



Australian Government

Department of Foreign Affairs and Trade



AID PROGRAM PERFORMANCE REPORT 2016-17

ASEAN and Mekong Program

September 2017

KEY MESSAGES

- Investments implemented as part of the ASEAN and Mekong Program are on track and broadly achieving their goals.
- ASEAN plays a key regional role in building a politically cohesive, economically integrated and socially responsible Southeast Asia.
- Our aid program supports inclusive regional economic growth and cooperation; the governance of water resources in the Mekong sub-region; and improved responses to the transboundary challenges of people trafficking and exploitation of migrant workers. All remain key priorities for ASEAN Member States.
- The ASEAN and Mekong Program is appreciated by ASEAN and its member States for its collaborative and innovative approach to addressing key regional challenges.
- The announcement of the historic ASEAN-Australia Special Summit in March 2018 reflects the strength of the ASEAN-Australia Strategic Partnership and our longstanding commitment to Southeast Asia.

SUMMARY

Australia has a clear national interest in a prosperous, peaceful and secure Southeast Asia region.

Since the signing of the 1967 ASEAN Declaration, Australia has been at the forefront of political, economic and people-to-people engagement with ASEAN. In 1974, Australia became ASEAN's first Dialogue partner. And at the 40th Anniversary Commemorative Summit in Myanmar in November 2014, Australia and ASEAN elevated the relationship to a Strategic Partnership.

Australia's ASEAN and Mekong Program supports the shared vision of ASEAN Member States to realise a politically cohesive, economically integrated and socially responsible community in Southeast Asia.

Investments implemented as part of the ASEAN and Mekong Program are on track and broadly achieving their goals. The Program benefits from our long-standing partnership with ASEAN, recognition of our technical expertise and a record of cooperative achievement in working through ASEAN systems. All of which creates strong relationships for Australia with ASEAN partners. The program has significant impact despite the relatively small scale of some investments.

The Program's **economic investments** focus on enhancing regional economic integration and connectivity (AADCP II and GMS TTF)¹; supporting the implementation of Free Trade Agreement commitments (AECSP)²; supporting policy making on water, food and environmental security (GMWRP)³ and economic policy (ERIA)⁴; improving access to financial services for low income men and women in ASEAN (SHIFT)⁵; supporting entrepreneurship, innovation and economic policy making (MBI)⁶; and building the capacity of women's economic rights in ASEAN (WEL ASEAN)⁷.

The GMWRP plays a significant role across the Mekong sub-region in improving the **governance of water** sharing and infrastructure (mainly hydropower dam) development, including to better manage environmental and transboundary impacts. Water remains a vital resource for economic development across the Greater Mekong and is an important source of electricity for fast growing ASEAN Member States.

Our flagship **counter-trafficking** (AAPTIP)⁸ and **safe migration** (TRIANGLE in ASEAN)⁹ investments support effective regional responses to cross-border governance challenges, human rights issues and stable and

¹ Asean-Australia Development Cooperation Program Phase II and Greater Mekong Sub-region Trade and Transport Facilitation Program

² Australia and New Zealand Free Trade Agreement (AANZFTA) Economic Cooperation Support Program

³ Greater Mekong Water Resources Program

⁴ Economic Research Institute of ASEAN and East Asia

⁵ Shaping Inclusive Finance Transformations Program

⁶ Mekong Business Initiative

⁷ Women's Economic Leadership and Empowerment in ASEAN

⁸ Australia-Asia Program to Combat Trafficking in Persons, Especially Women and Children

⁹ Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development in the Association of Southeast Asian Nations

inclusive growth. This work has gained recent prominence following the entry into force of the ASEAN trafficking convention (ACTIP)¹⁰ in March 2017 and renewed regional and global efforts to combat trafficking and modern slavery.

Looking forward the Program will implement key areas of cooperation to be announced at the historic ASEAN-Australia Special Summit in March 2018 to further advance our strategic partnership with ASEAN.

EXPENDITURE

The ASEAN and Mekong Program's expenditure was \$33.55m in 2016-17 with \$19.85m (59% of total ODA) to objective 1: Enabling regional economic cooperation and inclusive growth; and, \$13.7m (41% of total ODA) to objective 2: Strengthening regional responses to trafficking and the exploitation of migrant workers.

PERFORMANCE AGAINST STRATEGIC OBJECTIVES

Objective	Previous Rating	Current Rating
Objective 1 Enabling regional economic cooperation and inclusive growth	Green	Green
Objective 2 Strengthening regional responses to trafficking and the exploitation of migrant workers	Green	Green

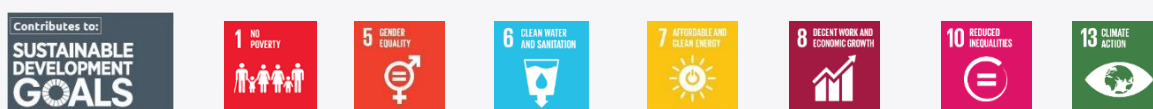
Note:

Green. Progress is as expected at this stage of implementation and it is likely that the objective will be achieved. Standard program management practices are sufficient.

Amber. Progress is somewhat less than expected at this stage of implementation and restorative action will be necessary if the objective is to be achieved. Close performance monitoring is recommended.

Red. Progress is significantly less than expected at this stage of implementation and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

OBJECTIVE 1. ENABLING REGIONAL ECONOMIC COOPERATION AND INCLUSIVE GROWTH.




All investments reported below are broadly on track to meet performance expectations (see Annex B), have been assessed as effective (see Annex D), and are delivering on work plans agreed with partners.

Investments under this objective will contribute to SDGs 1, 5, 6, 7, 8, 10 and 13 by advancing ASEAN's regional economic integration agenda and reducing inequality within and among ASEAN countries; promoting sustained, inclusive and sustainable economic growth; and improving sustainable water resource management in the Mekong.

Support for women's full and effective participation and leadership at all levels of decision-making in political, economic and public life is a cross-cutting theme of our work. Influencing ASEAN counterparts to mainstream gender equality remains an ongoing challenge for the program.

Although growth trajectories across ASEAN as a whole are strong, there is significant variation among countries in terms of level of development and the growth challenges they face. Five of the ten member

¹⁰ ASEAN Convention Against Trafficking in Persons Especially Women and Children



states (the Philippines, Vietnam, Myanmar, Lao PDR and Cambodia) have an annual GDP per capita below USD 10,000. There is also significant ongoing inequality within and between states. To address these challenges, the Program focusses on activities that benefit all ASEAN members, while also tailoring responses to specific country circumstances.

An important characteristic of our economic investments is that they are largely demand driven and support implementation of the AEC¹¹. However, this means the impact of the investments to some extent depends on progress in realising the AEC.

In support of ASEAN's economic integration goals, in 2016-17 AADCP II contributed to the development of the Master Plan on ASEAN Connectivity 2025 (MPAC 2025), which provides a framework to improve people-to-people, institutional and infrastructure links across ASEAN. AADCP II also supported the development and implementation of the third Work Plan for the Initiative for ASEAN Integration (IAI 3), ASEAN's primary vehicle for narrowing the development gap among its Member States. ASEAN Leaders welcomed our support for both MPAC 2025 and IAI 3 at their 2016 Summit.

To advance ASEAN's efforts to promote the free flow of goods, services, and investments, in 2016-17 AECSP has continued to assist ASEAN Member States to maximise the implementation and benefits of AANZFTA, which ASEAN regards as its most comprehensive FTA. In an indication of this investment's level of influence, ASEAN Ministers have noted its importance towards meeting their regional economic integration goals. AECSP's Competition Law Implementation Project (CLIP) has supported Cambodia, Lao PDR, Myanmar and the Philippines in their development and implementation of competition laws, creating strong links between Australian and ASEAN competition authorities to promote open, competitive markets that help share the benefits of economic integration.

In 2017-18, key priorities for AECSP will be supporting the AANZFTA General Review, commencing planning for AECSP's successor program and improving gender inclusion.

Complementing our flagship economic partnerships with ASEAN, we make a small contribution to ERIA¹² to help build economic policy-making capacity in Cambodia, Vietnam, Laos and Myanmar and advance our joint interests in economic integration in Southeast Asia.

To support narrowing the development gap between Member States, MBI has improved the business enabling environment for SMEs¹³, particularly those led by women and young entrepreneurs. Examples of MBI's work include facilitating public/private dialogues across Cambodia, Laos, Myanmar and Vietnam, resulting in changes to business policy/regulation; testing alternative financing models for start-ups and entrepreneurs; and stimulating more effective business development services with a particular focus on innovation. The SHIFT Challenge Fund Facility increased financial inclusion through innovative private sector projects, with over 630,000 beneficiaries (46 per cent being women) given access to improved financial services. SHIFT's goal of reaching 800,000 beneficiaries by 2020 is well on track with the launch of a third challenge fund window on remittances. The GMS TTF program has made considerable progress overall, however, in the past year a variety of factors, including delays in member states reaching agreement on legal process, have delayed implementation.


Through GMWRP we have continued to advance the sustainable development and management of the region's water resources. This investment has supported complex analysis of the consequences of human development and climate change on water resources. With our support, the MRC¹⁴ has completed a major administrative restructure and is now a leaner and more effective organisation: the Secretariat has

¹¹ ASEAN Economic Community

¹² Economic Research Institute of ASEAN and East Asia

¹³ Small to Medium Enterprises

¹⁴ Mekong River Commission



downsized its staff to focus on its core functions, and while efforts need to be maintained, it has improved planning and reporting abilities as illustrated by the better quality of annual workplans and reports.

With Australia's assistance, the MRC has professionally implemented a multi-stakeholder, inter-governmental assessment of the proposed Pak Beng hydropower project – the third project submitted by Laos for regional consideration. For the first time, all four MRC member countries were able to issue an official statement calling on Laos to make “all reasonable efforts” to address potential adverse transboundary impacts – a positive outcome not reached for the first two mainstream hydropower projects that went through the same MRC consultation process (Xayaburi and Don Sahong). Going forward, the MRC will benefit from greater engagement with other relevant regional forums, such as ASEAN and the Lancang-Mekong Cooperation mechanism. Bilaterally, extensive Australian technical support has helped Laos finalise a new water law and adopt a new method for assessing the cumulative impact of multiple hydropower projects on one river system.

A recent evaluation highlighted the complex management arrangements in place to oversee the program's numerous implementing partners. The review also highlighted the challenges in demonstrating policy influence in the complex regional water resources sector. Through the development of the next iteration of the water program, we will consider ways to streamline and simplify the investment's management structure, while maintaining a focus on tangible outcomes.

OBJECTIVE 2. STRENGTHENING REGIONAL RESPONSES TO TRAFFICKING AND THE EXPLOITATION OF MIGRANT WORKERS.




Investments under this objective will contribute to SDGs 1, 5, 8 and 10 by undertaking effective measures to combat human trafficking, protect labour rights and promote safe and secure working environments for migrant workers.

Progress reports for AAPTIP and TRIANGLE in ASEAN show they are delivering on annual work plans and are broadly on track to meet performance expectations.

Both investments support workers to migrate in an orderly, safe and regular way so that they can seek employment opportunities and remit their wages safely. Women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life are promoted through this work.

AAPTIP facilitated eight transnational investigative cooperation partnerships among major human trafficking source, transit and destination countries. These partnerships enabled information and criminal intelligence exchange in the pursuit of traffickers, leading to the rescue of victims, arrests and prosecutions. AAPTIP's long-term capacity building support to Thai prosecutors and investigators contributed directly to a large number of recent high-profile convictions of traffickers in Thailand.

The recent ratification of ACTIP, for which Australia provided technical advice, gave fresh impetus to our work on trafficking in 2016-17. AAPTIP is working in close partnerships to support ASEAN's development of an implementation plan and monitoring and reporting mechanism for ACTIP - the 'ASEAN Bohol ACTIP Work



plan, 2017-2020', showing its ability to successfully influence policy. The ASEAN-COMMIT¹⁵ Victim Identification Indicators were also jointly developed by AAPTIP, ILO¹⁶, UN-ACT¹⁷ and IOM¹⁸ and endorsed by the Greater Mekong Sub-region Ministers and ASEAN's SOMTC¹⁹. The indicators met demands for a common set of victim identification guidelines for use across the region by law enforcement, labour inspectors and social welfare officials. This need was especially urgent given the ACTIP provision that a person identified as a victim in one signatory country is to be taken as a victim in all countries. AAPTIP tracer studies indicate that new skills and knowledge acquired through AAPTIP capacity building programs are being applied in the workplace by regional law enforcement officers, prosecutors and judges. These results will be captured in a new performance benchmark (see annex B).

The Mid-Term Review of AAPTIP completed in 2016 noted three key challenges for managing the current phase of the program: under-utilisation of its national staff in program implementation; the need for increased focus on victim support; and, the slow rate of program expenditure. All three issues are being addressed:

- AAPTIP Country Program Coordinators are now more actively engaged in the coordination and delivery of activities and strategic program leadership (for example championing gender issues and undertaking relevant organisational review work).
- analytical, planning and reporting tools have a stronger and clearer victim-support/impact focus. Importantly, a Victim Support Strategy is under development with completion expected in September 2017. The 2016-17 Annual Progress Report reported good progress towards achieving outcomes for victims.
- a review of country capacity to deliver scheduled outputs has steadily resulted in improved expenditure. AAPTIP now has comprehensive planning and reporting tools to manage expenditure against planned activities (primarily through the Master Activity Plan and regular financial forecasting and expenditure reporting). A red-tape review has also resulted in lowered administrative burdens.

Broader issues related to the focus and approach of AAPTIP were also identified in the Review and will be comprehensively addressed in the design of the investment's next phase. These include, new approaches (beyond training) to challenge entrenched gender roles and attitudes within the criminal justice sector, strategic activities for advocacy and influence, and more robust monitoring and reporting of performance.

The reporting period aligned with the extended inception phase of TRIANGLE in ASEAN, during which we worked with the ILO to align TRIANGLE in ASEAN more closely with ASEAN processes and to develop strengthened partnerships with ASEAN bodies. For example, ensuring agreement with the ACMW²⁰ to deliver activities that align with their Work Plan. To create efficiencies, we are now partnering with the Government of Canada to jointly fund TRIANGLE in ASEAN. These cooperative efforts are expected to improve aid effectiveness in the longer-term; however, the transition has also contributed to some delays in finalising key deliverables in the inception period.

During the transition from our previous labour mobility investment, GMS²¹ TRIANGLE, to TRIANGLE in ASEAN, service delivery to migrants through Migrant Resource Centres was maintained, providing potential migrants with the means to access information on how to migrate safely and through regular channels. The

¹⁵ Coordinated Mekong Ministerial Initiative Against Trafficking

¹⁶ International Labour Organisation


¹⁷ United Nations Action for Cooperation Against Trafficking in Persons

¹⁸ International Organisation for Migration

¹⁹ Senior Officials Meeting on Transnational Crime

²⁰ ASEAN Committee of Migrant Workers

²¹ Greater Mekong Sub-region



following results were in line with expectations outlined in the performance framework, workplans and partnership agreements:

- a total of 13,360 (M=7871/W=5489) migrant workers were provided support services;
- technical advice was provided on policy or legislation in all six partner countries;
- 759 (M=330/W=429) migrant workers were provided with financial literacy training in Cambodia, Myanmar and Thailand; and
- the ASEAN Forum on Migrant Labour in October 2016 was supported.

Two new performance benchmarks for TRIANGLE in ASEAN have been adopted in this APPR to reflect the valuable services provided by MRCs²² and achievements in policy influence (see Annex B).

MUTUAL OBLIGATIONS

Australia's engagement with ASEAN is governed by the ASEAN-Australia Strategic Partnership (2014) and associated Plan of Action (POA), which is divided into areas of cooperation under ASEAN's three pillars (Political-Security, Economic, Socio-Cultural).

Australia works directly with ASEC²³ to implement AADCP II and AECSP in support of the AEC. ASEAN's obligations under AADCP II are outlined in a program-level funding agreement, with the accountability of partners tracked and reported through the annual Joint Planning and Review Committee.

One of AANZFTA's innovations was to incorporate economic cooperation as an integral part of the FTA. AECSP projects are overseen by AANZFTA's Joint Committee, chaired by Australia New Zealand and Brunei (representing ASEAN). Through the development of AECSP projects Australia can influence the regional economic integration agenda by working directly with ASEAN sub-committees responsible for cross-regional sectoral policies such as competition law, e-commerce and rules of origin. This structure also creates strong connections between ASEAN and Australian officials working on specific issues, which is of long-term benefit to the relationship.

We were able to use a small flexible mechanism, the Southeast Asia Discretionary Fund, within the Program to advance other commitments under the POA. For example, support was provided to AICHR²⁴ for Disabled People's Organisations to participate in ASEAN policy making and, to strengthen human rights in ASEAN. Australia held an inaugural dialogue with the AICHR in early 2017.

The GMWRP enjoys a high level of cooperation with Greater Mekong governments and institutions, giving us the capacity to shape outcomes. The MRC, for example, is giving priority to 'whole of system' analysis of the impact of water infrastructure developments under its strategic plan 2016-20 – as advocated by Australia.

Australia's partnerships with countries implementing AAPTIP and TRIANGLE in ASEAN are governed by national-level Memoranda of Subsidiary Arrangements and a Memorandum of Understanding with the ILO respectively. Activities delivered under the AAPTIP agreements support ASEAN Member States to meet their mutual obligations under ACTIP. Over the last 12 months, ASEAN Mission (Bangkok) has worked with implementing partners to align our investments more closely with ASEAN bodies and policy frameworks.

Broadly, the ASEAN and Mekong Program fills an important place between Australia's bilateral and multilateral investments for Southeast Asia. A challenge is to ensure that all three levels of our contribution are appropriately joined up to tell the full Australian aid story in the region.

²² Migrant Resource Centres

²³ ASEAN Secretariat

²⁴ ASEAN Inter-governmental Commission on Human Rights



PROGRAM QUALITY

Significant resources were allocated to quality and effectiveness of aid delivery in 2016-17. Aid Quality Checks (AQC) were undertaken on 13 investments. The Program has made considerable progress in strengthening quality and effectiveness of aid delivery, including through closer oversight of partners and by contracting-in technical expertise via a Quality Investment Support Service managed by the consultancy Clear Horizons. An example is a review undertaken of the Program's Performance Assessment Framework and performance benchmarks, the findings of which have led to new and revised performance benchmarks and will inform the preparation of the next Aid Investment Plan.

AQC ratings showed no investments requiring improvement and ratings overall remained satisfactory, with the investment portfolio rated as highly relevant to Australian and ASEAN interests. There was a significant improvement in sustainability of investments, with slight improvements in monitoring and evaluation and gender equality ratings. Sustained focus is required on effectiveness and monitoring and evaluation to continue the upward trajectory of performance. The program completed two independent evaluations, covering the GMWRP and AAPTIP, both of which contributed to the improved effectiveness of these programs and DFAT's planning for future investments.

The Program continues to implement two health investments remaining from the regional health portfolio, due for completion in 2019 (STANDZ²⁵ and HPAI LAMP²⁶). Our health investments were included in an Office of Development Effectiveness evaluation that highlighted their success as models for regional animal disease control and aid-for-trade contributions. The findings will inform future regional health security investments, which will be a prominent feature of the Government's future aid, foreign and trade policy.

The Program's development of an Equality and Inclusion Strategy highlighted our commitment to an inclusive ASEAN community. Gender advisors are routinely used by the Program staff and implementing partners. In the 2015-16 APPR, two investments were found to be less than adequate on gender equality, whereas by 2016-17 this had reduced to one. While there is still work to be done to ensure all investments are performing well against this criterion some strong advances were made:

- AECSP strengthened gender mainstreaming by introducing project templates which require project proponents to specify the gender considerations relevant to their project;
- AADCP II ensured that women and marginalised groups were specifically addressed in the IAI²⁷ Work Plan III including by targeting women and youth for MSME²⁸ education in financial literacy and entrepreneurship.

Further examples of good performance included:


- AAPTIP has trained male and female police in gender responsive approaches to policing. AAPTIP has now trained two thirds of all female investigators in Cambodia (a total of 74 women) and held a workshop on Gender Responsive Policing in Myanmar in September 2016, in which both men and women participated. One direct result of Cambodian National Police (CNP) participation was the approval of the CNP's 'Gender Code of Conduct' for anti-trafficking police.
- Under the GMWRP, Oxfam's capacity development created opportunities for female community leaders to better engage in water governance issues and supported 1,800 people (700 women) to

²⁵ Stop Transboundary Animal Diseases and Zoonoses

²⁶ Emergency Preparedness for Highly Pathogenic Avian Influenza - Live Animal Marketing and Production

²⁷ Initiative for ASEAN Integration

²⁸ Micro, Small and Medium Enterprises



take these up, leading to increased space for civil society and communities to engage in policy dialogue and influence decision-making.

- SHIFT has increased access to financial services for over 290,000 female beneficiaries. Gender strategies have been developed for all target countries and technical support on gender for national financial inclusion strategies has been provided through the ASEAN Working Committee on Financial Inclusion.

MANAGEMENT ACTIONS

Having a diverse portfolio of investments delivered through a range of implementing partners in multiple countries does present challenges. We have made significant efforts to ensure all new investments contribute to the overarching AIP objectives and communicate a clear narrative on the Program's contribution to ASEAN's development goals. At the same time, the Program needed to retain flexibility to respond to emerging priorities defined by the ASEAN-Australia Plan of Action under our Strategic Partnership and the upcoming Special Summit.

The Program is performing well and is achieving its performance benchmarks (see Annex B).

To continue to strengthen and improve its approach to gender mainstreaming:

- *Our ASEAN Mission will implement the action items in the Program's Equality and Inclusion Strategy;*

To further strengthen the Program's performance and quality:

- *We will use the Quality Investment Support Service to provide technical support to improve design, monitoring, evaluation, and reporting in alignment with DFAT standards and to assist with measuring overall Performance.*

To further refine our investments and deepen our understanding of their performance:

- *We will complete an internal review of economic investments, actively monitor implementation of all relevant strategic/program evaluation recommendations and incorporate learning from reviews/evaluations into new designs and plans where appropriate;*

To strengthen the Program's alignment with the goals of the Greater Mekong countries in the area of water resources management and enhance our ability to affect governance outcomes:

- *The Program will step-up engagement with the Mekong country governments for greater cooperation and coordination on water management issues;*

Recognising the diverse array of actors that influence water resources development outcomes as a challenge to our influence in the region, we will:

- *Better join up the diverse portfolio of support for constructive, inclusive, accountable and informed water governance across the Greater Mekong;*

To continue to invest in increasing the visibility of regional program activities, including through bilateral relationships, we will:

- *Improve reporting and communications including distribution of country fact sheets to regional posts for use by Heads of Mission and their staff and the appointment of contact officers for the Program in relevant bilateral posts.*

ANNEX A- PROGRESS IN ADDRESSING MANAGEMENT RESPONSES

Management responses identified in 2015-16 APPR	Rating	Progress made in 2016-17
Improve the quality of monitoring and evaluation in ASEAN and Mekong Programs to ensure that achievements are being captured and promoted.	Achieved	An external review of the draft PAF noted that there is sufficient quality evidence generated to report on the overall program's performance, but that the size and nature of the program does not warrant further revisions of the PAF at this stage. The need for a PAF will be revisited during the next AIP drafting process. There has been significant improvements to M&E process. We have worked closely with partners' (SHIFT, MBI, AAPTIP, TRIANGLE, GMWRP and UN Women) to ensure M&E systems, and evaluations met DFAT Quality standards. We have increased the number of field visits and participation in key regional meetings to support monitoring of program activities and data validation of key program indicators. Partners of GMWRP conducted their programs' mid-term reviews to evaluate and capture achievements. An independent review on policy dialogue approach was commissioned for the whole of GMWRP and an economic review of the Bangkok based economic programs is underway.
Raise awareness of the ASEAN and Mekong Program and its importance to our ASEAN interests.	Achieved	A new program brochure showcasing investments, and investment factsheets have been shared widely with internal stakeholders. We have made ongoing efforts to align our program with ASEAN processes and bodies, including to reinforce the strengths of our Strategic Partnership. ASEAN partners, including at ministerial level regularly comment on the relevance and value of the programs investments.
Continue to improve gender equality and women's empowerment, disability inclusion, private sector engagement and innovation.	Achieved	We continued to ensure partners dedicate adequate resources to improving gender equality, and to encourage the inclusion of representatives from disabled people's organisation (DPO) in planning and program activities, as well as collecting disaggregated data where feasible. We funded a Disability Rights in ASEAN project to support DPOs to participate in key activities of AICHR aimed at mainstreaming disability rights across ASEAN. MBI, SHIFT and IFC's Sustainable Hydropower Programs are explicitly designed to engage the private sector and support innovation, while TRIANGLE in ASEAN has developed a private sector engagement strategy.
Improve linkages with Australia's bilateral programs.	Partly achieved	Bilateral Posts are actively engaged on topics of mutual interest and our programs provide support as needed: for example SHIFT supported Yangon Post with their Gender Equality Fund proposal and worked closely with Jakarta Post on Disability Rights in ASEAN; Hanoi Post is actively engaged with GMWRP in responding to the Government of Vietnam's request for support on irrigation law implementation. Yangon Post and GMWRP work together closely to oversee the Australian water investments in Myanmar. The ASEAN mission regularly identifies representation opportunities for bilateral posts and the ASEAN mission's investment factsheets provide posts with relevant information to communicate how regional investments are being implemented bilaterally, and how this links to regional ASEAN programming. This will remain a management action for 2017-18.

Note:

- Achieved. Significant progress has been made in addressing the issue
- Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
- Not achieved. Progress in addressing the issue has been significantly below expectations

ANNEX B – PERFORMANCE BENCHMARKS- PROGRESS TOWARDS PERFORMANCE BENCHMARKS IN 2016-17

Aid objective	Performance Benchmark	Rating	Progress in 2016-17
Enabling regional economic cooperation and inclusive growth	Australia's economic research, policy advice and implementation is high quality, timely and supports priority AEC issues	Achieved	AADCP II is meeting its performance benchmark. It supported the development and implementation of the Master Plan on ASEAN Connectivity 2025 and the third Work Plan for the Initiative for ASEAN Integration which were high quality policy frameworks adopted by ASEAN Leaders at their 2016 Summit in support of ASEAN's ten year vision for the ASEAN Community. These outputs therefore represent a highpoint for the program in terms of supporting priority AEC issues.
	Evidence of AECSP capacity building projects supporting AANZFTA implementation	Achieved	AECSP is meeting its performance benchmark. It implemented a number of initiatives supporting AANZFTA implementation including the referencing of national education and training qualifications frameworks (NQF) and the ASEAN Regional Diagnostic Network (ARDN). Through the CLIP II program, AECSP helped ASEAN meet its AANZFTA commitments related to competition law and policy. CLIP II assisted Cambodia, Laos and Myanmar to pass competition laws including through technical advice and tailored training. CLIP II also assisted the Ministry of Commerce in Myanmar to establish a new Myanmar Competition Commission and hosted outreach sessions to businesses in Myanmar to explain the new laws.
	Evidence of effective implementation of private sector development regulations, policies and programmes, financing mechanisms, expanded market access and scale-up for SMEs in CLMV, with a particular focus on women led enterprises and young entrepreneurs.	Achieved	MBI improved the business enabling environment for SMEs in CLMV countries by facilitating the change or creation of 7 business regulations/policies; developing 5 public-private dialogue platforms with high prospects for sustainability; developing 6 scalable alternative financing models; 6 scalable innovation support programs; and leveraging almost USD 2 million in additional funds. MBI held 11 public/private dialogues and 23 consultations across CLMV with more than 2,500 public and private sector participants. It also promoted alternative financing solutions/initiatives/studies in areas such as angel investment, FinTech, Cambodian Investor Club, to support a more dynamic innovation ecosystem that encourages entrepreneurship and promotes the commercialization of new technology. Reform activities involved the active participation of women's business associations/business leaders and young entrepreneurs, leading to outcomes such as priority assistance for young and women-led SMEs being incorporated into government laws, policies, and programmes. It has also led to the establishment of dedicated programs such as the Women's Initiative on Start-ups and Entrepreneurship; support for young entrepreneurs through participation as permanent members of national business fora (Myanmar National PSD Committee, Vietnam Private Sector Forum, LNCCI Task Force) and enhanced business incubation and accelerator programmes (Saigon Innovation HUB, Da Nang Business Incubator).
	Number of challenge fund grant agreement frameworks that include women's financial inclusion (total of 9 by 2016-17)	Achieved	With the launch of a second window on women's financial inclusion SHIFT doubled its 2016 portfolio of grants signed and under implementation (4 additional project grants signed with a total of 9 agreements as of June 2017. Through these innovative private sector projects SHIFT has leveraged over AUD 4.1 million in private sector investment. SHIFT's progress is on track to achieve results ahead of and beyond the target set out (300,000 beneficiaries reached by 2017 and 800,000 by 2020). Beyond access, usage of these financial services is 29% (above the market average), with over 180,000 beneficiaries, 46% women, actively using these financial services.

Aid objective	Performance Benchmark	Rating	Progress in 2016-17
New	Legal framework in place for pilot implementation of the Cross Border Transport Facilitation Agreement (CBTA) under GMS TTF	Partially achieved	GMS TTF has facilitated the in-principle agreement from all GMS members on pilot implementation of the Cross Border Transport Facilitation Agreement (CBTA), which aims to make the movement of commercial goods and passenger transport faster, cheaper and easier. There is agreement on the text of the legal framework (MoU) which would permit the commencement of pilot operations. However, only 4 out of 6 GMS member states have so far signed the MoU. Pilot operations could commence in 2017 if execution by remaining members takes place.
	Strengthened institutional water resource management frameworks (3 in 2016-17)	Achieved	The Mekong River Commission has completed its restructuring and is now a leaner and more effective organisation. MRC has professionally implemented MRC Procedures for Notification, Prior Consultation and Agreement (PNPCA) conducting multi-stakeholder, inter-governmental analysis of the proposed Pak Beng hydropower project. In Myanmar, the Ayeyarwady State of the Basin Assessment for the Myanmar National Water Resources Committee, and the Strategic Environmental Assessment of the Myanmar hydropower sector for the Ministries of energy, electricity, natural resources and conservation are providing comprehensive options assessments. In Laos, a new water law is adopted, river basin planning advanced (Nam Ou, key Mekong tributary), cumulative impact assessment method accepted and demonstration negotiated (for Sekong). All impact assessments and future projections take account of different climate change scenarios. Research for development partnerships are informing and influencing policy dialogue. All implementing partners are making a contribution towards greater gender equality.
Strengthening regional responses to trafficking and the exploitation of migrant workers	Number of TIP case investigations in which partners are cooperating (5 or more TIP case investigations)	Achieved	Exceeded. 19 of 35 active investigations, have reached a stage where tangible results are emerging, including the rescue of victims, arrests and prosecutions. These investigations are managed within eight 'Transnational Investigative Cooperation' partnerships between the major human trafficking source, transit and destination countries.
New	Percentage of people trained under AAPTIP projects recording follow-on skill and knowledge changes demonstrated in the workplace (Target: 50 percent or more of sampled people reporting change)	Achieved	Exceeded: 80 percent of sampled law enforcement participants are using their new skills and knowledge in the workplace; 60 percent of sampled prosecutors are using their new skills; 74 percent of sampled judges demonstrating behaviour change. [Source: APR 2016/17 p.2]
New	Number of women and men who receive support services through Migrant Resource Centres (services maintained during inception)	Achieved	Between November 2015 and December 2016, over 13,360 beneficiaries received support services from Migrant Resource Centres, 5,489 (41%) women and 7,871 (59%) men. Baseline 12,000 (W41%/M59%)

Aid objective	Performance Benchmark	Rating	Progress in 2016-17
New	Number of policies adopted or amended with ILO input on labour protection and gender equality for women and men migrant workers. (Target: 5)	Achieved	Exceeded. During year 1, seven policies were adopted or amended with ILO technical support: Cambodia (2): the Action Plan for Implementation of the Labour Migration Policy and Prakas on Working Conditions for Domestic Workers were developed through consultation with stakeholders. Myanmar (1): fees for pre-departure orientation were eliminated after consultation and advocacy. Thailand (2): the Royal Ordinance on Bringing Aliens for Employment in the Kingdom was enacted after research and technical comments and CLMV nationals were permitted to work as interpreters following research, consultations and advocacy. Viet Nam (2): the Decree on Implementation of the Law on Contract-Based Employment Abroad was adopted after consultation and the Decision on Establishment and Management of the Fund for Overseas Employment Support was issued following technical comments and consultation with stakeholders.

Note: ■ Achieved. Significant progress has been made and the performance benchmark was achieved, ■ Partly achieved. Some progress has been made towards achieving the performance benchmark, but progress was less than anticipated. ■ Not achieved. Progress towards the performance benchmark has been significantly below expectations.

PERFORMANCE BENCHMARKS FOR REMAINDER OF AID INVESTMENT PLAN

Aid objective	Performance Benchmark	2017-18	2018-19 (AIP revision in 2019)
Enabling regional economic cooperation and inclusive growth	Evidence of high quality and timely economic research, policy advice and policy implementation support to ASEAN on priority AEC issues	Australia's economic research, policy advice and implementation is high quality, timely and supports priority AEC issues	Australia's economic research, policy advice and implementation is high quality, timely and supports priority AEC issues
	Evidence of AECSP capacity building projects supporting AANZFTA implementation	AECSP capacity building projects support AANZFTA implementation	AECSP capacity building projects support AANZFTA implementation
	Better functioning national policy and financing environment for SME scale-up	Evidence of effective implementation of private sector development regulations, policies and programmes, financing mechanism, expanded market access and scale up for SMEs in CLMV, with a particular focus on women led enterprises and young entrepreneurs.	Evidence of effective implementation of private sector development regulations, policies and programmes, financing mechanism, expanded market access and scale up for SMEs in CLMV, with a particular focus on women led enterprises and young entrepreneurs.

Strengthening regional responses to trafficking and the exploitation of migrant workers	Number of challenge fund grant agreements frameworks that improve women's financial inclusion under implementation	4 new agreements	TBC
	Strengthened institutional water resource management frameworks	4	4
	Legal frameworks in place for pilot implementation of the Cross Border Transport Facilitation Agreement (CBTA)	MOU pilot has been signed by all six countries	Updating of CBTA has been informed by pilot learning
	Number of TIP case investigations in which partners are cooperating (5 or more TIP case investigations)	5 or more TIP case investigations	5 or more TIP case investigations
	Percentage of women and men trained under AAPTIP projects recording follow-on skill and knowledge changes demonstrated in the workplace	50 percent or more of sampled people reporting change	50 percent or more of sampled people reporting change
	Number of women and men who receive support services through Migrant Resource Centres.	12,000 (W42%/M58%)	12,000 (W43%/M57%)
	Number of policies adopted or amended with ILO input on labour protection and gender equality for women and men migrant workers.	5	5

ANNEX C- EVALUATION PLANNING-LIST OF EVALUATIONS COMPLETED IN THE REPORTING PERIOD

Investment number and name	Name of evaluation	Date completed	Date Evaluation report Uploaded into AidWorks	Date Management response uploaded into AidWorks	Published on website
INK642	Independent Mid-Term Review of the Australia-Asia Program to Combat Trafficking in Persons	October 2016	5 January 2017	5 January 2017	4 January 2017
N/A	Evaluative Study of the Policy Dialogue Approach Independent Mid-Term Progress Review of the Greater Mekong Water Resources Program	February 2017	October 2017	October 2017	October 2017

LIST OF PROGRAM PRIORITISED EVALUATIONS PLANNED FOR THE NEXT 12 MONTHS

Evaluation title	Investment number and name (if applicable)	Date – planned commencement (month/year)	Date – planned completion (month/year)	Purpose of evaluation	Evaluation type
Independent Mid-term Review	INL413 Shaping Inclusive Finance Transformations Program	Sept 2017	Oct 2018	Assessment of progress against objectives	Partner-led
Independent Progress Review	INL277 Mekong Business Initiative	Dec 2016	Dec 2017	Independent progress review against objectives	Partner-led

ANNEX D- AID QUALITY CHECK RATINGS

AQC RATINGS

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards *
ASEAN-Australia Development Cooperation Program Phase II	\$57m	2017 AQC	5	4	5	4	5	3	
	2008-2019	2016 AQC	6	5	5	4	5	3	5
AANZFTA Economic Cooperation Support Program	\$32.7m	2017 AQC	5	5	5	4	5	4	
	2010-2019	2016 AQC	6	5	5	4	5	3	5
Mekong Trade and Transport Facilitation	\$6m	2017 AQC	5	4	4	4	4	4	
	2011-2017	2016 AQC	5	4	4	4	4	4	4
Mekong Business Initiative	\$13.8m	2017 AQC	6	4	5	4	5	4	
	2013-2018	2016 AQC	4	4	4	4	5	4	4
Shaping Inclusive Finance Transformations Program	\$9.9m	2017 AQC	5	4	4	5	4	5	
	2014-2018	2016 AQC	5	4	4	4	4	4	4
Oxfam-Civil Society Engagement in Water Governance	\$6m	2017 AQC	5	5	5	5	5	5	
	2013-2017	2016 AQC	5	5	5	5	4	6	6
IFC Sustainable Hydropower in Mekong Countries	\$6m	2017 AQC	5	5	5	4	5	4	
	2013-2017	2016 AQC	5	5	5	4	4	4	5
Supporting Mekong Water Resources Management	\$6.48m	2017 AQC	4	4	5	4	5	4	
	2014-2018	2016 AQC	5	4	4	4	5	4	4
Research for Development on Water Governance	\$6m	2017 AQC	4	4	4	5	5	5	
	2014-2018	2017 AQC	5	5	5	6	4	5	5
Australia-Asia Program to Combat Trafficking in Persons	\$50m	2017 AQC	6	4	4	3	4	5	
	2013-2018	2016 AQC	5	3	4	3	4	5	4
TRIANGLE in ASEAN	\$20m	2017 AQC	6	3	4	3	4	4	
	2015-2025	2016 AQC	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Stop Transboundary Animal Disease and Zoonoses	\$12.79m	2017 AQC	5	5	5	5	5	4	
	2011-2017	2016 AQC	4	5	4	4	4	5	4

*Note: Risks and Safeguards was not rated in 2016-17 AQCs

FAQC RATINGS

Investment name	Approved budget and duration	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
WHO GMS Malaria Program	\$4,586,666 2013-17	4	4	4	4	3	4	3	

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas.

5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas.

1 = Very poor; does not satisfy criteria in many major area.