



Australian Government
AusAID

Annual program performance report: Asia regional program 2008–09

July 2009



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Abbreviations

AADCP	ASEAN Australia Development Cooperation Program
AANZFTA	ASEAN – Australia – New Zealand Free Trade Agreement
AIDS	Acquired Immune Deficiency Syndrome
APEC	Asia-Pacific Economic Cooperation forum
ARTIP	Asia Regional Trafficking in Persons Project
ASEAN	Association of Southeast Asian Nations
ASEAN+3 EID	ASEAN Plus Three Emerging Infectious Diseases Programme
APSED	WHO's Asia-Pacific Strategy for Emerging Diseases
AusAID	Australian Agency for International Development
EID	emerging infectious diseases
FTA	free trade agreement
FMD	foot and mouth disease
HAARP	HIV/AIDS Asia Regional Program
HIV	human immunodeficiency virus
IAEA	International Atomic Energy Agency
IMF	International Monetary Fund
M&E	monitoring and evaluation
OIE	World Organisation for Animal Health
QAC	quality at completion
QAE	quality at entry
QAI	quality at implementation
SEAFMD	Southeast Asia Foot and Mouth Disease Campaign
Sida	Swedish International Development Cooperation Agency
SPSCBP	Sanitary and Phytosanitary Capacity Building Program
UN	United Nations
UNAIDS	United Nations Joint Programme on HIV/AIDS
UNODC	United Nations Office on Drugs and Crime
WHO	World Health Organization
WTO	World Trade Organization

Summary

The goal of the Asia regional strategy for 2005–09—‘to enhance regional capacity to progress economic integration, improve security and tackle transboundary challenges’—remained relevant to trade and development challenges experienced in the region during the past year and continued to reflect key issues facing the region and Australian whole-of-government interests.

Outcome reporting remains problematic. The *Annual program performance report for Asia 2007–08* identified **performance assessment and quality** as key areas for improvement. While independent activity evaluations were undertaken during the reporting period more work needs to be done on a systematic basis. The absence of an operational performance assessment framework for the current Asia regional strategy continues to challenge the credibility of findings.

Increasing reliance on partner systems is also proving to be a challenge when partner reporting is not result-oriented or outcome-based. The Asia regional program of assistance is working with partners to develop more rigorous data collection systems to monitor program performance, in line with the Accra Agenda for Action.

The Asia regional engagement strategy for 2009–15 places emphasis on supporting the regional architecture to promote regional dialogue and enhance regional capacity to progress economic integration, improve security and tackle transboundary challenges. This represents a departure from an issues-based focus using standalone regional modalities that often result in high numbers of small activities. The primary focus will be on developing institutional partnerships and strengthening regional organisations—a major shift in strategic direction—in order to address development priorities.

A strategy-level performance assessment framework with relevant indicators for priority outcomes and realistic targets accompanies the regional strategy. Resource and expertise challenges in effectively assessing regional program performance are being addressed by contracting in specialist monitoring and evaluation (M&E) training, guidance and advice from 2009 to 2011.

Ratings

The Asia regional program's progress towards achieving the two objectives of the Asia regional strategy for 2005–09 is summarised in Table 1.

Table 1: Ratings of the Asia regional program in achieving strategic objectives

Objective	2008–09 rating	2007–08 rating
Strengthened capacities of key regional institutions to enhance economic integration and trade liberalisation		
Improving regional responses to transboundary development challenges		

Note:

	The objective will be fully achieved within the timeframe of the strategy.
	The objective will be partly achieved within the timeframe of the strategy.
	The objective is unlikely to be achieved within the timeframe of the strategy.

Major results

- > The management consequences of the 2007–08 annual program performance review helped the Asia regional program of assistance to achieve forward steps in 2008–09 to:
 - develop a new regional strategy as a basis for Asia regional programming from 2009–10
 - use programmatic approaches to improve Australia's engagement with ASEAN (Association for Southeast Asian Nations) and APEC (Asia-Pacific Economic Cooperation), further promote regional economic integration, and address gender issues in economic integration
 - further streamline the number of small activities and strengthen performance assessment of all interventions by strengthening M&E frameworks and staff use of quality reporting tools
 - improve regular communication between regional and bilateral programs
 - explore opportunities for, and the resource implications of, greater devolution
 - ensure 2010 transition planning considered the whole-of-government interest in regional programs and more clearly defined roles and responsibilities of AusAID Posts and the Canberra office.
- > During 2008–09 AusAID actively supported the successful negotiation of trade-liberalising multilateral free-trade agreements to achieve Australia's first **Economic Cooperation Work Program**. Support provided under the **FTA Capacity Building Facility** enhanced ASEAN members' capacity to participate in the negotiations of the ASEAN – Australia – New Zealand Free Trade Agreement and will add value to the development of other ASEAN free trade agreements.
- > Work continues through partner systems at both the **ASEAN** and **APEC secretariats**. Internal organisational reform agendas resulted in significant change in 2008–09 within both secretariats and provided some evidence of effective support through AusAID secondments, committee representation and the Enabling ASEAN Program.

- > New partnering arrangements were agreed between AusAID and ASEAN for joint management of the **ASEAN Australia Development Cooperation Program (AADCP) Phase II**, where feasible, working through ASEAN Secretariat partner systems. Transition activities—to maintain ongoing and seamless support from AADCP Phase I and into Phase II—were also achieved through joint arrangements.
- > The **APEC Public Sector Linkages Program** continued to support Australian government agencies' and public universities' engagement with APEC on development issues. Agencies such as the Department of Foreign Affairs and Trade, the Department of Agriculture, Fisheries and Forestry, the Department of the Treasury, and Food Standards Australia New Zealand have implemented capacity-building activities around priority trade and economic integration themes such as structural reform, international trade law, and sanitary and phytosanitary standards.
- > The Asia regional program actively supported rapid and effective regional responses to the **global recession**. Program support has been helping to mitigate crisis impacts, particularly on vulnerable groups.
- > Closer working relationships have been forged with **whole-of-government partners**, particularly the Department of Foreign Affairs and Trade and the Treasury, as a result of the intensive 2008–09 East Asia regional work program.
- > Evidence indicates that initiatives provided under the **emerging infectious diseases (EID)** strategy and budget measures contributed to improved regional capacity in preparedness, surveillance, reporting and early response to EID. The recent outbreak of H1N1 Influenza 09 (human swine influenza), while highlighting areas of continued weakness, also demonstrated the significant advances made in countries' strategic responses since the outbreak of avian influenza.
- > The **HIV/AIDS Asia Regional Program (HAARP)** continued service delivery at the national level, noting the different stages of national development of participating countries. At the regional level, HAARP has increased coordination with UN and other development partners and key non-government organisations involved in HIV/AIDS and harm reduction, including some co-financing arrangements at the country level.
- > The **Asia Regional Trafficking in Persons Project (ARTIP)** delivered major outputs in the specialist training of front-line officers, law enforcement personnel, judges and prosecutors representing all ten ASEAN member states. The production of an International Cooperation Handbook, an ARTIP Victim Detention Study, as well as revised and new trafficking legislation is contributing to improved practice in criminal justice responses to people trafficking in the South East Asia region. In addition, ARTIP has led to co-funding project components with multilateral partners, and established the annual Heads of (ASEAN) Units process, which facilitates discussion of cross-border cooperation.
- > At a program level, mutually **beneficial relationships and networks** with regional stakeholders were established and strengthened. While this is not one of the stated objectives of the current strategy it is an indispensable enabling dynamic in regional program implementation and is reflected in the priority outcomes of the new strategy. It is also highly valued by key stakeholders, and enhances regional cooperation on important issues.

Major challenges

- > The social and economic impacts of the **global recession**, especially on the less developed ASEAN member states, have posed major challenges. Reduced access to finance, declining export revenue and sharp reductions in remittance inflow are resulting in rising poverty, increased risk of labour exploitation and human trafficking, and declining health and education outcomes as public resources are diminished.
- > The program faces continued weaknesses in M&E systems as demonstrated by the lack of reliable **outcome-based reporting**. This can be attributed to several factors: increased complexity of implementing a multi-country program; poor or complex initial program design, including poor-quality design of M&E systems at the initiative level; and working through other development and regional partners with variable outcome-reporting systems. Additionally, achieving regional development objectives often depends on the implementation of necessary reforms and actions at the national level. Regional outcomes also demonstrate a high degree of variability among participating countries.
- > The traditional approach to the design of the regional program has led to implementation of a large **number of management-intensive programs**. As at March 2009 the Asia regional program was funding 59 initiatives. Twenty-three (39 per cent) of these initiatives had values under \$1 million. Continuing with this approach is not conducive to, or consistent with, scaling up in a resource-constrained environment. Evidence has consistently revealed that small-scale regional activities, while management intensive, rarely achieve sufficient momentum to produce sustainable impacts. The focus for the year ahead will be to continue to reduce the number of small initiatives. Nevertheless, historically the regional program has proved to be a flexible instrument that can be responsive to unforeseen regional events and political imperatives. The challenge will be to ensure an effective modality to retain program responsiveness while not increasing management demands.
- > The **economic integration** agendas of the key East Asia regional bodies, ASEAN and APEC, are highly ambitious. ASEAN member states will need to show substantial political will and strong commitment if the goal of an Asian Economic Community is to be achieved by 2015. The challenge of strengthening APEC's systems is also significant. This is due partly to its broadening mandate. The achievement of program outcomes in support of these agendas depends to a significant extent on factors beyond the immediate control of the program, such as secretariat institutional and management reform to ensure appropriate professional capacity, strategic focus, and budget efficiencies to deal with emerging realities.
- > Increasingly, development cooperation in the region is **working through partner systems** for planning, implementation and monitoring. This requires new ways of working (to ensure partner systems can meet financial reporting requirements, for example) and effective management of risk. However, it does offer an opportunity for Australia to work more closely with other development partners and assist in donor coordination.
- > **Gender equality** is not explicit in the current strategy, which resulted in the lack of a coherent and consistent approach to gender across the program. During 2008–09, gender issues received greater attention at the activity level, which increased awareness of the need to include gender outcomes at implementation and gender analysis in M&E (as in AADCP Phase II implementation and M&E framework design).

1 Regional performance

An important part of this performance review is to ascertain how relevant the Asia regional program and objectives have been in terms of the current regional context. Until mid-2008 East Asia had been the fastest growing region in the world. High, sustained rates of economic growth led to impressive reductions in income poverty, putting East Asia on track to halve extreme poverty by 2015. That said, the reduction in poverty was uneven across the region, leaving behind some marginalised social groups and geographical zones, and widening inequality within and between countries.¹

However, during the past year the global recession has impacted heavily on those countries with underdeveloped domestic economies, or those heavily dependent on export markets or with weak financial infrastructure. The largest falls in the growth of gross domestic product in 2009 will be in East Asian countries (compared with their 2007 and 2008 growth rates) although positive growth will be maintained in the region. In the first quarter of 2009 overall growth in gross domestic product in East Asia fell 3.8 percentage points from the 2007 growth rate to 6.8 per cent. Initial figures indicated that progress towards the Millennium Development Goals would be slowed, especially towards Goal 1 (eradicate extreme poverty and hunger).

ASEAN and APEC are the primary vehicles through which member countries frame the regional context for political and economic development. ASEAN, in particular, has provided a strong basis for ongoing stability and cooperation in the region, helping to underpin the region's development achievements. ASEAN is working towards achieving an ASEAN Economic Community by 2015, five years ahead of the original 2020 timetable. It also plans to achieve an ASEAN Socio-Cultural Community by 2015. In March 2009 the ASEAN Secretariat underwent a major organisational restructure to better orient its functions and capabilities towards achieving these goals by 2015.

Developing APEC economies aim to achieve free and open trade no later than 2020. APEC economies report progress through individual action plans on a wide range of key indicators, including tariff and non-tariff measures, services, investment, standards and conformance, customs procedures, intellectual property rights, competition policy, government procurement, deregulation, implementation of World Trade Organization obligations, and mobility of business people. To date, crude average applied tariffs have been reduced from 16.9 per cent in 1989 to 6.9 per cent in 2008.

There has been massive regional growth in infrastructure, which has facilitated more rapid movement of funds, goods and people across borders. While this provides enhanced economic

¹ World Bank, *East Asia: navigating the perfect storm*, East Asia Pacific Update December 2008, World Bank economic update for the East Asia and Pacific region, Washington, DC, 2008.

opportunities it also increases threats to economic and human security, such as the transmission of communicable diseases and trafficking in people and goods. There are an estimated 5 million people living with HIV in Asia, with national HIV infection levels highest in South-East Asia. Figures for 2007 put the number of deaths from AIDS-related illnesses at 380 000 a year and the rate of new infections in the region at 454 000 a year. The greatest risks of transmission arise from unsafe paid sex, sex between men, and injecting drug use. UNAIDS notes that in many countries in Asia these actions are illegal, so investment of public funds in targeted programs can be 'politically, socially and operationally difficult'.²

The highly pathogenic avian influenza A (H5N1) virus remains a major threat to the region as the source of a potential human pandemic. The outbreak of H1N1 influenza 09 in April 2009 highlights the ongoing threat of a pandemic. Such outbreaks can have a significant economic impact on livelihoods and poverty, food security, livestock trading opportunities and market access. With more than 75 per cent of emerging disease threats in the region being zoonotic (that is, diseases transferred from animals to humans) the strengthening animal health systems along with human health systems is critical.

The levels of illicit drug production and use in Asia are increasing. In particular, there has been a marked increase in the production, supply and demand for amphetamine-type stimulants. High levels of production, trafficking and use of illicit drugs in East Asia have both potential and tangible negative impacts on health (especially through HIV and other blood-borne viruses), on economic and social development, and on security and stability, particularly where linked to organised crime.

While data collection on the incidence of trafficking in people in the region is generally poor, a recent UN Office on Drugs and Crime (UNODC) report highlights the prevalence of human trafficking in East Asia.³ The vast majority of victims in the region are trafficked for forced labour or sexual exploitation, and the majority of identified victims are women and girls. Although there have been few successful trafficking prosecutions in the region to date, awareness has improved, mechanisms such as memorandums of understanding are being put in place to improve bilateral and regional cooperation, anti-trafficking legislation has been enacted in a number of countries and a more victim-centred approach to the issue is emerging.

Asia experiences a very high incidence of natural disasters. During 2008, 98.9 per cent of people killed in natural disasters globally were in Asia. As a result, there is considerable interest in strengthening regional capacity to reduce the risks of disasters and to mount fast and effective responses.

A number of development partners operate in every sector at regional, national or subnational levels. To attribute results to Australia's inputs is therefore difficult. To date there have been limited efforts to harmonise the work of regional donors, particularly with the ASEAN Secretariat. Key development partners include the United States, Japan, the European Union, UN agencies, the World Bank and the Asian Development Bank. The Asian Development Bank is strongly engaged in supporting economic integration, particularly in the Greater Mekong subregion. Further collaboration with development partners is required to harmonise and strengthen M&E systems in order to improve the quality and reliability of outcome measurement.

² UNAIDS, *Redefining AIDS in Asia: crafting an effective response*, Oxford University Press, New Delhi, 2008.

³ UNODC, *Human trafficking: a crime that shames us all—global report on trafficking in persons*, UN Office on Drugs and Crime, February 2009.

Total Australian aid delivered through the East Asia regional program in 2008–09 is estimated at approximately \$134.8 million. A considerable proportion of this was delivered through other programs, including through the Mekong subregional program. About \$54.4 million was delivered through the Asia regional program—\$22.2 million through the Asia economic programs, \$16.9 million through the Asia transboundary program and \$15.3 million through the pandemics preparedness initiative. Approximately half of the pandemics funding was then programmed and expended under bilateral programs. A list of all regional initiatives active in 2008–09 is in Table 2.

Table 2: Asia regional initiatives active as at March 2009

Initiative	Approved funding (A\$)	Quality reporting
OBJECTIVE 1: Strengthened regional capacities of key regional institutions to enhance economic integration and trade liberalisation		
<i>1.1 Strengthened capacity of ASEAN</i>		
AADCP II	67 700 000	QAE and QAI completed.
AADCP Program Stream	22 720 000	QAC completed. Independent completion report.
AADCP Regional Partnerships Scheme	15 755 726	QAC completed. Independent completion report.
AADCP Regional Economic Policy Support Facility	14 570 000	QAC completed. Independent completion report.
East ASEAN Initiative	2 700 000	QAI completed.
AADCP Program Development	1 296 637	
AADCP Program Management	1 111 237	
Support to ASEAN for AANZFTA Negotiations	1 000 000	
Interim Support for ASEAN Secretariat	800 000	
Program Development and Quality	202 511	
<i>1.2 Strengthened capacity of APEC</i>		
APEC Governance, Security, Trade Program	33 043 311	No QAI. 10-year initiative of small activities implemented by other departments. No current activity. Small outstanding acquittals.
Public Sector Linkages Program—APEC	9 088 215	QAI completed.
APEC Support Fund and Secretariat Development Program Specialist	5 875 000	QAI completed.
APEC EID—Capacity Building through APEC Public Sector Linkages Program	2 000 000	
APEC, Security & Anti-Corruption Program (Revised)	497 801	
APEC Capacity Building Effectiveness Grant	400 000	
<i>Other</i>		
Trade Analysis and Reform Project	5 633 232	No QAI. Recent medium-term review.
IMF Scholarship Program Asia—Phase II	2 379 210	QAI completed.
South Asia – East Asia Economic Integration Research	1 452 675	QAI completed.
WTO Global Trust Fund—Asia contribution	1 350 000	
Singapore Australia Trilateral Cooperation Program	837 558	Independent review conducted.
IMF Singapore Training Institute	500 000	
Trade Research	415 000	
Program Administration 2007–08	200 000	

Initiative	Approved funding (A\$)	Quality reporting
OBJECTIVE 2: Improving regional responses to transboundary development challenges		
<i>2.1 Disease outbreaks</i>		
HIV/AIDS Asia Regional Program (HAARP)	59 750 000	QAI completed.
Asia Regional HIV/AIDS Program	16 207 000	Independent completion report.
WHO Asia Pacific Emerging Diseases Strategy	12 000 000	QAI completed.
World Bank Trust Fund for Avian Influenza	8 000 000	QAI completed.
APEC Pandemics & EID initiatives support	6 800 000	QAI completed.
CARE Australia Mekong Local Risk Reduction	6 721 083	QAI and medium-term review completed.
ASEAN Plus Three Emerging Infectious Diseases Programme	5 000 000	QAI completed.
Sanitary and Phytosanitary Capacity Building Program	4 450 000	QAI and medium-term review completed.
OIE Southeast Asia Foot and Mouth Disease Campaign—Regional	4 084 498	QAE completed.
OIE Strengthening Veterinary Services	2 581 400	No QAI; below threshold.
Australian Epidemiology Regional Assistance Program	2 200 000	
AusReady Facility	1 024 324	
Australian Partners Program	1 000 000	
Pandemics & other EID programming	200 000	
Partner country participation at events	200 000	
Research Framework Design Phase	200 000	
Monitoring and Evaluation	150 000	
<i>2.2 Transnational crime</i>		
Asia Regional Trafficking in Persons	21 000 000	QAI and medium-term review completed.
Return & Reintegration of Trafficked Victims	600 000	Program Completion Report.
Countering Drugs Program	2 900 000	No QAI; below threshold.
Asia Regional Illicit Drugs Initiative	4 430 000	No QAI; exemption granted.
UNODC (annual contribution)	1 500 000	No QAI; below threshold.
IAEA Australia National Safeguards Training	1 166 356	
Child Wise	729 000	Completed June 2009
ASEAN Sustainable Response to Child Sex Tourism	500 000	
Regional Pilot Project—Returning victims of trafficking	450 000	No QAI; below threshold.
Support for the Bali Process	268 000	
East Asia and Pacific Regional Preparatory Process	62 534	
Australian Research Council—research into commercial sexual exploitation of children	47 500	
<i>Other</i>		
Asia Regional Disaster Risk Management	5 111 774	No QAE. Activities still being prepared.
Strengthening transboundary program implementation	745 000	
Asia Regional Overseas-Based 2007–08	553 200	
Humanitarian Assistance Coordinator Rangoon 2007–08	278 000	
Humanitarian Assistance Coordinator Rangoon 2006–07	165 469	
Development Adviser—Vienna	61 092	
Asia Transboundary Section Implementation Support Staff—Canberra	43 518	

Note: Total number of initiatives: 59. Total number of initiatives less than \$3 million each in value: 36 (61 per cent).

Development assistance at the regional level has been guided by the Asia regional strategy for 2005–09. An effectiveness review of this strategy undertaken in 2007 highlighted a range of corporate and program effectiveness issues. This review concluded that given the size and diversity of the region the small amount of Australian regional official development assistance was unlikely to have significant impact unless it was clearly targeted and it complemented the technical and financial resources provided by other donors.

2 What are the results of the Asia regional program?

Objective 1: Strengthened capacities of key regional institutions to enhance economic integration and trade liberalisation

Rating

- The objective will be partly achieved within the timeframe.

The amber rating reflects the regional program's inability to provide specific evidence of improved capacity. This is due partly to inadequate M&E frameworks and to the objective being too high-level and non-specific.

Assessment of results and performance

The success of the Asia economic programs depends on the regional organisations themselves being the fundamental drivers of regional integration and trade liberalisation. Australia can only assist ASEAN and APEC to strengthen their own mandate and capacity, and support the change driven from within these organisations.

The Asia regional program has played a key role in supporting ASEAN and APEC to deliver on their mandates of closer regional economic integration. For example, through Phase I of AADCP (completed in the second half of 2008), Australia:

- > developed key e-commerce laws and a common approach to e-commerce trading, which contributed to the enactment of the e-ASEAN Framework Agenda and the e-ASEAN Roadmap (Assistance to draft, and in some cases enact, e-commerce laws established a more transparent and secure approach to e-commerce practices, creating greater opportunities to use new technology for economic transactions.)
- > supported the development of ASEAN-wide standards in water management, aquatic animal health and biosecurity, food safety and tourism professionals (This improved the scope for inter-regional trade and service delivery.)
- > strengthened ASEAN's capacity to develop sound regional policies by funding 58 studies in priority areas identified by the ASEAN Secretariat (Some of these studies have directly influenced regional policymaking in the areas of energy, finance and trade.)
- > strengthened the collection and use of statistics and indicators throughout ASEAN to track and report on the development of the ASEAN Economic Community. (This provides a framework to measure and report on progress towards greater regional economic integration.)

AADCP has been highly regarded by stakeholders in Australia and in ASEAN and was perceived as a responsive and useful mechanism for cooperation. The ASEAN Secretariat believes that other AADCP-supported activities such as the ASEAN Good Agricultural Practices, Cargo Processing Model and Mutual Recognition Arrangements have been major contributors to economic integration.

A review of gender in AADCP was conducted during the reporting period and highlighted a lack of systematic attention to gender issues throughout the various program components. The report provides specific recommendations that are integral to delivering the second phase of AADCP.

Australia also assisted ASEAN countries to participate in trade negotiations, such as those supporting the ASEAN – Australia – New Zealand Free Trade Agreement (AANZFTA). Funding provided under the FTA Capacity Building Facility enabled officials from Cambodia, Laos and Burma to attend negotiations, and provided training and technical assistance, including a Tariff Transposition Workshop in April 2009. The signing of the AANZFTA in February 2009 also enabled steps to be taken to design the management and implementation unit of the associated Economic Cooperation Work Program during May–June 2009. Australia will provide up to \$20 million over five years through the program after the AANZFTA comes into force (expected to be 1 January 2010). AusAID support through the FTA Capacity Building Facility and through the AANZFTA Economic Cooperation Work Program will assist developing ASEAN member states to directly participate in the benefits (and obligations) of the free trade area, provide effective counters to protectionist measures and further progress regional economic integration goals.

Australia's support of capacity-building opportunities for developing partner economies (Papua New Guinea, Indonesia, Vietnam, the Philippines, Thailand and China) through the APEC Support Fund continues to build a common understanding and approach to regional integration. While the fund is well placed to foster relationships between developing and developed APEC member economies, its effectiveness in achieving this has not been measured. In addition, little information is available on the effectiveness of capacity building undertaken through projects of the fund.

To enhance and monitor capacity-building effectiveness, Australia continues to drive a number of institutional reform initiatives through APEC committees. Australia's chairmanship of APEC's Budget and Management Committee in 2008 provided an opportunity to drive the project management reform agenda. A multi-country Small Working Group (which included AusAID as chair of one of its subgroups) developed a range of recommendations for project management reform to, for example:

- > strengthen assessment and prioritisation of project proposals so that project funds will be allocated to high-priority projects
- > streamline project processes, including devolution and delegation of project approval and implementation
- > implement processes to more frequently approve and disburse funds
- > improve monitoring, evaluation, lessons learned and knowledge management
- > develop longer term, more strategically focused project designs.

To move this agenda along, the Minister for Foreign Affairs announced a \$1 million project management reform package in Lima in 2008. This provided increased support to the APEC Support Fund (from \$1.5 million to \$1.8 million) in 2008–09, as well as Effectiveness Grant

monies to support management reviews and to resource the APEC Project Management Unit. Australian participation in the APEC Steering Committee on Economic and Technical Cooperation (SCE) led to:

- > the formation of an SCE Core Group in 2009 to develop a strategic goal-oriented framework to guide the activities of APEC's Economic and Technical Cooperation
- > the development of a twinning framework, to be piloted by AusAID and Treasury in 2009, involving regional secondments to the Malaysian and the Philippines securities commissions to strengthen investor bases in the region
- > the endorsement of the AusAID-funded APEC Strategy for Strengthening Engagement with Multilateral Organisations, which was followed by the Australia-led policy dialogue attended by the World Bank, the Asian Development Bank, the International Monetary Fund and the Organisation for Economic Co-operation and Development.

Estimated expenditure

Approximately \$22.2 million—40.8 per cent of the 2008–09 budget for the Asia regional program—was used to strengthen capacities of key regional institutions to enhance economic integration and support ongoing trade liberalisation.

Objective 2: Improved regional responses to transboundary development challenges

Rating

- The objective will be partly achieved within the timeframe.

Objective 2 encompasses three quite different 'intermediate' objectives (program outcomes) focusing on: disease outbreaks (2.1), transnational crime (2.2) and unanticipated transboundary issues (2.3). The program had neither the human nor budgetary resources available to address unanticipated transboundary issues (2.3). The amber rating largely reflects the lack of an existing performance framework and consequent difficulties in defining 'improved regional responses'.

While the capacity of regional partners to respond to a wide range of transboundary threats is improving, M&E systems are not of sufficient quality to report on outcomes. Attributing results within sectors with multiple other donors also presents a challenge.

Assessment of results and performance

2.1 Disease outbreaks—improved regional response to HIV/AIDS and emerging health issues (especially zoonotic diseases)

The **HIV/AIDS Asia Regional Program** focuses on reducing the incidence of transmission of HIV/AIDS through injecting drug use in China, Vietnam, Burma, Cambodia, and Laos (with research only in the Philippines).

HAARP contributed to regional-level advocacy (for example, input to the United Nations Regional Task Force on specific projects, including a legal and policy review and country

advocacy briefs) and supported increased communication through HAARP Coordination and Consultation Forums. A Regional Technical and Coordination Unit was established in Bangkok despite a memorandum of understanding with Thailand not being signed. Program progress at the country level has been slower than expected due to the time required to align activities with partner government priorities. However, HAARP continues to engage and collaborate with other donors (such as Sida's Harm Reduction, Human Rights, Human Resources Project in Laos, Cambodia and Vietnam, Dutch co-financing in Vietnam, and the Three Diseases Fund in Burma), UN agencies, and key non-government organisations. A gender integration strategy was developed and embedded in overall program objectives. It forms an important component of the designs for national-level activities.

Regional design lessons from HAARP include the need to carefully consider the relationship with the 'host' country and the high program management demands of a complex 'hub and spoke' program design.

The **emerging infectious diseases** suite of activities is building an effective network of partnerships to improve regional capacity to anticipate and respond to such diseases. EID preparedness, surveillance, reporting and early response were focused primarily on avian influenza and foot and mouth disease (FMD). However, capacity-building measures have also significantly contributed to strengthening general health systems in these areas. Importantly, the EID strategy and budget measure enter the fourth and final year of operation at end June 2009. At this time a significant review of the strategy and funded activities will take place.

The World Health Organization's **Asia-Pacific Strategy for Emerging Diseases** (APSED) initiative forms the centrepiece for the regional response to EID. As demonstrated by the recent response to human swine influenza most countries in the region have shown a marked improvement in their ability to detect and respond to outbreaks of infectious diseases than was the case three years ago in response to avian influenza. Key national and regional results included the following.

- > All countries now have pandemic preparedness plans in place, most based on the 'multiple sector framework' developed by APSED. A stockpile of Tamiflu and personal protection equipment has been established in Singapore, with smaller stockpiles created in other ASEAN countries.
- > A guide developed by the World Health Organization, the Food and Agriculture Organization of the United Nations and the World Organisation for Animal Health (OIE) was widely distributed to assist countries to achieve sustainable and functional collaboration between animal and human health sectors.⁴
- > Laboratory capacity was strengthened through the provision of consumables, including diagnostic chemicals and reagents, and appropriate equipment.
- > The International Health Regulations on the development of effective public health measures and response capacity to minimise the international spread of disease were adopted by countries in the region.⁵

⁴ World Health Organization, the Food and Agriculture Organization of the United Nations & the World Organisation for Animal Health, *Zoonotic diseases: a guide to establishing collaboration between animal and human health sectors at the country level*, World Health Organization, Geneva, 2008.

⁵ Pan American Health Organization, *International Health Regulations (2005): basic information for national policy-makers and partners*, viewed June 2009, <www.paho.org/English/DD/PIN/IHR07eng.pdf>.

Financial support through the **World Bank Trust Fund for Avian Influenza** has assisted countries in the region and Africa to develop and implement national strategic, multisectoral plans with respect to the highly pathogenic avian influenza, other zoonoses and human influenza pandemics. Capacity for recognising diseases and for reporting and investigating outbreaks was increased. An improved information management system is being supported through the provision of communication equipment.

The **CARE Australia Mekong program** established pilot models for community-based surveillance partnerships with national government and international technical agencies in Laos, Vietnam and Cambodia. A recent mid-term review identified that local committees had increased capacity to plan and undertake surveillance and that there was an increase of preventive behaviours across households and among community surveillance teams. Pilot activities contributed to effective coordination among donors, national coordinating bodies and international technical agencies, and obtained a high degree of partner government ownership. Nonetheless, progress was assessed as inadequate to fully achieve the purposes of a community-based piloting program and a no-cost extension of selected pilots was agreed.

The ASEAN Plus Three Emerging Infectious Diseases Programme (ASEAN+3 EID) strengthened preparedness and response capacity through implementation of the Communication and Integration Strategy, endorsed by the ASEAN Pandemic Preparedness and Response Working Group. The program also developed the Regional Risk Communication Strategy, to which national strategies are being linked, and created Minimum Standards on Joint Outbreak Investigation, which define multi-country responses during outbreaks.

There is evidence that least developed countries have improved capacity to plan and implement projects (for example, Vietnam and Laos are spearheading projects on dengue fever). In year 2 of the program greater emphasis will be given to gender issues as they relate to EID. Revisions to the M&E plan should assist in capturing important data.

The program is directly addressing ASEAN members' identified priorities. The ASEAN Secretariat has publicly acknowledged its preference for AusAID's inclusive and participatory approach to program design and implementation.

The modest **OIE Southeast Asia Foot and Mouth Disease Campaign (SEAFMD)** (\$2.6 million for the current phase) has contributed to improved surveillance of and response to FMD through an incremental 'zoning approach'. The campaign contributed to significantly reducing disease outbreaks in southern Thailand and Vietnam, as well as maintaining Indonesia and the Philippines free of FMD. Regional diagnostic capacity was also bolstered by the impending accreditation of the SEAFMD Regional Reference Laboratory in Pak Chong, Thailand, the only accredited laboratory in South-East Asia.

SEAFMD is internationally recognised as a model for regional coordination of animal disease control. National FMD plans have been harmonised with the SEAFMD 2020 Roadmap (endorsed by OIE and ASEAN), which describes the member countries' long-term strategy to eradicate FMD. Other achievements include a strong commitment from the Vietnam Government, which allocated US\$21 million for FMD control (2008 to 2010), and a memorandum of understanding between OIE and ASEAN signed in June 2008 to facilitate dialogue on the eventual transition of SEAFMD from OIE to ASEAN. The ASEAN Secretariat has also signalled an increased willingness to assume a leadership role in implementing regional programs.

The **Sanitary and Phytosanitary Capacity Building Program** (SPSCBP) provided training, resulting in participants undertaking animal health projects in their own country (e.g. in FMD, classical swine fever and the highly pathogenic avian influenza), and expanded capacity in the region to deliver training in pest risk analysis, with all such training in 2008 delivered by ASEAN experts. National pest lists, reference collections, and pest risk analysis have been compiled in target countries. The ASEAN Sectoral Working Group on Crops endorsed an SPSCBP blueprint for sharing pest and disease information regionally through a pilot diagnostic network. SPSCBP also produced a sanitation and phytosanitation booklet (translated into Vietnamese, Lao, Thai, Khmer and Bahasa Indonesia), and distributed it to government officials, research institutions and the private sector to increase understanding of, and support for, sanitation and phytosanitation.

The benefits of training in, and raising awareness of, sanitation and phytosanitation are evident in each of the participant countries. However, countries with the lowest capacity have gained the least from the program and this brings in to question the sustainability of outcomes achieved from short-term technical assistance. The current program concludes in June 2009 and, consistent with the recommendations of the medium-term review, future sanitation and phytosanitation programs focused on building agricultural capacities and access to the World Trade Organization, will be positioned under bilateral economic integration and trade objectives.

The **Disaster Risk Management Program** (\$5 million over four years) was established in 2008 to support the role of regional organisations in reducing the impact of disasters on poverty reduction and sustainable development. Support to regional partners, such as the Asian Disaster Preparedness Centre and the UN International Strategy for Disaster Reduction enhances the commitment and capacity of national governments in Asia to undertake effective disaster risk management. Australian advocacy in regional disaster management forums improves coherence and coordination of disaster risk management at the regional level.

2.2 Transnational crime—improved regional capacity to respond to people trafficking and illicit drugs

Three activities focused on people trafficking during the reporting period. The **Return and Reintegration of Trafficked Women and Children Project Phase II** (arguably a trilateral rather than a truly regional project) targeted Burma and Laos. This small project was impeded by delayed implementation and did not achieve sufficient traction to leave a sustainable impact. It was completed in September 2008. The **Thai Returnees Project** achieved some modest success late in its implementation and has been extended to August 2009.

The **Asia Regional Trafficking in Persons Project** continues to deliver high-quality and well-regarded training in criminal justice responses to trafficking in people. However, early findings of the medium-term review have highlighted the need to focus on end-of-project outcomes and institutionalisation of training to achieve sustainable project benefits. Nonetheless, key results during the reporting period include the following.

- > Countries participating in the ARTIP-facilitated Heads of Anti-Trafficking Units process have noted that, as a result of this process, 142 trafficking victims have been rescued, 36 suspects arrested and 5 traffickers successfully prosecuted with sentences of between 10 and 15 years. A total of 192 officers participated in front-line officer or specialist training and an additional 101 law enforcement personnel attended the ‘Train the Trainer’ course.

- > An awareness course for judges and prosecutors was endorsed by ASEAN and implemented in all project countries, with 98 officers trained. Feedback from participants indicated judges acquired a superior understanding of the appropriate application of trafficking convictions.
- > A draft International Cooperation Handbook on international legal cooperation was completed and ARTIP research on victim detention was peer reviewed, disseminated to program partners and posted on the Social Science Research Network.

AusAID's Gender Thematic Group praised ARTIP's comprehensive gender strategy and tools for implementation, which made it one of the agency's flagship gender projects. ARTIP gender analysis provided evidence of increasingly effective measures in place to protect children and other vulnerable witnesses during the court process. In addition, this analysis indicates that the treatment of victims by law enforcement officials is improving as a result of project training.

Activities of the Asia regional program on preventing child sex tourism continue to receive broad support through active partnerships with ASEAN, other donors, multilateral organisations, non-government organisations and the private sector. The Australian child protection charity Child Wise worked with ASEAN to develop a 5-year **Transition Plan for a Sustainable Response to Child Sex Tourism in South-East Asia**. All ten ASEAN member states strongly support activities to prevent child sex tourism, as demonstrated by the respective national governments and the ASEAN Secretariat endorsing the plan. Other donors have indicated in-principle and in-kind support for implementing the plan (for example, the United States has offered to provide judicial and prosecutorial regional trainers and other technical assistance). Private sector operators in the tourism industry have sustained the delivery of 'Child Wise tourism' training and promoted public education by disseminating campaign materials.

Supporting the United Nations Office on Drugs and Crime

The regional program also has responsibility for AusAID's relationship with UNODC—managing annual funding contributions and related involvement in the financial, governance and other administrative decisions of UNODC, as well as supporting the UNODC regional office in Bangkok. Strong encouragement for the 'One UN' approach, implementation of the Accra Agenda for Action and UNODC collaboration with other key UN agencies has been a theme of AusAID policy inputs. AusAID's Bangkok Post has also been instrumental in repositioning the UNODC Bangkok office and its priorities. Following a poor audit report in 2008, UNODC refocused its work in the region to achieve coherence and efficiency and to reflect its mandate beyond illicit drugs. Combating people trafficking will become a major priority. This may assist in sustaining ARTIP outcomes.

The **Illicit Drugs Initiative** was completed at the end June 2009. The independent completion report indicated that the initiative was moderately successful in achieving the goal of strengthening regional responses to the development impacts of illicit drugs. Factors contributing to success included: a regional focus that helped to maximise the geographic reach of outputs; a focus on using and promoting evidence-based approaches; and the application of a broad range of capacity development approaches. However, the report recognised the highly ambitious goal and design of the program, which had an unrealistic expectation that results could be achieved within the two-year timeframe of the initiative.

Estimated expenditure

Approximately \$38.03 million—69.9 per cent of the 2008–09 budget for the Asia regional program—was used to address regional responses to transboundary challenges in 2008–09.

3 What is the quality of activities in the Asia regional program?

Quality ratings for initiatives over \$3 million each and for smaller value initiatives deemed by the program to be of interest to other partners are provided in Tables 3 and 4. The regional program had 59 active initiatives during 2008–09 (see Table 2), with 36 (61 per cent) falling below the \$3 million mandatory reporting threshold. The program therefore needs to consider other triggers for quality reporting (including for pilot projects where lessons need to be captured) or more preferably a dramatic reduction in the number of small-scale activities.

While it is encouraging that almost half of monitored initiatives are making satisfactory progress in implementation and 85 per cent are on track to meet their objectives, the vast majority of initiatives still require at least some work to improve progress towards objectives. Two-thirds of the monitored initiatives are making satisfactory progress on sustainability. In response to the ratings, all monitored initiatives are now working to improve their M&E systems and prospects of sustainability. While the performance of individual activities was variable, some general themes emerged that have clear management implications.

The 2007 review of the current Asia regional strategy noted that many of the less-effective activities suffered from poor **design**. Aspects of this included overestimation of counterpart capacity, underestimation of the time and resources needed to effect real change at national or regional levels, vague and unrealistic project objectives, insufficient attention to M&E and poor design logic (for example, that research or increasing awareness automatically influences policy). The more successful activities were those (such as SEAFMD) where support has been provided over the long term and incremental gains have been made.

An assessment of reporting on quality at implementation (QAI) indicates that these program design factors continue to have an impact on performance and reporting. The clarity with which program goals and/or purposes are linked to their respective objectives and outcomes, as well as how lofty or realistically achievable these are, affects how well activities meet their objectives and are able to accurately report implementation progress. Some multi-country programs (for example, the Trade Analysis and Reform Project and SPSCBP) did not clearly demonstrate better economies of scale or institutional arrangements that ensured any greater efficacy or sustainability than could be achieved via subregional or bilateral equivalents. As a result, these programs have not been extended.

The review also highlighted the issue of poor **monitoring and evaluation** across the program, noting that M&E expenditure within a sample of activities fell alarmingly short of the recommended 6–7 per cent of total activity budget. Stimulated by the response to the 2007–08 annual program performance review, as well as greater attentiveness throughout AusAID to quality and aid effectiveness, considerable effort has gone into strengthening M&E in existing activities. This has been further encouraged by a number of independent evaluations during the reporting period and fuelled by increasingly robust quality systems. The concerted attention

paid by program managers to improving activity M&E systems and processes at design, as well as throughout implementation, is incrementally raising the credibility, relevance and reliability of data collection, analysis and reporting. While there is considerably more progress to be made in this area, the results of the past year are encouraging.

Table 3: Summary of the Asia regional program's quality at implementation in 2008–09
As at May 2009

	Implementation progress	Achieving objectives	Monitoring & evaluation	Sustainability
OBJECTIVE 1: Strengthened regional capacities of key regional institutions to enhance economic integration and trade liberalisation				
Public Sector Linkages Program—APEC				
APEC Support Fund & Secretariat Development Program Specialist				
ASEAN Australia Development Cooperation Program II				
*East ASEAN Initiative				
*IMF Scholarship Program Asia—Phase II				
No. of initiatives satisfactory (4–6 rating)	3 (60%)	4 (80%)	0 (0%)	2 (40%)
No. of initiatives needing work to improve (1–4 rating)	2 (40%)	5 (100%)	5 (100%)	4 (80%)
OBJECTIVE 2: Improving regional responses to transboundary development challenges				
<i>2.1 Disease outbreaks</i>				
World Bank Trust Fund for Avian Influenza				
WHO Asia Pacific Emerging Diseases Strategy				
HIV/AIDS Asia Regional Program				
CARE Australia Mekong Local Risk Reduction				
ASEAN Plus Three Emerging Infectious Diseases Programme				
Sanitary and Phytosanitary Capacity Building Program				
APEC Pandemics & EID initiatives support				
<i>2.2 Transnational crime</i>				
Asia Regional Trafficking in Persons				
No. of initiatives satisfactory (4–6 rating)	3 (37.5%)	7 (87.5%)	4 (50%)	7 (87.5%)
No. of initiatives needing work to improve (1–4 rating)	8 (100%)	6 (75%)	8 (100%)	8 (100%)
Total no. of initiatives satisfactory (4–6 rating)	6 (46%)	11 (84.6%)	4 (30.8%)	9 (69.2%)
Total no. of initiatives needing work to improve (1–4 rating)	10 (76.9%)	11 (84.6%)	13 (100%)	12 (92.3%)

Definitions of rating scale

Satisfactory (4, 5 and 6)

6	Very high quality
5	Good quality
4	Adequate quality; needs some work to improve

Less than satisfactory (1, 2 and 3)

3	Less than adequate quality; needs significant work
2	Poor quality; needs major work to improve
1	Very poor quality; needs major overhaul

Note: Initiatives marked with an * have a value of less than \$3 million.

**Table 4: Summary of the Asia regional program's quality at completion in 2008–09
As at May 2009**

	Learning	Effectiveness	Efficiency	Monitoring & evaluation	Sustainability
OBJECTIVE 1: Strengthened regional capacities of key regional institutions to enhance economic integration and trade liberalisation					
AADCP Program Stream					
AADCP Regional Partnerships Scheme					
AADCP Regional Economic Policy Support Facility					
Definitions of rating scale					
Satisfactory (4, 5 and 6)			Less than satisfactory (1, 2 and 3)		
6	Very high quality	3	Less than adequate quality; needs significant work	2	Poor quality; needs major work to improve
5	Good quality	2	Poor quality; needs major work to improve	1	Very poor quality; needs major overhaul
4	Adequate quality; needs some work to improve				

The Asia regional program will proactively ensure that there is a focus on M&E in the design phase of new initiatives and will encourage development partners to consider M&E issues. This will be particularly important under the new regional strategy as more programs are implemented through partners and rely on assessing quality performance through partners' M&E reports, in line with the Accra Agenda for Action.

Regional **capacity-building** programs implemented with ASEAN and APEC received varying ratings for their quality at implementation, particularly effectiveness. This partly reflects the extent to which activity managers rated the achievement of unstated objectives, such as networking and establishing cooperative working relationships, over the stated core capacity-building objectives. Across the program, there is little long-term follow-up of participants in capacity-building programs, and there are no data available to demonstrate that participants have developed and used the skills they set out to attain through Australian-funded capacity-building programs. This limitation has begun to be addressed but will require conscientious and sustained follow-up.

Regional activities remain especially vulnerable to decay in the **sustainability** of outcomes over the long term. In general, sustainability remains a more complex issue for regional activities than for national programs. Particularly critical is securing resources that continue to cultivate stronger regional institutions and greater regional implementation capacity. Countries may absorb the cost of national-level activities (including M&E) but be less willing or able to pay for continued regional-level activities. Since regional initiatives face the challenge of working across several countries concurrently, a strong country commitment to regional cooperation and a robust regional platform remain critical success factors for sustaining gains. Sustainability is more of an issue in the initiatives under Objective 2, with 100 per cent requiring work to improve prospects of sustainability. Most of these initiatives are more traditional project-type initiatives that lack an institutional home and therefore rely on national 'take-up'.

The 2007 effectiveness review of the program strategy pointed out that some regional activities act as funding mechanisms for smaller activities that are simply too small and of too short a duration to lead to sustainable outcomes. The number of **small initiatives** within the

regional program continues to present particular program management and quality consequences. Small initiatives necessarily receive less attention than higher value, higher priority initiatives, but they still require a minimum level of management. It is also worth noting that a number of the larger initiatives contain a high number of small activities. The regional program will continue to be called on to provide some resources for emerging and changing Australian government priorities, but consideration must be given to a major rationalisation of the number of small activities and the establishment of a better mechanism for managing those that remain.

The strategy review also noted a need to better **integrate AusAID's regional and bilateral programs** to improve the overall effectiveness of regional activities. The nature of regional programs—operating in several countries concurrently—requires strong support from Posts to ensure effective management and monitoring. This appears to be improving following the creation of the Mekong Regional Hub in Bangkok and the placement of a regional resource in Jakarta. However, greater integration of programs still needs to be pursued. It should be noted that new strategies for Mekong countries contain dedicated subregional objectives.

There is good evidence of **coordination and cooperation between Australian government agencies** on regional issues, which is facilitating strategic policy dialogue on whole-of-government priorities and consolidating Australia's position in the region—for example, meetings and briefings in the lead-up to APEC and ASEAN meetings, the annual East Asian Summit, ongoing participation in interdepartmental committees for people trafficking and the Bali Process⁶ and the Standing Inter-Departmental Committee on International Narcotics, the convening and coordination the EID Coordination Group, and meetings/briefings in support of AANZFTA negotiations and whole-of-government engagement on counterterrorism.

There is a high degree of synergy between AusAID's anti-trafficking project (ARTIP) and the capacity building undertaken by the Australian Federal Police, an active whole-of-government approach to the highly pathogenic avian influenza that is supported by such mechanisms as the EID Coordination Group and the close cooperation between the Department of Foreign Affairs and Trade and AusAID on APEC Secretariat reform. However, while activities are generally coordinated reasonably well, the benefits of more closely integrating programs have not been fully explored.

Whole-of-government partnerships will be further strengthened by effective dialogue and advocacy from a development perspective. It is hoped that this will improve overall consideration of coordination and cooperation, and contribute to the effectiveness of activities implemented by other government departments and funded through the Asia regional program. Under the Asia regional engagement strategy for 2009–15, there is scope for whole-of-government partners to strengthen and deepen their regional engagement on priority issues. Consideration may be given to funding ongoing arrangements (including twinning arrangements) implemented by other key Australian government departments in order to enhance sustainable outcomes.

Several government departments have expressed a growing recognition of the importance of AusAID's quality reporting processes to the achievement of sustainable results. There is clearly a desire on the part of some departments to receive greater levels of advice and support in these

⁶ See www.baliprocess.net.

areas. Asia regional program staff will focus on providing development advice and expertise with the goal of strengthening the aid effectiveness of whole-of-government initiatives.

Gender equality is not explicit in the 2005–09 strategy, which resulted in the lack of a coherent and consistent approach to gender issues across the Asia regional program. During 2008–09, increasing attention at the activity level strengthened awareness of the need to include gender outcomes at implementation and to undertake gender analysis in M&E.

There are currently some examples of good integration of a gender focus at the activity level (for example, in ARTIP and ASEAN+3 EID), but better analysis and more systematic consideration of gender and other crosscutting issues must be included in future activities.

In 2008 the Public Sector Linkages Program proposal form was strengthened to ensure applicants focus more specifically on addressing gender issues. It is expected that the next independent review of this program will assess any gains made in terms of gender equality outcomes as a result of this change, and whether any further changes are required.

Under the new regional strategy the Asia regional program will continue to encourage and support regional organisations to integrate gender equality and other crosscutting themes into their institutional frameworks and initiatives. AusAID will provide advice on and input into designs and activity implementation to strengthen crosscutting themes. Any AusAID-funded initiative will address crosscutting issues.

4 What are the management consequences of this assessment?

The Asia regional engagement strategy for 2009–15 will establish a clear link from the activity level, directly through initiatives, to unambiguously articulated and operationally specific objectives of the Asia regional program. This link must be supported by credible and reliable data generated by a robust performance assessment framework at the strategy level, and supported by comprehensive M&E systems at the activity level. Developing a stronger performance orientation across all Australian-funded regional interventions in East Asia will be a high priority during 2009–10.

Response to the global recession

- > The Asia Regional Branch of AusAID will continue to monitor developments in the region and, to the extent possible, refine and reprioritise program delivery in dialogue with key regional organisations and whole-of-government partners.
- > The branch will begin new initiatives in response to any anticipated rise in human trafficking and to maintain the program's current level of engagement in this area.

Measuring success

- > The Asia regional engagement strategy for 2009–15 will be finalised by July 2009 and will include clear, specific and measurable strategic objectives and a well-designed performance framework to guide the overall approach to performance management.
- > The Asia regional program will engage an M&E specialist from June 2009 to provide ongoing support to enable activities such as:
 - systematically reviewing programs/initiatives to ensure improved quality reporting and reliable sources of performance assessment information and data
 - adopting appropriate risk management techniques and performance indicators to support working through partner systems
 - designing (jointly by the ASEAN Secretariat and AusAID) an M&E framework for AADCP Phase II by October 2009
 - defining M&E frameworks and relevant quality reporting criteria to effectively manage the remaining small activities through facility-type mechanisms.
- > The East Asia regional program will continue to work with APEC to strengthen program management, budgeting and approval processes and increase APEC Secretariat capacity to deliver and report on results.

Number of small initiatives

- > The Asia regional program's work units will reduce the number of small activities further where feasible during 2009–10, potentially by closing some activities, but remaining responsive to emerging and changing government priorities. The remaining small activities will move to being managed under broader-based initiatives or through facility-type mechanisms.
- > Asia Regional Branch managers will explore with senior management the merit of maintaining a facility to effectively manage unforeseen imperatives.

Working through partner systems

- > The East Asia regional program will support further work on ASEAN and APEC Secretariat reform and capacity-building needs and will develop risk management approaches in the first half of 2009–10.
- > The East Asia regional program will follow a programmatic approach to help strengthen the capacity of regional organisations and to promote regional economic integration through ASEAN and APEC.

Gender

- > The Asia Regional Branch, as part of the Asia Division Performance & Quality Group, will task the Gender Thematic Unit of AusAID in the first quarter of 2009–10 to provide advice for staff on increasing the attention given to gender issues in the design of new activities and on increasing the gender focus in M&E for current regional activities, including the impact of the global financial crisis.
- > Through AADCP Phase II, the ASEAN Secretariat and AusAID will develop a clear strategy to address gender issues in economic integration as part of M&E design and joint planning committee processes in 2009–10.

Devolution

- > In line with advice from AusAID's Operations Policy and Management Unit and AusAID's Design and Procurement Group, the Bangkok Post will engage with the Pacific Regional Hub in Suva to identify and develop better practice guidelines for regional design by the second quarter of 2009–10.
- > With more intensive interactions with whole-of-government partners, and the concomitant increase in requests for briefing, added to the program design, implementation and management responsibilities of Canberra desks, it is possible that additional staff resources will need to be identified as part of quarterly Business Unit Planning processes.
- > The roles and reporting responsibilities of the AADCP Phase II program director located in the ASEAN Secretariat will be reviewed in 2009–10.