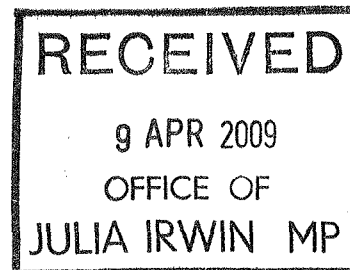


STEPHEN SMITH MP



MINISTER FOR FOREIGN AFFAIRS  
PARLIAMENT HOUSE  
CANBERRA ACT 2600

Mrs Julia Irwin MP  
Chair  
Standing Committee on Petitions  
Parliament House  
CANBERRA ACT 2600



06 APR 2009

*Julia*

Dear Mrs Irwin

Thank you for your letters of 26 February 2009 on behalf of the Holy Family Catholic Church of Menai and the Western Heights Uniting Church of Herne Hill, regarding the Millennium Development Goals (MDGs). You may wish to draw upon the following in your reply.

Australia's international development assistance strongly contributes towards the achievement of the MDGs. This commitment to the MDGs was commended in December 2008 when Australia's aid program was reviewed by the Organisation for Economic Co-operation and Development (OECD). The OECD welcomed Australia's renewed commitment to reduce poverty, promote the MDGs and support international agencies like the United Nations.

The vast majority of Australia's official development assistance (ODA) contributes either directly or indirectly towards MDG progress. Australia is playing its role in global efforts to accelerate progress towards the MDGs by increasing the level of ODA to 0.5 per cent of gross national income (GNI) by 2015-16. The Government retains the target of 0.7 per cent of GNI as an aspirational goal.

Through concrete support for the MDGs, Australia is contributing towards global efforts to halve extreme poverty by 2015.

Health is an important focus of the Australian Government's aid program, with expenditure of over \$440 million in 2008-09 making up approximately 13 per cent of the total aid program.

At a high level event on the MDGs in New York in September 2008 the Prime Minister, the Hon Kevin Rudd MP, committed Australia to spend \$250 million over the next four years to improve women's and children's health, with a focus on Asia-Pacific countries where maternal and child mortality remain high. Australia will work with governments, international agencies and non-government organisations, to increase access to cost-effective life-saving interventions for women and children through strengthened health systems. Between now and 2015 health will remain one of the aid program's priorities.

In relation to debt relief, the Government participates in a number of international debt relief initiatives including Paris Club debt rescheduling, the Heavily Indebted Poor Countries Initiative (HIPC), the Multilateral Debt Relief Initiative (MDRI) and arrears clearance. Under the HIPC Initiative, debt relief is provided when a country has a proven track-record of reforms ensuring that debt relief is used for poverty reduction.

Australia has committed to provide 100 per cent bilateral debt forgiveness for countries that qualify for this initiative. The MDRI provides 100 per cent debt relief from the International Monetary Fund and the concessional arms of the World Bank and the African Development Bank to developing countries that have completed the HIPC Initiative. Arrears clearance is provided to those countries with improved political and economic environments that are unable to clear the large amounts of overdue loan payments they owe to the World Bank and/or the IMF.

Further information on how Australia's aid program is contributing to the MDGs is available from the Australian Agency for International Development's web site at [www.aisaid.gov.au](http://www.aisaid.gov.au).

I hope this information is useful.

Yours sincerely



Stephen Smith