



**Australian Government**

Australian Government response to the  
Joint Standing Committee on Treaties' report:

Report 136

Treaty tabled on 14 May 2013

Food Assistance Convention (London, 25 April 2012)

February 2014

### **Recommendation 1**

**The Committee recommends that the Australian Government provide both in-kind and cash support to meet its food aid commitments, as allowed in the convention and as practiced by other developed countries.**

### **Response - Recommendation 1**

The Government notes that accepting Recommendation 1 would commit the Government to provide some level of in-kind food assistance. The Government considers that mandating such a commitment is not necessary as Australia already has the flexibility to do this under the *Food Assistance Convention* and World Trade Organization (WTO) rules, if the circumstances warranted.

Australian Government policy is to continue to focus on cost effectiveness and efficiency in delivering food assistance. In-kind food assistance does not always represent best value for the aid dollar. The OECD has estimated that tied in-kind food assistance can raise costs by up to 50 per cent.

Australia has not provided in-kind food assistance since December 2005. This correlates with the Government's untying of the aid program, including to improve openness in trade and to maximise the impact of aid spending. Flexible financial support allows the United Nations World Food Programme, our largest humanitarian partner, and one of the aid program's best performing multilateral organisations, maximum flexibility to procure and deliver food assistance efficiently, effectively and in the most timely way possible to those in need.

Providing cash-based assistance reflects Australia's commitment to openness in trade and competition, and supports Australia's advocacy for freer trade, particularly with regard to our efforts to prevent in-kind food assistance from resulting in commercial displacement, or harmful interference with normal patterns of production and international commercial trade.

Australian suppliers can and do bid for United Nations procurement contracts to supply food for humanitarian aid purposes. The Government will endeavour to work more closely with Australian industry to assist potential suppliers to access procurement opportunities within the United Nations system.

### **Recommendation 2**

**Subject to Recommendation 1 being adopted, the Committee supports the *Food Assistance Convention (London, 25 April 2013)* and recommends that binding treaty action be taken.**

### **Response - Recommendation 2**

The Government accepts Recommendation 2 in part. The Government considers that Australia should ratify the *Food Assistance Convention (London, 25 April 2013)* while retaining existing flexibility to provide in-kind food assistance if it chooses to.