Independent Reporting Mechanism

Australia Co-Creation Brief 2022



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Introduction

This brief from the OGP's Independent Reporting Mechanism (IRM) serves to support the cocreation process and design of Australia's third action plan and to strengthen the quality, ambition, and feasibility of commitments. It provides an overview of the opportunities and challenges for open government in the country's context and presents recommendations. These recommendations are suggestions, and this brief does not constitute an evaluation of a particular action plan. Its purpose is to inform the planning process for co-creation based on collective and country-specific IRM findings. This brief is intended to be used as a resource as government and civil society determine the next action plan's trajectory and content. National OGP stakeholders will determine the extent of incorporation of this brief's recommendations.

The Co-Creation Brief draws on the results of the research in prior <u>IRM reports for Australia</u> and draws recommendations from the data and conclusions of those reports. The brief also draws on other sources such as <u>OGP National Handbook</u>, <u>OGP Participation and Co-creation Standards</u>, and IRM guidance on <u>the assessment of OGP's minimum requirements</u> and <u>the minimum</u> <u>threshold for "involve"</u>, to ensure that recommendations provided are up-to-date in light of developments since those IRM reports were written, and to enrich the recommendations by drawing on comparative international experience in the design and implementation of OGP action plan commitments as well as other context-relevant practice in open government. The Co-Creation Brief has been reviewed by IRM senior staff for consistency, accuracy, and with a view to maximizing the context-relevance and actionability of the recommendations. Where appropriate, the briefs are reviewed by external reviewers or members of the IRM International Experts Panel (IEP).

The IRM drafted this Co-Creation Brief in July 2022.

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Section I: Action Plan Co-Creation Process

Since joining the OGP in 2015, Australia's recent election offers the opportunity to reenergise engagement in open government reform. Australia's first two action plans achieved important progress in combating corporate crime, improving the accessibility of government information, and enhancing public participation in government decision-making. However, by the end of the second action plan cycle, the levels of commitment completion and impact had declined, as well as the level of public influence—with little multi-stakeholder discussion of commitments' implementation. The third action plan can renew collaboration between government and civil society to deliver on campaign promises to improve political integrity, equity, and climate reform. At this juncture, Australia has the opportunity to restart the co-creation process and reexamine policy reforms to progress through the action plan.

To strengthen the co-creation process, the IRM recommends the following:

- 1. Improve civil society representation on the Multi-Stakeholder Forum (MSF).
- 2. Involve high-level political and public service representation on the MSF.
- 3. Engage states, territories, and local governments in co-creation.
- 4. Broaden public outreach during co-creation.
- 5. Ensure the repository is updated regularly.

RECOMMENDATIONS

Recommendation 1: Improve Civil Society Representation on the MSF

The upcoming action plan offers the opportunity to improve civil society representation in the Open Government Forum, ensuring an even balance of civil society and government representatives. Compared to previous cycles, the Forum could update the selection process for civil society members to be independent of government, including an invitation for public nominations. In addition, given that civil society membership has been heavily concentrated in Melbourne and Sydney, selection of non-government members of the Forum could also ensure that a broader range of regional interests is sufficiently represented. Resource support could undergird participation by a more diverse group of civil society representatives, including First Nations. For example, in New Zealand, the Expert Advisory Panel members receive daily fees for their meeting attendance. It may also be useful to reference Canada's approach to improving the inclusion of Indigenous Nations in the OGP process. With substantial community engagement on anti-corruption during the recent election, Australia can harness momentum by including relevant community groups in a rejuvenated Forum. Overall, widening civil society representation can contribute to strengthened collaboration throughout the process-from development to implementation and monitoring of reforms. It can help support the identification of issues of most concern to a diversity of the population and promote joint problem-solving. The OGP's handbook on designing and managing an MSF may be useful for strategising.

Recommendation 2: Involve High-Level Political and Public Service Representation on the MSF

For the third action plan, the IRM recommends proactively seeking senior political and public service representation on the Open Government Forum and selecting a government co-chair at the deputy secretary level. It is essential to engage new government ministers responsible for thematic priorities. During the previous action plan cycle, department-wide decision-making power of government members declined, and proxies sometimes attended meetings.

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Higher-profile involvement and greater authority for the Forum would demonstrate the government's commitment to open government, facilitate more efficient decision-making, increase the public visibility of the Forum, introduce priority policy areas into the action plan, and strengthen accountability. As an example, <u>Croatia</u>'s MSF largely consists of high-level representatives of state governments, with either decision-making powers or easy access to decision makers.

Recommendation 3: Engage States, Territories, and Local Governments in Co-Creation

Australia could consider involving states, territories, and local governments in the third action plan to collaborate on local issues that would benefit from national-level policies for greater transparency and participatory decision-making. These levels of government are closest to citizens and responsible for delivering essential public services. Incorporating states, territories, and local governments would engage new government stakeholders' investment in the open government process and could improve the potential impact of commitments on Australians' day-to-day lives, including First Nations. Open government reforms can have more impact and be made more sustainable when national open government reforms are localised and when local innovations are scaled. It may be useful to reference the structure of <u>Spain's MSF</u>, which incorporates local and regional government.

Recommendation 4: Broaden Public Outreach during Co-Creation

One way to broaden public engagement is to treat public outreach as a continuous activity of the co-creation process. Rather than confining outreach to planned consultations, each phase of designing the action plan can offer opportunities for ongoing participation. The Open Government Forum can diversify perspectives represented by consulting new groups among First Nations, private sector stakeholders, and others. To support engagement, background documents and action plan text for discussions should avoid bureaucratic or overly technical language.

The level and scope of this public outreach could also benefit from a well-resourced and strategic approach to communication across different media sources. This could include creating various OGP Australia-specific social media accounts rather than relying on websites and departmental social media. The IRM also suggests that the OGP point of contact and other departments represented in the Forum make a strategic effort to raise OGP Australia's profile in the mainstream media so as to attract participation from potentially interested stakeholders in the development process.

Recommendation 5: Ensure Repository is Updated Regularly

Australia documents, collects, and publishes an online repository without barriers to access. It has provided evidence of the development of the third action plan and implementation of each commitment in the first two action plans. However, the action plan's implementation updates were not all published regularly. OGP encourages members to practice maximum transparency to enable participation and accountability throughout the OGP process. In particular, countries must maintain an up-to-date repository, according to the OGP Participation and Co-Creation Standards. Ensuring regular online publication of updates, including any reasons for delays and next steps, will raise public awareness of and trust in the process and reduce barriers to participation.



Section II: Action Plan Design

AREAS OF OPPORTUNITY FOR COMMITMENTS

Beyond the policy areas already considered in draft commitments, the third action plan can deliver on campaign promises to reform political integrity, equity, and climate policy. It could build on previous plans' efforts to form a National Integrity Commission and improve the transparency of political finance and beneficial ownership. New areas of opportunity for ambitious commitments also include the Indigenous Voice to Parliament, gender equity, and climate reform, which could draw on the first action plan's initiative on Extractives Industries Transparency Initiative (EITI) membership.

AREA 1. National Integrity Commission

With <u>88% popular support</u> for the establishment of a National Integrity Commission, the upcoming action plan offers an opportunity for progress on this public priority. Under the previous action plan, the commitment to establish a Federal Commission stalled. In October 2020, in response to the time taken for the government's legislation to be introduced, an independent MP introduced <u>the Australian Federal Integrity Commission Bill</u>. Building off this bill and momentum from the election, Parliament can introduce a well-resourced independent Integrity Commission. A jurisdiction to investigate criminal and non-criminal matters across the whole federal public sector, including a retrospective mandate, would support public accountability. Royal Commission powers would strengthen the Commission's mandate, including the ability to conduct open public enquiries. A commitment in the third action plan could ensure inclusivity in the development of the Commission through public consultations and civil society participation in determining its mandate. Local models are the <u>New South Wales Independent Commission Against Corruption, Victoria's Independent Broad-Based Anti-corruption Commission, West Australia's Corruption and Crime Commission, South Australia's Office for Public Integrity, and <u>Queensland's Integrity Commissioner</u>.</u>

Useful resources:

- Transparency International Australia: <u>A Fairer, More Transparent, and More</u> <u>Trustworthy System of Government</u>
- Transparency International Australia: <u>Australia's National Integrity System: The</u> <u>Blueprint for Action</u>
- UNDP: <u>Strategic Programming for Anti-Corruption Agencies</u>
- OGP: <u>Anti-Corruption</u>
- Partners that can provide technical support: <u>Global Integrity</u>, <u>Transparency</u> <u>International</u>, <u>UNDP</u>

AREA 2. Political Finance Transparency

More than one-third of Australian political parties' declared income from 2020–2021 was of unexplained origin, with \$1.38 billion of <u>hidden money identified</u> over the past two decades. The upcoming action plan can strengthen the previous plan's approach to political finance reform. Across OGP, commitments in this policy area have been particularly effective at <u>achieving strong results</u>. In Australia, a new commitment could focus on real-time disclosure of donations and quarterly reporting on aggregate donations. It could reduce the reporting threshold for donations, broaden the definition of donation in the Electoral Funding Act, and categorise related companies to be aggregated for donation and expenditure caps. Australia could draw on the example of <u>Croatia</u>'s political funding disclosure website, which has contributed to improved public monitoring and oversight by authorities. In Australia,

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Independent Reporting Mechanism strengthening the Electoral Commission's enforcement division would also be necessary for effective enforcement.

Useful resources:

- <u>Electoral Commission. Foreign Donations Factsheet, December 2021</u>
- The Framework for a Fair Democracy
- The University of Melbourne: <u>Regulating Money in Democracy: Australia's Political</u> <u>Finance Laws Across the Federation</u>
- The Centre for Public Integrity: <u>Shining Light on Political Finance for the Next Federal</u> <u>Election</u>
- OGP and IDEA: <u>Political Finance Transparency</u>
- Related Commitments: Croatia (<u>2018–2020</u>), Latvia (<u>2019–2021</u>)
- Partners that can provide technical support: <u>International IDEA</u>, <u>Transparency</u> <u>International</u>, <u>International Association of Anti-Corruption Authorities</u>, <u>Accountability</u> <u>Round Table</u>

AREA 3. Inclusion

As gender equity became a major voting issue in Australia, the new parliament has achieved a record high in representation of women. To translate this movement into policy reform, Australia could use its next action plan to institutionalise citizens' and women's groups' participation and leadership in government efforts to <u>close the gender pay gap</u> and implement the <u>Women's Plan for a Better Future</u>. A commitment could also focus on strengthening the Workplace Gender Equality Agency's <u>efforts to improve gender equity</u> <u>reporting</u>, including for large businesses.

Additionally, the action plan could introduce new mechanisms for indigenous people and communities to participate in policy-making. Following the 2017 <u>Uluru Statement</u> and later developments, the new prime minister has made guarantees on establishing an <u>Indigenous</u> <u>Voice to Parliament</u>. This would be a vehicle for Australia's First People to be consulted on the nation's laws. The open government platform could guarantee that reforms are developed through widely inclusive consultation processes and led by diverse multi-stakeholder regional-and national-level groups. At the state level, building on the models of Victoria and Queensland, a commitment could also initiate versions of the Indigenous Voice to Parliament, as well as treaty and truth-telling processes, guided by consultations with indigenous people and communities.

Useful resources:

- <u>Australian Gender Equality Council</u>
- RNZ: <u>Maori seats? What are they?</u>
- OGP: <u>Toolkit for More Gender-Responsive Action Plans</u>
- OGP: Gender & Inclusion Fact Sheet
- Related Commitments: Morocco (<u>2021–2023</u>), Argentina (<u>2017–2019</u>), Germany (<u>2017–2019</u>), Costa Rica (<u>2015–2017</u>), Philippines (<u>2019–2022</u>), Canada (<u>2018–2020</u>)
- Partners that can provide technical support: <u>The B Team</u>, <u>Center for Global</u> <u>Development</u>, <u>Open Data Charter</u>, <u>Equal Measures 2030</u>, <u>UN Expert Mechanism on the</u> <u>Rights of Indigenous Peoples</u>



AREA 4. Climate Reform

Voters in the recent election expressed wide support for efforts to mitigate climate change. Australia is one of the world's biggest coal exporters, and mining makes up 11% of GDP. In the next action plan, Australia could pursue climate change mitigation measures, like enabling civil society monitoring of federal, state, and territory policies to cut emissions, as well as introducing accountability mechanisms. It could commit to an earlier release of emissions data, for example <u>greenhouse gas data</u>, in open, non-proprietary formats. A new commitment could also renew Australia's EITI bid in order to decrease the risk of extractives corruption and strengthen environmental management. Although Australia has supported EITI since 2006, its intention to join EITI under its first action plan did not progress. <u>More than half</u> of EITI member countries have used the initiative to improve environmental policies and natural resource and environmental management.

Useful resources:

- Climate Council: <u>Climate Policies for a Sensible Government</u>
- Climate Analytics: Evaluating Australia's Climate Policy Action
- OGP and EITI: OGP at 10, EITI at 20: Where to Next?
- OGP: Environment and Climate Fact Sheet
- OGP: Extractive Industries Fact Sheet
- Related Commitments: Philippines (2015–2017), Germany (2017–2019), Argentina (2017–2019), Chile (2016–2018)
- Partners that can provide technical support: <u>International Climate Engagement</u> <u>Network</u>, <u>World Resources Institute</u>, <u>Natural Resource Governance Institute</u>

AREA 6. Beneficial Ownership Transparency

Without adequate requirements on beneficial ownership disclosure, Australian companies have been used to disguise the identity of those involved in corruption and other illicit activities. Australia's first action plan included a commitment to improve beneficial ownership transparency but did not accomplish intended reforms. In its third action plan, Australia could introduce a beneficial ownership register, as outlined by the <u>March 2022 Senate committee</u> report. Across OGP, beneficial ownership transparency is one of the <u>fastest</u> growing areas for action. A publicly accessible register could increase the effectiveness of regulatory oversight of corruption or other illicit activities, including tax evasion, money laundering, bribery, corruption, and terrorism financing.

Useful resources:

- Beneficial Ownership Leadership Group
- Transparency International Australia: <u>Promoting Beneficial Ownership and Integrity</u> <u>Screening in the Mining Sector</u>
- Open Ownership: <u>Beneficial Ownership Data Standard</u>
- OGP: Policy Progress Report: Beneficial Ownership Transparency
- Related Commitments: Indonesia (2018–2020), Nigeria (2017–2019), Armenia (2018– 2020)
- Partners that can provide technical support: <u>Open Ownership</u>, <u>Transparency</u> <u>International</u>, <u>Publish What You Pay</u>, <u>Natural Resource Governance Institute</u>

