Burma Annual Program Performance Report 2011

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Australian aid flows in 2011–12 totalled A$48.8 million, making Australia the second largest donor to Burma. This is an increase of 46 per cent since 2009–10 (at A$33.1 million). The program to Burma is currently guided by *Australia’s strategic approach to aid in Burma: an interim statement*. Australia’s ambition is to help Burma transition to a stable, more democratic and more prosperous member of the region and the international community.

Over 2011, Australian assistance to Burma continued the shift from a set of primarily humanitarian activities to a long-term development program focused on education, health, livelihoods and an overarching commitment to supporting reform. AusAID is moving to become the lead donor in education. This transition has entailed a considerable volume of analytical, review and design work to position the program for the years ahead. This work will continue into 2012 and major programs in health and education will commence.

The transition has required the program to scale up human resources both in Canberra and in Rangoon. In addition to new programming requirements, Burma is constantly featured in news reporting and was a priority for former Minister for Foreign Affairs, Kevin Rudd. As such, the volume of work generated in relation to the Burma Program often exceeds staff capacity. The Burma Program has performed to an exceptionally high standard in the face of this elevated workload, however there is an urgent need during 2012 to recruit and train staff, including specialists and support staff to work on the education program.

The operating environment in Burma remains challenging due to ongoing ethnic conflicts, vulnerability to natural disaster and low government capacity. However Burma is undergoing historic reform with better prospects for real change now than at any time in the last 50 years. As 2011 drew to a close, the speed and scope of reforms surpassed the expectations of even the most optimistic observers, providing new opportunities for Australia’s development engagement. The Burma Program is currently developing a new country strategy (2012–2014) that will reflect this changing environment and Australia’s new aid policy *Effective Aid*. At the end of 2011, consultation and drafting for the Burma Country Situational Analysis (CSA) had begun.

Overall in 2011, the Australian aid program in Burma performed to a good standard given the difficult operating environment and the increasing pressures to scale up quickly. Activities implemented during the year were highly relevant to the essential needs of the Burmese people. Program outcomes detailed in this APPR feature important results against Millennium Development Goal (MDG) indicators, in particular in basic education, and maternal and child health. Key results included distributing 170 000 textbooks, treating 229 000 malaria patients and vaccinating over 40 000 children against measles, tetanus and diphtheria.

Context

Burma is the poorest country in Southeast Asia with some of the lowest social development indicators in the region. One quarter of its estimated 50 million people live in poverty,[[1]](#footnote-1) with this figure rising to 73 per cent in some minority ethnic areas.[[2]](#footnote-2) Burma ranks 149 out of 198 countries on the human development index and is considered a fragile state.[[3]](#footnote-3) Due in part to decades of political isolation, Burma receives less aid per capita than any of the other 50 poorest countries in the world.[[4]](#footnote-4)

Burma is not making substantial development gains and will not meet key MDGs. Public investment in both education and health is the lowest in the world at less than 1 per cent of GDP.[[5]](#footnote-5) Extremely low public investment has denied a quality basic education to most of Burma’s 18 million children. While enrolment rates are reportedly high, student retention rates are low. The United Nations Children’s Fund (UNICEF) estimates that only 54 per cent of children complete five years of primary school[[6]](#footnote-6) and only 57 per cent of primary teachers are properly qualified.[[7]](#footnote-7) Due to poor teacher training and inadequate teaching materials, completing primary school is rarely sufficient to achieve basic literacy and numeracy. The current generation of children will be the first in Burmese history with a lower level of education than their parents and grandparents.

Health outcomes are among the worst in the region with large numbers of people dying from easily preventable illness and disease. Burma has an under-5 mortality rate of 71 deaths per 1000 live births[[8]](#footnote-8) and the United Nations (UN) estimates that 2400 pregnant women die each year of largely preventable causes.[[9]](#footnote-9) In addition, there are public health emergencies arising from major communicable diseases such as HIV/AIDS, malaria and tuberculosis. Health systems are ill equipped and insufficiently funded to address these issues.

Up to 10 per cent of Burma’s population does not have access to enough food to meet dietary needs.[[10]](#footnote-10) Approximately 70 per cent of the population are subsistence level farmers and agriculture accounts for 50 per cent of GDP.[[11]](#footnote-11) Due to entrenched inequalities, women are more likely to be food insecure than men. Vulnerability to climate change and extreme weather events also exacerbates these challenges.

Ethnically driven conflict has been ongoing for 60 years, severely undermining development. Civil conflict has led to skewed spending on military, leading to poor development outcomes across the country.[[12]](#footnote-12) Civil conflict and ethnic discrimination has led to widespread displacement and statelessness. Approximately 140 000 Burmese refugees are in Thailand,[[13]](#footnote-13) more than 200 000 in Bangladesh and more than 80 000 in Malaysia.[[14]](#footnote-14) It is also estimated that there are approximately 450 000 internally displaced people in Burma.[[15]](#footnote-15) The government does not recognise the Muslim Rohingya ethnic minority from Rakhine State as citizens, excluding them from basic services and leaving around 750 000 people stateless.[[16]](#footnote-16)

Program objectives and strategy

In 2011, Australia’s aid program to Burma focused on service delivery for the poorest communities in the country, with major programs in education, health and livelihoods. Over the next two years, Australia will continue to build our long-term development program in these key sectors. Our focus will be on providing tangible outcomes to the people of Burma.

The goal of Australia’s aid program in Burma in 2011 was to provide support against the following five objectives:

1. Reduce the burden of HIV/AIDS, tuberculosis and malaria.
2. Improve the delivery of basic health services.
3. Improve access to and quality of basic education.
4. Improve food and livelihoods security.
5. Address the needs of vulnerable people.

Australian aid is delivered primarily through multi-donor funds and international non-government organisations (NGOs). The UN is a key partner in country, and we have valuable relationships with UNICEF, United Nations Office for Project Services (UNOPS), the World Health Organization (WHO), and the World Food Programme (WFP). Relationships with these partners are productive. However, all of these agencies will be tested by the new operating environment in Burma. There will be greater scrutiny of their programs (including by AusAID) and an increased need to work in a coordinated manner.

International NGOs implement core elements of the Australian program. Key partners include CARE Australia, Save the Children UK, the Burnet Institute and World Vision. These partnerships have been essential to reach out to the poorest and most remote areas of the country. However, as above, these partnerships will come with higher expectations in relation to effectiveness and coordination.

We also work collaboratively with other donors, particularly the United Kingdom’s Department for International Development and the European Union, to ensure that aid reaches the intended beneficiaries.

Expenditure

Table 1: Estimated expenditure in 2011–12

| Objective | A$ million | % of bilateral program |
| --- | --- | --- |
| Objective 1: Reduce the burden of HIV/AIDS, tuberculosis and malaria | $7.75  | 16% |
| Objective 2: Improve the delivery of basic health services | $7.75  | 16% |
| Objective 3: Improve access to quality and basic education | $8  | 16% |
| Objective 4: Improve food and livelihoods security | $10.1  | 21% |
| Objective 5: Address the needs of vulnerable people | $7.1  | 14.5% |
| Cross cutting: (AusAID NGO Cooperation Program, Australian Scholarships, Paung Ku and Periodic Funding for Humanitarian Assistance in Burma) | $5.5  | 11.2% |
| Regional: (Association of Southeast Asian Nations and Southeast Asia Research Programme) | $2.3  | 4.7% |
| Other: (Direct Aid Program) | $0.3  | 0.6% |
| **Total** | **$48.8**  |  |

Objective 1: Reduce the burden of HIV/AIDS, tuberculosis and malaria

The burden of communicable disease mortality and morbidity for HIV/AIDS, tuberculosis and malaria presents significant challenges for Burma. There is a concentrated HIV epidemic in Burma and the country is one of the world’s 22 high tuberculosis burden countries with prevalence at 525 per 100 000 people.[[17]](#footnote-17) In comparison, Vietnam’s prevalence rate is 334 per 100 000 people. Estimated cases of malaria are approximately 4.2 million a year and 69 per cent of the population lives in malaria endemic areas.[[18]](#footnote-18) To address these major health concerns and respond to MDG 6 (combat HIV/AIDS, malaria and other communicable diseases), Australia contributes to the multi-donor Three Diseases Fund (3DF). 3DF has contributed approximately 30 to 50 per cent of the country’s inputs towards national targets for HIV, tuberculosis and malaria.

Key achievements in 2011 included:

* distributing 3.3 million needles to injecting drug users and providing anti-retroviral drugs to 19 000 people
* diagnosing 14 000 tuberculosis patients under 5 years old
* treating 18 000 new tuberculosis cases detected through sputum examinations
* testing 4600 tuberculosis patients for HIV
* distributing 174 000 long-lasting insecticidal bed nets and treating 229 000 malaria patients.

In HIV, national level outcome indicators are available although rates for high-risk groups should be treated with some caution given difficulties in assessing the size of these populations. Overall, HIV outcome indicators are showing progress: HIV prevalence in the adult population was estimated to be 0.55 per cent in 2010,[[19]](#footnote-19) lower than the baseline of 0.63 per cent in 2008. However despite an increase in the distribution of needles, challenges remain with levels of injecting drug users infected with HIV remaining above 2010 targets at 28.1 per cent.

Measuring the effectiveness of tuberculosis and malaria prevention activities is problematic. In the case of tuberculosis, this is because improved data collection, supported by 3DF, revealed that prevalence was two to three times worse than previously thought. For malaria, the absence of reliable data on malaria morbidity or mortality rate presents an ongoing challenge. However anecdotal evidence from implementing partners suggests that prevalence of malaria is decreasing.

The political climate changed markedly over 2011 and further reforms in the new year were significant and unprecedented. Should this commitment to reform continue, we will ensure our health assistance prioritises support for strengthened public sector health service delivery, with complementary community-based support delivered through NGOs and the private sector. The successes of 3DF have provided a good platform for further engagement in the health sector. The program has been independently reviewed and lessons learned from this process have been applied to the successor program, the 3 Millennium Development Goals (3MDG) Fund.

Objective 2: Improve the delivery of basic health services

Women and children bear the brunt of poor health services in Burma with around one in 14 children dying before the age of 5,[[20]](#footnote-20) mostly as a result of neonatal causes, pneumonia, diarrhoea and malaria[[21]](#footnote-21) (in comparison the rate is one in 17 in nearby Laos). To support Burma improve basic health services, Australia contributes to the Joint Initiative for Maternal, Neonatal and Child Health (JIMNCH). JIMNCH (A$1.8 million in 2011–12) is a collaboration between AusAID, the UK’s Department for International Development and Norway that seeks to increase access to essential maternal and child health services for the most vulnerable areas in the country.

JIMNCH aligns with the priorities of the Government of Burma’s strategies on maternal, neonatal and child health, and with the plans of township health authorities. Since its inception, it has provided access to health services in five townships for 42 830 pregnant women and 211 870 children under 5 years.

Key achievements in 2011 included:

* having skilled personnel attend 9727 births
* vaccinating 21 565 children under the age of 1 against diphtheria, pertussis and tetanus, and 20 989 against measles
* vaccinating 23 941 pregnant women against tetanus toxoid
* enabling health workers to conduct 8662 outreach visits and 1663 visits to hard-to-reach areas
* establishing an emergency referral system which resulted in 3113 cases being referred, of which there was a 99.7 per cent survival rate.

In addition to addressing the essential health needs of women and children, the JIMNCH program has delivered a range of other benefits. These include an integrated approach to health service delivery, which has ensured low cost, high impact services are available to women and children at the community level, with effective systems to refer more complicated health issues to health centres and hospitals, and technical engagement from the Ministry of Health.

While noting the significant achievements of Australia’s contribution to addressing the health needs of Burma’s women and children, coordination between implementing partners and stakeholders requires improvement to avoid gaps and duplication. Additionally, follow-up activities by local health workers are not being undertaken in most project areas, resulting in instances of inaccurate reporting of cause of death. Greater efforts are needed to identify how successfully hard-to-reach populations are being targeted and what benefits they are receiving.

Objective 3: Improve access to and quality of basic education

In 2011 Australia’s support to the education sector was primarily through the Multi-Donor Education Fund (MDEF) (A$4.4 million in 2011) which forms part of UNICEF’s overall education program in Burma. MDEF is on track and meeting expectations. It aims to increase equitable access to, and the quality of, early childhood development and primary education with extended learning opportunities for all children, especially in disadvantaged and hard-to-reach communities. MDEF provides school supplies and materials direct to children attending state, community and monastic schools, and supports human resource development for monastic and community teachers. The program helps to strengthen the capacity of state education service delivery.

Capacity building of government has been hampered by the restricted mandates of other donors in the MDEF partnership. For example, the ‘common position’ – part of the sanctions regime of the European Union – prohibits working directly with the Government of Burma, which restricts the activities of the MDEF program. The fund also suffered from a lack of adequate coordination between donors (AusAID, the UK’s Department for International Development, European Union, Norway and Denmark) and UNICEF, which sometimes left donors unclear on program progress and unable to bring about improvement in a timely manner. While coordination improved in 2011 compared to previous years, there was a consensus among donors that more thorough and responsive program governance arrangements would be required for MDEF II.

Since 2006, the MDEF has improved access to early childhood education for more than 223 000 young children in 106 townships. This figure includes more than 66 000 additional children in 2011[[22]](#footnote-22) alone. A total of 37 450 children in early childhood education also received micronutrient supplementation. New students to grade 1 with early childhood education experience have risen to 25 per cent in 2011 from a baseline of 10 per cent in 2006. Around 1 050 000 children have received essential learning packages with textbooks to support their schooling, including an additional 170 000 in 2011. Approximately 180 000 students have benefited from language enrichment programs with local language teachers.

Two comprehensive independent reviews of multi-donor support to UNICEF were completed in 2011. Lessons learned from these were incorporated into the design for the MDEF II, due to begin mid-2012. AusAID has a central role in the new governance structures of MDEF II, giving us greater influence on program decision-making. This will make the program more responsive to the rapidly changing political environment in Burma. Improvements to the operating environment will also enable more comprehensive capacity building measures to be implemented directly with the Government of Burma. The new program will have improved monitoring and evaluation and will coordinate closely with other major education programs in basic education.

In light of the huge challenges facing the education sector, former Minister for Foreign Affairs, Kevin Rudd, announced during a June 2011 visit that education would become the flagship of the program. Australia is well positioned in Burma with the expertise and resources to play a key role in spurring sectoral reform and improving educational outcomes for the poorest children in the country. We have regional experience in delivering education services in a fragile context, and AusAID has access to a pool of strong technical assistance that will give us an authoritative voice at the policy table. We are well-respected in-country and are able to take a high profile role as the lead donor to education.

The improving political situation in Burma will provide opportunities to engage more broadly with both the formal and monastic school system in the coming year.

Objective 4: Improve food and livelihoods security

Agricultural development in Burma has been deeply affected by natural disasters, mismanagement, lack of credit and infrastructure, high cost of inputs, and poor knowledge and uptake of new technologies. However, 2011 saw the Burmese Government make clear its ambitions to improve the lives of rural people through a national program of rural development and poverty alleviation.

In support of economic reforms and poverty alleviation, the government has taken a number of concrete measures, including reducing the export tax on many agricultural products from 10 to 2 per cent, and passing a new microfinance law on 30 November 2011, which effectively legalises micro-finance services for the first time. The prospects for rural people in Burma are looking better than they have for many years and Australia’s assistance in the livelihoods sector complements the government’s plans.

AusAID contributed A$5 million in 2011 to the multi-donor Livelihoods and Food Security Trust Fund (LIFT),which continues to progress towards achieving MDG 1 in Burma by increasing food availability, income generation opportunities and food use for up to 2 million target beneficiaries. Over 2010–11, 223 229 households or 1 116 145 people received assistance from LIFT projects as direct beneficiaries. Of these, 3691 households are headed by women and 1064 include someone with disability.

An independent evaluation in 2011 showed that LIFT is contributing to increased incomes in the Irrawaddy Delta and that 105 512 households gained increased access to finance services. Increases in income of about a third were reported as soon as one year after Cyclone Nargis, however during the time LIFT was in operation, incomes increased by a further one third, bringing rice farmers to a level above that of self-sufficiency and casual labourers close to pre-Nargis levels.[[23]](#footnote-23)

While LIFT recognises the importance of gender equality, less than acceptable progress has been made on properly planning, articulating and measuring the impact of LIFT as an overall program on gender issues. AusAID has since assisted LIFT to develop an improved gender strategy in early 2012.

The Australian Centre for International Agricultural Research (ACIAR) (A$3 million in 2011) has worked with AusAID, Burmese counterparts and donors to develop a multidisciplinary research program that is focused on improving food security and livelihoods of smallholders. The program strategies are closely aligned with Australian Government policy on aid for Burma. ACIAR will work closely with the Burmese Government to improve its agricultural research and planning capacity in 2012. Institutional and human resource capacity building will be an integral part of the program. LIFT’s experience in implementing livelihoods programs at the grassroots level will provide valuable input to policy dialogue with the government. AusAID will continue to support collaboration between ACIAR and LIFT to ensure assistance in the livelihoods sector is targeted and effective.

Objective 5: Address the needs of vulnerable people

Our support to vulnerable people in Burma includes initiatives to support refugees in Thailand, communities affected by natural disasters, and to protect children. It is important to note that a number of our other programs support vulnerable people and have been discussed under other objectives.

Thai-Burma border

Refugees have been fleeing conflict in Burma for more than 26 years. Burmese refugees live in nine official camps in Thailand and are highly dependent on support from the international community. In 2011, Australia’s support along the border was provided through Australian NGOs supporting partners such as the Thai Burma Border Consortium (TBBC) and the International Rescue Committee, (IRC) and volunteers.

In 2011, Australia funded Act for Peace to support TBBC to provide humanitarian assistance including basic food supplies, emergency shelter and non-food items to all 140 000 refugees living in the camps. Given protracted displacement and limited freedoms for refugees, support for immediate needs remains relevant. However, the assistance model in the camps needs to begin moving awayfrom humanitarian assistance towards promoting self-reliance. For example through the Adventist Development Relief Agency, Australia has supported vocational training to improve livelihoods opportunities for around 1500 refugees, with around 260 people receiving trade certificates that are recognised in Thailand.

Although a number of ceasefire agreements were signed in 2011, these will need to be followed by improvements in conflict-affected areas to support the sustainable return of displaced people. We will monitor this issue throughout 2012.

Humanitarian assistance in response to natural disasters

Cyclone Nargis struck Burma in 2008 resulting in an estimated 140 000 deaths and severely affecting up to 2.4 million people. Australia was a leading donor to Burma in response, providing A$65 million to International NGOs and UN agencies to assist relief and recovery efforts (2008–2011). Cyclone Giri struck Burma (Rakhine State) in October 2010 and Australia contributed A$3 million in emergency food aid, shelter and clean water for up to 260 000 severely affected Burmese.

While Australia funded a significant Water, Sanitation and Hygiene (WASH) program through the support outlined above, we are unable at this point to provide the results of our projects. The lack of available data is due to the proliferation of these activities—there were 21 separate WASH projects implemented during this period. This fragmentation is a legacy of our previous, primarily humanitarian response program to Burma, and reflects the reactive way we supported relief to these natural disasters. An independent completion report is currently underway that will provide a formal assessment of the effectiveness of the WASH activities and the results achieved. These activities will no longer be a standalone project, but will be integrated into our new education program.

Australia is the largest donor to the World Food Programme (WFP) in Burma. While 70 per cent of our funding goes to the Food for Education Program, Australia’s support also reaches highly food insecure areas such as northern Rakhine State and southern Chin State where crop failures have had a severe impact on food availability in 2011. WFP has confirmed that Australian aid has been critical to helping scale up feeding programs in these areas and 276 119 people have been assisted with Australian funding.[[24]](#footnote-24) In 2011, Australia provided 269 234 vulnerable women, men, girls and boys with lifesaving assistance in conflict and crisis situations.

Child protection

Australia provided assistance for child protection activities in Burma as a key donor to the UNICEF Juvenile Justice Initiative Phase 2 (2008–2011) and UNICEF Child Law Review (2011–2012).

The Juvenile Justice Initiative Phase 2 concluded in 2011. Key achievements included:

* establishing two juvenile courts in Rangoon and Mandalay
* training 43 judges, 411 police officers and 2000 cadets in children’s rights and the application of child law
* providing legal representation for 483 children in contact with the law
* distributing 100 000 copies of a pocket book on child friendly police investigations to police forces nationally.

The program reporting framework has proven to be very weak however, meaning that specific results for 2011 are not available.

During the year the first consultative workshop on recommendations for reform of the child law was held in Rangoon as part of the Child Law Review. The two-day workshop was the first ever consultative review meeting of legal reform in Burma, and was attended by over 120 participants from government, UN agencies, international NGOs, lawyers and the media. By working in collaboration with the Burmese Government, the Juvenile Justice Initiative Phase 2 and Child Law Review helped build institutional capacity and contribute to policy dialogue on child protection.

AusAID will consider providing further support for UNICEF child protection programs in 2012 to build on these achievements.

Cross-cutting initiatives

Civil society

The AusAID Burma country program relies heavily on NGOs to deliver its program of development assistance in Burma. In 2011, around 35 per cent of Australia’s A$48.8 million dollar aid program to Burma was implemented by Australian and international NGOs. Many AusAID funded NGOs have local civil society partners that are engaged either as sub-contractors in program delivery or are recipients of grant funding to carry out their own programs of development activities.

Three Australian NGOs – Care Australia, Marie Stopes International Australia, and the Burnet Institute—deliver four projects focusing on health, livelihoods and strengthening local civil society through the Periodic Funding for Humanitarian Assistance to Burma (PFHAB)(A$1.35 million in 2011) program. Capacity building of local civil society organisations through this program has helped facilitate the projects’ achievements in meeting the needs of target communities.

In 2011, CARE Australia’s Mobilising Community Capacities for Health project provided health education to 10 935 people and the Southern Chin Livelihood Security Project reached 3318 households with assistance in agriculture, community forestry, income generation, health, and water and sanitation. Marie Stopes’ Mobilising Access to Sexual and Reproductive Health in Burmaproject delivered sexual health education to 59 388 adults and 21 102 young people, and provided maternal care to 2950 women. Support to the Burnet Institute’s Strengthening HIV Responses through Partnership project enabled enhanced comprehensive home based care services and improved clinical care for people living with HIV/AIDS and their families.

Since 2007 AusAID has supported the Paung Ku consortium under the umbrella of Save the Children. Paung Ku is a civil society strengthening project that provides funding and capacity building to local civil society organisations across a broad range of sectors. As well as strengthening the capacity of local organisations for service delivery, funding to Paung Ku has allowed Australia to support opportunities for expanded civil society activity, such as in media and policy advocacy, which are emerging as a result of the reform agenda of the new government. The evolution of the program will continue in 2012 in response to civil society demand. In 2010–11, Paung Ku provided 107 small grants to local organisations for development, networking and political advocacy projects.

Scholarships

Australian scholarships are aligned with Australia’s development assistance in Burma, targeting human resource gaps in priority sectors. They aim to provide successful applicants with the skills and knowledge to drive change and influence economic and social development. In 2011, Australia awarded 21 long-term awards including nine Masters and two PhDs to Burmese scholars. Ten scholarship holders from Burma commenced studying at Australian universities in 2011. As the program has only recently begun, there are no substantive results to report at his time.

Gender

The successful integration of gender equality into objectives remains mixed across the program. The interim country strategy does not include any gender analysis or data, which is of concern. The Burma Country Program requires a more strategic and consistent approach to integrating gender equality into activity objectives. Robust reporting on gender equality results will become critical as the program transitions to longer-term development outcomes. A gender stocktake will be undertaken in 2012 to provide tangible steps for the program to improve in this area (see management actions).

Progress against objectives

A performance assessment framework will be developed in late 2012 in conjunction with the country strategy. This framework will underpin more rigorous and comprehensive assessment of the quality of the Burma program, including assessment against the strategy objectives. In the interim, the strategy objective ratings reflect progress against the activity level targets and milestones of the major activities for the year.

Table 2: Ratings of the program’s progress towards the objectives

| Objective |  | Current rating | Relative to previous rating |
| --- | --- | --- | --- |
| Objective 1: Reduce the burden of HIV/AIDS, tuberculosis and malaria |  |  |  |
| Objective 2: Improve the delivery of basic health services |  |  |  |
| Objective 3: Improve access to and quality of basic education |  |  |  |
| Objective 4: Improve food and livelihoods security |  |  |  |
| Objective 5: Address the needs of vulnerable people |  |  |  |

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.

Overall, achievements against the five objectives were mixed in 2011. While the education program had a number of impressive headline results, progress was variable. For example, while some targets were met or exceeded – in early childhood education, 66 000 more children gained access against a target of 25 000 – other results fell short – 755 000 children had improved access to primary education against a target of 800 000, and 44 per cent of early childhood development schools met minimum standards against a target of 65 per cent.

Under the health program, determining progress against baseline targets has been hampered by data reliability. As noted under objective 1, while progress has been made in reducing HIV prevalence, measuring the effectiveness of tuberculosis and malaria prevention activities has proven difficult due to a lack of reliable data. Progress against maternal and child health goals has been mixed.

While the livelihoods program had a number of strong headline results, overall progress was mixed. For example, while some targets are on track––223 229 households (1 116 145 people) received assistance from LIFT projects as direct beneficiaries (68 per cent of 2016 target), and of these, 3691 households are headed by women (72 per cent of 2016 target)––other results fell short. For example, the ACIAR program experienced significant delays which will impact on meeting its objectives in 2012.

Activities working towards the objective of addressing the needs of vulnerable people showed some important results, particularly around child protection. However, it is not possible to clearly define success against this objective as monitoring frameworks for activities were not rigorous enough to provide accurate results for the 2011 calendar year.

Program quality

The continued heavy reliance on performance management systems of implementing partners reinforces the need for AusAID to systematically and regularly assess the quality of the Burma program.

During 2011, the program worked with fund managers and implementing partners to improve performance management arrangements. This has been particularly useful for new initiatives, where 80 per cent of new activities include robust monitoring and evaluation systems. However, only 40 per cent of the monitoring and evaluation systems for existing activities are considered satisfactory.

The quality assessment process delivered high ratings against the category of ‘relevance’ for all initiatives in 2011. Similarly, the majority of initiatives show satisfactory quality levels against ‘effectiveness’ and ‘efficiency’.

However, the successful integration of gender equality into objectives remains mixed across the program. Quality assessment processes rated 60 per cent of new activities and 40 per cent of ongoing initiatives as satisfactorily for gender equality. Tangible efforts to overcome the vulnerability of women and girls to poverty were found in initiatives where gender related training and improvements to data disaggregation were included.

Ensuring adequate quality ratings is a challenge against the criteria for ‘sustainability’, and ‘monitoring and evaluation’. While only 40 per cent of ongoing initiatives rated satisfactorily for sustainability, quality processes are suggesting strategies for sustainability are being more successfully integrated into the design of 60 per cent of new activities.

Management consequences

Last year’s APPR identified four key issues for resolution in 2011. They were; 1) development of a country strategy, 2) implementing more cooperative approaches with donors, 3) continued transition from a humanitarian to long term development program, and 4) more resources at Rangoon Post.

All of these were successfully completed, with some clarification required for progress around points 1 and 4.

The program began work on its CSA toward the end of 2011. The start of this was delayed while the program waited for guidance from the new policy for Australia’s aid program: *Effective Aid* (July 2011). Dramatic political changes in Burma toward the end of 2011 coupled with a ministerial visit in June 2011, where there was a decision to change the flagship of the program from health to education, meant that this delay was fortunate. CSA consultation and drafting was able to commence with a far stronger sense of program priorities.

In relation to points 2 and 3, Australia worked through several multi-donor cooperation agreements during 2011and designed increased engagement through new cooperative arrangements in 2012. For example in health, Australia worked through the Three Diseases Fund with Sweden, Norway, Denmark, the Netherlands, the UK’s Department for International Development and European Union, and supported design work for its successor, the 3 Millennium Develop Goals Fund, (worth up to A$300 million over five years with the same group of partners as 3DF). In education we are transitioning from MDEF I to II in a joint donor arrangement with the Department for International Development, European Union, Norway, and Denmark, with total funding of US$65 million over five years. Overall the Burma Country Program has developed a far greater focus on results, cooperative working relationships and a more strategic approach to program delivery.

On resourcing, the following were identified as key issues in the 2010 APPR:

* developing the capacity of existing O-based staff and recruiting suitably skilled new staff
* limitations on information technology (access to AusAID’s IT system at Post)
* the significant physical constraints of the current chancery.

On staffing, significant training has been made available, but there will be more to do as the program management devolves from Canberra to Rangoon. The training required for both administrative and program staff runs the full gamut from basic AusAID processes, such as AidWorks, filing and contracting, to program delivery, including program design, monitoring and implementation. As of early 2012, two new full-time staff had been recruited for Canberra including an education specialist, and in AusAID Rangoon there were four additional O-based staff plus a new counsellor position. By the end of 2012, there needs to be greater clarity over management lines of responsibility for the Burma program.

While these new positions have been crucial to effective program delivery, they have severely pushed the constraints of available space for AusAID in the embassy. A meeting room has been converted to hold desks for eight AusAID staff, but with further staff set to join Post in 2012 (three more O-based and another A-based) AusAID Rangoon will need strong and reliable support from AusAID’s Property and Facilities Management section to manage needs. Rangoon Post has still not been connected to the AusAID IT system. While this is due to occur in September 2012, the delays in implementation have had an impact on efficiency and productivity.

Management of programs dealing with humanitarian assistance to refugees on the Burmese borders with both Thailand and Bangladesh continues to be challenging. Current AusAID capacity in Bangkok to cover this issue is limited. As a result an Australian Civilian Corps deployment based at the Australian Embassy in Bangkok for up to 12 months has been approved for 2012 and is expected to commence by August. This position will provide much needed field capacity to assess our program effectiveness on the Thai border, liaise with key implementing partners and feed into policy development in Canberra.

For 2012, in addition to the needs in staff training and facilities outlined above, the program will also need to address five key issues:

Donor coordination

AusAID will seek to achieve consensus around principles for good donor behaviour in Burma. We will lead on this issue early in 2012. After this point, while AusAID will continue to advocate for improved donor coordination as new donors rush in and older donors scale up their programs, we will not take a central coordinating role. Burma Post does not have the capacity to do this, and to do so would be at the detriment of our core programming responsibilities. However, we will take a lead role in coordination in education, and in so doing hold up the sector as a best practice model.

Finalisation of the country strategy

To underpin our strategic choices and provide sound evidence for our strategic directions in 2012 and beyond, Burma’s Country Situational Analysis and Country Strategy will need to be finalised. It is worth noting that this strategy will run only for two years before being reviewed, as the fluid environment in Burma requires us to maintain strategic flexibility. The Country Strategy will be consistent with the Burma CSA and the evidence base that document lays out for our strategic choices. This will mean focusing on areas of great need where we have a comparative advantage and are able to make a real difference––education, health and livelihoods—and through an overarching commitment to supporting reform. Risk management for the program will be a core component of the CSA.

Resisting program fragmentation

There is a risk of program fragmentation and of disproportionate staff resources being spent on smaller programs outside our core areas of concern. In 2011, the program had 44 separate initiatives, three-quarters of which were valued at less than A$1 million. We will reduce this number of initiatives by at least 15 per cent in 2012. There will be external pressure on AusAID to respond in an ad-hoc way to the particular interests of advocacy groups. This needs to be managed carefully as we seek to ensure we have fewer, larger activities in line with the recommendations of *Effective Aid.* Given we will take a central role in putting in place donor coordination principles in Burma, we need to be a model for disciplined and consistent donor behaviour in the way we implement our program.

We will manage this risk by i) not supporting unsolicited proposals that do not align with program priorities, ii) establishing a facility to fund activities that support reform, and iii) using global AusAID programs such as the Australian NGO Cooperation Program and the Public Sector Linkages Program to support opportunities for new partners to work in Burma.

Gender stocktake

The Burma Program will as a priority undertake a gender stocktake in 2012. This will include a country gender analysis as well as an analysis of the program’s current approach to integrating gender equality into activity objectives. The stocktake will develop a practical gender action plan which will be integrated into the Burma Country Strategy.

Seeking a bilateral aid agreement

AusAID will seek a bilateral aid agreement with the Government of Burma. This will give our program more influence and credibility and allow us to engage more deeply with key government counterpart agencies. The Burma Program will set up a liaison office in the capital Nai Pyi Daw. This will allow stronger and more regular communication with the Government of Burma.

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