Quality at Entry Report for

AANZFTA Economic Co-operation Support Program

4 November 2009

Quality Rating Assessment against indicators			
Quality	**Rating (1-6) ***	**Comments to support rating**	**Required Actions (if needed) ‡**
1. Clear objectives	4	Clearly AECSP is considered a significant initiative for both Australia and NZ, within a whole of government context, and is well supported within ASEAN.	
		There is high level support for AECSP and it clearly consistent with Australian and NZ government (trade, economic and development) objectives.	
		Some concerns were raised in relation to the lower level outcomes and indicators not being concluded at this point. However it was noted that an evaluability assessment was planned that would ensure this work is done with the people who will be running the support unit.	Ensure evaluability assessment is conducted.
		The document does not articulate the benefits of the program.	Insert information on benefits.
2. Monitoring and Evaluation	4	Within the context of most designs one would expect to have substantive baseline data and detailed M&E or KRA framework to facilitate and guide the implementation of the program. The AECSP design has chosen to develop and implement an M&E system insitu during the first year of implementation. In general, this would not be considered best practice however it is appreciated that there are political and operational imperatives which have fast tracked the design process resulting in a more flexible approach to establishing the M&E framework.	Add a risk to the risk matrix in relation to M&E
		Given the importance of AECSP within the overall context of the region, and the relatively low risk – high outcome opportunities associated with the program this is considered an acceptable (with caution) approach for the program.	
		It is noted that steps have already been taken to identify and tentatively engage an experienced M&E specialist who has significant experience with ASEC (and is working on the related AADCPII program). This approach will greatly assist in ensuring appropriate linkages are identified and work streamlined.	

Quality Rating Assessment against indicators

| 3. Sustainability | 4 | Clearly AECSP has significant ownership by all Parties and stakeholders wishing to see AANZFTA successfully implemented. The high level consultations and input into the design and the willingness to quickly interface AECSP with ASEC establishes a sound foundation for the program.

Well established and internationally recognised treaties and agreements underpin AECSP and will provide a robust framework through which AECSP will be managed and implemented. Program accountability will be at the highest level and government and political stakeholders from all partner countries will be watching the progress of the program and will be expecting significant outcomes to be achieved.

This is a new capacity being developed within ASEC and is complemented by the institutional capacity building program under AADCPII which contributes to sustainability. An indicative budget has been prepared and will be monitored and approved by Parties to the Treaty adding additional assurances in this regard.

The quality assurance fund, designated M&E approach, provision for a Reporting and Systems expert and mid term review contribute to a sound platform for sustainability and avenues to build sustainability

(Note: all reviewers rated this as 5 with the exception of one reviewer.) | Integrate the statement on page 26 in relation to sustainability into the sustainability section. |
| 4. Implementation & Risk Management | 4 | AECSP appears well supported and embedded within ASEAN structures and systems. Governance and management systems in support of AECSP are well established and there appears to be a seamless interface with existing decision making systems i.e. the FTA Joint Committee and ASEC.

AECSP management and processes will work within and will use existing ASEAN and ASEC governance and financial processes; this is quite appropriate and establishes a sound foundation for the program. Reporting and accountability pathways are well established and it would appear that there will be effective internal and external monitoring of AECSP and supported activities due to the high (political) profile of the initiative.

The significance placed on the M&E work poses a degree of risk.

This is a new model of working and as it is using partner systems and processes necessitates a less direct method of involvement. The governance arrangements, cooperation arrangement, M&E framework and informal networking provide a web of relationships to oversee the project. | Include a risk in the risk matrix in relation to M&E |

Quality Rating Assessment against indicators

5. Analysis and lessons	4	The policy and strategic framework underpinning AECSP is robust and has high level ownership and monitoring amongst its key stakeholders. The DDD provides a good overview of the strategic framework, including financial and organisational issues associated with AECSP, although there could have been stronger cross-referencing to some of the key documents outlined in the appropriate annex. A greater effort could have been made to outline the importance of the proposed capacity building support proposed within the design. Cross-cutting issues are not addressed well. The design assumes that the M&E framework will address these issues at a later date i.e. after implementation.	Given the complexity and potential breadth of cross cutting issues they are most appropriately addressed as part of the M&E design. This is specifically covered in the TORs for the M&E but must be monitored by AusAID.

* Rating: Provide ratings for each of the quality principles using the questions on the next page to assist you, and the following rating scale:

Satisfactory rating (4, 5 and 6)

6 Very high quality; needs ongoing management & monitoring only

5 Good quality; needs minor work to improve in some areas

4 Adequate quality; needs some work to improve

Less than satisfactory rating (1, 2 and 3)

3 Less than adequate quality; needs to be improved in core areas

2 Poor quality; needs major work to improve

1 Very poor quality; needs major overhaul

‡ Required actions (if needed): These boxes should be used wherever the rating is less than 5, to identify actions needed to raise the rating to the next level, and to fully satisfactory (5). The text can note recommended or ongoing actions.

Other comments or issues

- There were significant differences in ratings with 3 reviewers providing ratings of 4-5 and one 3-4. This has been moderated overall to a 4 level on the basis of the discussions.

QAE Report Template for Peer Reviewers and Appraisers, registered #125
Business Process Owner: Technical Group Manager, Quality and Performance Management
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Template current to 31 January 2010

Consider these questions when providing a quality rating:

1. Clearly stated objectives that contribute to higher level strategy objectives

- Are objectives consistent with the country strategy and Australian priorities and policies?

- Are objectives outcome-focussed, clear, measurable and achievable within the stated timeframe?

- Are the relationships linking inputs, outputs and objectives clear and plausible?

- Do objectives address needs agreed by target beneficiaries and key stakeholders?

- Clearly supported by partner governments and other key donors?

2. Monitoring and evaluation arrangements effectively measure progress towards objectives

- Is it clear what will be measured, by whom, when and how (including baselines where appropriate) and any associated risks?

- Is monitoring and evaluation focused on priority information needs and not overly complex?

- Does monitoring and evaluation clearly support management, accountability and lessons-learning needs (including Quality at Implementation)?

- Is monitoring and evaluation adequately resourced?

- Is it clear how arrangements contribute to strengthening local monitoring and evaluation capacity (including use of local monitoring systems)?

3. Appropriately addresses sustainability

- Are stakeholder ownership, partner policies, programs and political context conducive for longer term benefits; or otherwise taken into account?

- Can planned assets, technical, organisational or institutional changes or reforms be sustained?

- Are costs of the activity, during and after implementation, allowed for with evidence they can be met?

4. Implementation and Risk Management

- Are implementation arrangements sound?

- Where appropriate, are implementation arrangements harmonized with other donors and aligned with partner government systems?

- Are roles and responsibilities of all main parties clearly identified and will they be effective, particularly "when things go wrong"?

- Is the design framework robust to allow for necessary adjustments to risks as they emerge?

- Are main risks and plans to prevent or mitigate them identified?

- Are quality control mechanisms for the activity's major deliverables adequate?

5. Based on sound technical analysis and continuous learning

- Does analysis takes into account institutional, economic, financial, organisational and human resource issues?

- Are lessons from previous experience in the sector and/or country taken into account?

- Are cross-cutting issues (eg, gender equality, environment, anti-corruption and child protection) taken into account?

- Is programming logic sound, based on situation analysis and identifying a plausible solution?

- Are proposed technical solutions high quality, appropriate to the context and good value for money?

- Does the analysis take into account which partnerships are going to be critical in achieving the objectives and why?