



Mid-Term Review

Cambodia Australia Partnership for Resilient Economic Development (CAPRED)

Final Report

Prepared for // Australian Embassy in Cambodia

By // Scott Rankin, Tech Chey, Hanh Nguyen and Mark Keen

Date // 26 June 2025

International Organisation Development Ltd

IOD PARC is the trading name of International Organisation Development Ltd

Registered in England and Wales, No. 3613839

Registered Office: Omega Court, 362 Cemetery Road, Sheffield, S11 8FT, United Kingdom

Omega Court
362 Cemetery Road
Sheffield
S11 8FT
United Kingdom

Tel: +44 (0) 114 267 3620
www.iodparc.com

Disclaimer

This Mid-Term Review has been funded by the Australian Government through the Department of Foreign Affairs and Trade. The views expressed in this publication are the authors' alone and are not necessarily the views of the Australian Government.

Acknowledgements

This Mid-Term Review (MTR) of the Cambodia Australia Partnership for Resilient Economic Development (CAPRED) was commissioned by the Australian Embassy in Cambodia. The Review Team comprised Scott Rankin as Team Leader, Tech Chey as Local Development Expert, Hanh Nguyen as GEDSI Advisor and Liz Paton and Mark Keen in the role of Quality Assurance Advisors.

We would like to thank the many people who gave generously of their time, knowledge, and perspectives across the course of this review. In particular, we would like to thank Government representatives of the Program Steering Committee who spoke freely and with deep consideration of their perspectives of CAPRED. Their insight was invaluable in terms of understanding opportunities and risks with regards economic development in Cambodia in 2025. We also thank Government representatives who mobilised staff knowledgeable of CAPRED's approach and well positioned to answer our questions.

We would also like to thank the team at the Australian Embassy in Phnom Penh, notably Sophearun In who very professionally managed the MTR process at the DFAT end and was forever helpful in relation to unpacking DFAT perspectives of CAPRED performance. Thanks also to Kanu Negi for her thoughtful contributions regarding the overall landscape of CAPRED implementation.

Finally, big thanks to the team at CAPRED, notably Paul Keogh and Ajla Vilogorac for their efforts in assembling the mass of information generated by CAPRED into an accessible form for the MTR team. Special thanks also to Sinat Hin and Makaravy Ty for their support in confirming our forever changing schedule, and to Lyna Hang for keeping us on schedule during the field work!

More generally, we would like to thank the broader cross-section of people we met as part of the Review for their willingness to share their time and observations of this important initiative.

Table of Contents

Acknowledgements	i
Acronyms and Abbreviations	iv
Executive Summary	v
1. Evaluation purpose, scope, and methodology	1
1.1. About CAPRED	1
1.2. Purpose of the Mid-Term Review	2
1.3. Methodology	3
2. Review Findings	4
2.1. Does CAPRED's Program Logic provide a clear, realistic, and appropriate approach to Systemic Change?	4
Consider making G-PSF a standalone portfolio, as the team handles sensitive and commercial information and should have the space to highlight its own achievements and contributions to CAPRED's goals.....	4
2.1.1. Overarching Program Strategy	4
2.1.2. Appropriateness of the Program Logic.....	5
2.1.3. Current performance against the existing Program Logic.....	6
2.1.4. The Program Logic and specific pathways to systemic change.....	6
2.2. Is CAPRED's MERL Strategy and framework appropriate to CAPRED's context and aligned with DFAT standards?	7
2.2.1. Alignment with the Program Logic and Program Strategy	7
2.2.2. Suitability of the current reporting system	8
2.2.3. Appropriateness of CAPRED's M&E system in meeting the needs of program management and external stakeholders, particularly DFAT.....	9
2.3. Is CAPRED achieving its desired outcomes, specifically regarding progress towards its IOs and EOFOs?	10
2.3.1. A slow start.....	10
2.3.2. General progress towards IOs and EOFOs.....	10
2.3.3. Progress of CAPRED's five Intermediate Outcomes.....	11
2.3.4. CAPRED engagement of the public and private sectors	19
2.4. Are management arrangements suitable to optimising performance?	20
2.4.1. CAPRED governance	20
2.4.2. Working style	21
2.4.3. Internal CAPRED Management	21
2.4.4. CAPRED staffing	22
2.4.5. Policy Hub management and staffing.....	22
2.4.6. Performance Assessment Framework	23
2.4.7. Payment By Results	23
2.4.8. DFAT-CAPRED liaison	23
2.5. How well positioned is CAPRED to influence the actions of key stakeholders?	23
2.5.1. CAPRED's position to advocate for critical reforms.....	24
2.5.2. Strategies for engaging, informing and influencing key stakeholders	24
2.6. GEDSI and climate change.....	25

2.6.1. GEDSI	25
2.6.2. Climate Change	26
3. Recommendations	27
Annex One: Program Logic	29
Annex Two: Stakeholder and Activity Mapping - names in bold show sample of those consulted	32
Annex Three: Key MTR Questions and Sub questions	35
Annex Four: People consulted through MTR process	36
Annex Five: Defining and Monitoring Systemic Change.....	39

Acronyms and Abbreviations

3i	Investing in Infrastructure (an earlier DFAT program)
AAER	Adapt, Adopt, Expand, Respond
AIP	Agri-food Industrial Parks
ARDB	Agricultural and Rural Development Bank of Cambodia
CAVAC	Cambodia Agriculture Value Chain Program
CDC	Council for the Development of Cambodia
CoM	Council of Ministers
CWDF	Clean Water Development Facility
DFAT	Australian Department of Foreign Affairs and Trade
EOFO	End of Facility Outcome
FDI	Foreign Direct Investment
G-PSF	Government-Private Sector Facility
GEDSI	Gender Equality Disability and Social Inclusion
IDD	CAPRED Investment Design Document
IO	Intermediate Outcome
IPC	Institut Pasteur du Cambodge
KRQ	Key Review Question
LDC	Least Developed Country
M&E	Monitoring and Evaluation
MAFF	Ministry of Agriculture, Forestry and Fisheries
MEF	Ministry of Economy and Finance
MERL	Monitoring, evaluation, research and learning
MISTI	Ministry of Industry, Science, Technology and Innovation
MME	Ministry of Minerals and Energy
MoC	Ministry of Commerce
MTR	Mid Term Review
MoWA	Ministry of Women's Affairs
MRD	Ministry of Rural Development
MSME	Micro, Small and Medium Enterprise
PAF	Performance Assessment Framework
PBR	Payment By Results
PSC	Program Steering Committee
RQ	Review Question
QIP	Qualified Investment Projects
QTAG	Quality Technical Assurance Group
RGC	Royal Government of Cambodia
RISE	Resilient Inclusive Sustainable Economic growth
SERC	Securities and Exchange Regulator of Cambodia
SEZ	Special Economic Zones
SNEC	Supreme National Economic Council
SQs	Review Sub Questions
TAF	The Asia Foundation
ToC	Theory of Change
WEE	Women's Economic Empowerment

Executive Summary

The Cambodia Australia Partnership for Resilient Economic Development (CAPRED) is Australia's flagship economic program in Cambodia and is funded by the Australian Government through its Department of Foreign Affairs and Trade (DFAT). It has a total budget of AUD 87 million. Having commenced in mid-2022, CAPRED is now approaching the end of the third year of its initial five-year implementation period, with potential for a three-year extension based on satisfactory progress.

CAPRED's development objective is that *"Cambodian women and men benefit equitably from increased access to, or increased participation in environmentally sustainable, economically resilient and inclusive economic growth"*. The concepts of **Resilience**, **Inclusivity**, and **Sustainable Economic growth** are central to the CAPRED Program Logic and articulated collectively within CAPRED as '**RISE**'.

CAPRED's two end of facility outcomes (EOFOs) focus on policies and approaches that support more sustainable, resilient, and inclusive growth in CAPRED domains, with one government focused and the other private sector focused. The five intermediate outcomes (IOs) aim to work in an integrated form across the landscape of a modernising, transitioning economy. The IOs aim to bring focus to options for sustainable, resilient, and inclusive growth across areas of Policy (IO1), Markets (IO2), Technologies (IO3), Finance (IO4), and Women's Economic Empowerment (IO5).

This Mid-Term Review (MTR) was commissioned by the Australian Embassy in Cambodia. The purposes of the MTR are:

- To assess the extent to which CAPRED has been effective in targeting the right levers of change to achieve its IOs and EOFOs.
- To inform DFAT's decision on a three-year extension beyond the current allocation and whether the current management contractor remains the most appropriate partner, based on their performance, management approach and capacity.

The methodology is described in the first chapter of the main report and in Annex Two, Three and Four. In brief, it draws evidence from and triangulates across a variety of sources including documentary review, mapping of key stakeholders, key informant interviews (KIIs) with DFAT and CAPRED staff and partners in Cambodia, and five mini case studies against five IOs. The evaluation has been managed by the Australian Embassy in Cambodia who provided comments at each stage of the evaluation. Because of the wide scope of the subject of the evaluation, it was necessary to draw boundaries around what could be considered in any depth, and the main report notes key areas that are excluded and other limitations.

CONTEXT

During its initial 18 months, CAPRED underwent a period of significant development and adaptation. This included refining the program's approach and logic, such as reducing the number of IOs from 13 to 5, developing essential tools, and managing staffing transitions. The period also coincided with the 2023 national election and the appointment of a new Prime Minister, which brought a new mandate and necessitated alignment with evolving government priorities.

Another element of the first 18-month period was an inconsistent view around the Programmatic vs. Facility nature of CAPRED, which in turn contributed to the gap regarding approaches employed towards achieving systemic change, and how these would be best reflected within the Program Logic, captured within program monitoring, evaluation, research and learning (MERL) systems, and reported against. Furthermore, there is to date no agreed understanding of what constitutes systemic change in the context of CAPRED that meets the needs of both DFAT and the implementation team.

KEY EVALUATION FINDINGS

Progress towards IOs and EOFOs

Despite its slow start, CAPRED has achieved strong traction in terms of establishing strategic partnerships with public and private sector partners relevant to the achievement of the IOs and EOFOs. However, progress has been stronger in some portfolios than in others. Most IOs and work areas are supported by sophisticated strategies that encourage collaboration, helping to break down long-standing organizational silos that have historically hindered systemic change in Cambodia.

CAPRED is valued for its focus on supporting the development of an evidence base to inform and support long-term, sustainable, and inclusive system-wide change. Individual pathways towards change are co-created and well understood by both CAPRED and Government partners.

CAPRED has made tangible policy contributions (IO1) through initiatives such as Agri-food Industrial Parks (AIPs), clean water, the Cambodia Climate Finance Facility (CCFF), and infrastructure bonds, while also strengthening policy development capacity across ministries via the Policy Hub. Progress across Markets (IO2), Technology (IO3), and Finance (IO4) is also evident through expanded export opportunities, improvements in commodity certification, and technological advancements in food processing, testing, and on-farm innovations. However, progress in Women's Economic Empowerment (IO5) has been limited, with initial steps taken through pilot initiatives in the care economy, but further efforts are needed to generate broader and more sustained outcomes.

Program Logic

The MTR finds that while the current Program Logic is broadly fit for purpose and contains all essential components, it does not fully reflect the dynamism, cross-cutting engagement, and integrated flow required at the whole-of-program level for CAPRED to drive systemic change. The structure, which currently presents the five IOs as distinct and independent, falls short in demonstrating the interconnections and mutual dependencies that are central to CAPRED's intended results. Additionally, vital elements of CAPRED's operational model, such as the strategic role of the Policy Hub and the support to the Government-Private Sector Forum (G-PSF), are not sufficiently visible in the existing Program Logic.

Despite these limitations, the MTR recognises that CAPRED's day-to-day implementation already addresses many of these gaps through practical integration and collaboration across components. As such, a complete redesign of the Program Logic is not recommended at this stage of the program. Instead, the MTR proposes the development of a Theory of Change (ToC) to sit beneath and complement and report against the existing Program Logic. This ToC would serve to articulate CAPRED's current approach to achieving systemic change, make visible the less tangible yet critical aspects of its delivery model, and strengthen the coherence across IOs. (Further guidance on measuring systemic change is provided in Annex Five.)

Program MERL

The MTR finds that there are some gaps in alignment between the Program Logic, the Program Strategy and the MERL Framework. This contributes to general mixed views across all parties with regards to the quality and effectiveness of reporting on CAPRED's ambitious approach. This challenge is complicated by the 'slight but significant' differences in understanding of what constitutes systemic change.

While the current program reporting (through the lens of the IOs) provides structure, it limits CAPRED's ability to fully showcase the breadth of its lateral interactions and the strategic integration of its diverse components in driving systemic change. Meetings with staff at DFAT Phnom Penh post suggest there might be an easy fix since there is openness to CAPRED's 'work areas' and/ or 'systemic change pathways' being used as the entry point for periodic reporting, since this will immediately bring to life the interactions and lateral linkages of the program as they are configured to support systemic change at the broader IOs/EOFOS levels.

Management arrangements

There is general satisfaction across government in terms of the functioning of the Program Steering Committee given the relevance of CAPRED work to the current mandate and demands for greater ministerial accountability coming from the highest levels of the RGC. On the other hand, the Strategic Coordination Group (CAPRED's other governance mechanism) is currently regarded as being a low value add activity and not sufficiently relevant to many participants given the way it is structured.

The MTR team finds CAPRED's current staffing structure broadly appropriate, with a well-represented Senior Management Team and technical team sizes relatively balanced across portfolios. While most teams are adequately resourced, Agriculture and Agro-Processing, MERL, and GEDSI team structures require review due to slower progress, staffing gaps, or strategic clarity needs. The participatory approach of the Policy Hub strengthens internal and external policy capacity, though greater integration of private sector perspectives is needed, especially through G-PSF channels. Consideration should be given to managing G-PSF as a standalone portfolio, due to its unique offering and strategic value. Given that the G-PSF currently sits organizationally as an adequately staffed sub-program of the Policy Hub, it is expected that such a change would not warrant additional resources to service the new portfolio.

Advocacy and influencing

CAPRED has built strong foundations across multiple sectors, leveraging its technical expertise and the reputation of earlier Australian programs to influence government policy in areas aligned with sustainable, resilient, and inclusive economic growth. Its responsiveness to the Government's priorities post-2023 has enabled it to forge key relationships and contribute meaningfully to reforms by supporting the G-PSF, performance measurement systems and dashboards, and infrastructure and water policy. CAPRED is recognised as a trusted partner by both government and private sector stakeholders, playing a vital role in bridging dialogue, supporting private sector development, and enhancing export readiness. Development partners also see CAPRED as a high-level and high-quality policy influencer, noting its strategic collaboration and internal prioritisation, though ongoing refinement of focus areas will be important to maximise CAPRED's potential impact.

GEDSI and Climate Change

The MTR highlights the need for CAPRED to take a more proactive and strategic approach to integrating GEDSI into its daily work, despite limited demand from government counterparts. Continued engagement with the Ministry of Women's Affairs (MoWA) presents an opportunity to strengthen collaboration. But further work is needed to build trust and clarify shared priorities including through a clear strategy for gender and disability inclusion. While GEDSI remains a high priority for DFAT, it has not been strongly reflected across CAPRED's activities and seems to have a limited profile in terms of stakeholder feedback during the evaluation. However, positive steps like CAPRED's work in the care economy provide promising entry points. CAPRED could also leverage DFAT's extensive guidance, global data and its sophisticated understanding of cultural nuances to highlight the economic benefits of empowering women and foster more inclusive, systemic change across its portfolio. As mentioned above, 'women in MSMEs' could offer an important strategic framework to guide CAPRED's Women's Economic Empowerment (WEE) related work moving forward.

CAPRED's climate-related work is innovative, with efforts to integrate climate considerations mainstreamed across activities. CAPRED is working to integrate climate consideration throughout its portfolio. Steps have been taken to integrate disaster risk reduction, environmental protection and climate change considerations into planning and decision-making, at both strategic and intervention levels.

RECOMMENDATIONS

Area	Recommendation	Responsibility
Program logic	REC1. The MTR concurs with the view of the QTAG recommending a need for a brief, standalone document (2–3 pages) that clearly defines what systemic change means in the CAPRED context and how the program is or intends to pursue it . This should be complemented by a ToC that sits beneath and reports against the current Program Logic and captures CAPRED's strategic approach to achieving systemic change.	CAPRED, DFAT
MERL strategy and associated mechanism	REC 2. There is a need for agreement to be reached on a revised and more purposeful MERL system, including reporting approaches that better meet the needs of both DFAT and CAPRED .	CAPRED, DFAT
MERL strategy and associated mechanism	REC 3. It is proposed that there is a shift from the current format of six-monthly progress reporting to annual reporting , augmented by six monthly deliverables which succinctly report within that six-month period that provides an evidence-based assessment of progress against outcomes.	CAPRED, DFAT
Progress towards IOs and EOFOs	REC 4. There is a need to review and update CAPRED's portfolio of interventions, and to clearly communicate decisions around opportunities to consolidate, reduce, or restructure them.	CAPRED, DFAT
Progress towards IOs and EOFOs	REC 5. There is an urgent need to clearly settle on an approach, entry points and target value chains within the agriculture/agro processing work area , noting that there is currently limited alignment between CAPRED and MAFF around systemic change on the agriculture landscape.	CAPRED
Progress towards IOs and EOFOs	REC 6. DFAT should start early thinking and planning for a possible extension of the program .	DFAT
Management arrangement	REC 7. Consideration should be given to establishing the G-PSF as a standalone portfolio. This would improve the accountability and visibility of its contributions to CAPRED's broader objectives and the trust it has built in managing commercial information, while also identifying a strategic approach to share G-PSF insights more broadly within CAPRED without compromising the trust and confidentiality established with the Royal Government of Cambodia.	CAPRED, DFAT
Management arrangement	REC 8. The current set of Payment By Results (PBRs) indicators would benefit from simplification and should be reviewed.	DFAT, Cowater
Management arrangement	REC 9. The Strategic Coordination Group mechanism (a part of CAPRED's governance structure) is in need of review since it is not currently meeting the needs of participants.	CAPRED, DFAT

Area	Recommendation	Responsibility
Advocacy and influencing	REC 10. CAPRED should appoint individual ‘relationship managers’ to act as a primary contact and entry point for key Government and private sector partners , and to take responsibility for helping direct partners to the right desk within CAPRED in relation to a specific subject.	CAPRED
GEDSI	REC 11. Given the centrality of MSMEs to RISE, it is recommended that ‘women in MSMEs’ be the strategic focus of CAPRED’s WEE related work.	CAPRED
GEDSI	REC 12. CAPRED should ensure that disability inclusion is embedded across the program’s portfolios.	CAPRED

1. Evaluation purpose, scope, and methodology

1.1. About CAPRED

The Cambodia Australia Partnership for Resilient Economic Development (CAPRED) is Australia's flagship economic program in Cambodia and is the latest iteration of Australia's long-standing commitment to Cambodia's economic development. The program is funded by the Australian Government through its Department of Foreign Affairs and Trade (DFAT) and has a total budget of AUD 87 million. The program is managed by Cowater International.

CAPRED commenced in mid-2022 and is approaching the end of the third year of its initial five-year implementation period, with potential for a three-year extension based on satisfactory progress. Its aim is to foster resilient, inclusive, and sustainable economic growth by focusing on critical reforms in the agriculture, trade, investment, and infrastructure sectors, working through three domains, ten portfolios and 34 interventions. (See Box 1.)

Box 1: CAPRED's objective and structure

CAPRED's objective is that **"Cambodian women and men benefit equitably from increased access to, or increased participation in environmentally sustainable, economically resilient and inclusive economic growth."**

The concepts of resilience, inclusivity, and sustainable economic growth are central to the CAPRED Program Logic and articulated collectively within CAPRED as 'RISE', provide a guiding framework to help define, guide and capture CAPRED's strategic intent and achievements. These are also the constant themes of CAPRED's engagement and offering to both the public and private sectors.

Structurally, CAPRED is built around three domains, which involve seven programming portfolios:

- **Domain One: Agricultural Production and Agro-Processing** - supports trial and scaling of more productive, inclusive and resilient agricultural and agro-processing value chains
- **Domain Two: Trade, Investment and Enterprise Development** - supports trial and scaling of more competitive, inclusive and resilient trade, investment and enterprise development models and policies
- **Domain Three: Infrastructure Development** - supports trial and scaling of more effective, resilient and inclusive water and energy infrastructure and services

In reality, the domains are an artificial construct and are increasingly less relevant since CAPRED work is now primarily energised at portfolio and intervention levels, where increased levels of interaction and collaboration between and cross activities can be seen. For example, one individual rice processor benefits from CAPRED's integrated input around trade, investment, agro-processing, energy infrastructure and options for zero waste – highlighting the important interplay that exists between interventions across the domains.

An additional three cross-cutting programming portfolios wrap around the three domains utilising both targeted and integrated approaches:

- **A Policy Hub** works to enhance the policy environment for RISE and inform and support national policy development
- **GEDSI** works to promote inclusiveness and address policy barriers that hinder GEDSI outcomes
- **Climate Resilience** brings focus to closing the Nationally Determined Contribution financing gap; and strengthening the financial sector's climate capability, while bolstering climate adaptation and mitigation efforts across the CAPRED program

The CAPRED Program Logic is included at Annex One.

CAPRED has two End-of-Facility-Outcomes (EOFOs):

- **EOFO1 – Government focused:** By 2031, targeted **Royal Government of Cambodia (RGC) agencies** develop and implement policies that contribute to more sustainable, resilient, and inclusive growth in CAPRED domains.
- **EOFO2 - private sector focused:** By 2031, targeted **private sector stakeholders** undertake more sustainable, resilient, and inclusive trade and investment initiatives in CAPRED domains.

EOFOs will be achieved through progress toward five Intermediate Outcomes (IO):

- **IO1 - Policies:** Targeted RGC agencies have better capacities and more incentives to develop and implement evidence-based policies that enhance sustainable, resilient, and/or inclusive growth in CAPRED Work Areas
- **IO2 - Markets:** Targeted markets include better linkages and standards that expand sustainable, resilient, and/or inclusive growth in CAPRED Work Areas
- **IO3 - Technologies:** Targeted RGC and private sector organisations adopt technologies that enhance sustainable, resilient, and/or inclusive growth in CAPRED Work Areas
- **IO4 - Finance:** Targeted private sector organisations utilise selected financial investment mechanisms that enhance sustainable, resilient, and/or inclusive growth in CAPRED Work Areas
- **IO5 - Women's Economic Empowerment:** Targeted women have increased capacity and opportunities to engage in CAPRED Work Areas

CAPRED aligns with and is supportive of Cambodia's major national development strategies, most notably the Pentagonal Strategy - a socio-economic development blueprint introduced by the new Prime Minister, which aims to support Cambodia achieving upper-middle income status by 2030. Close alignment with the Pentagonal Strategy and its 2030 ambition is a feature of CAPRED. It is also an important opportunity and point of leverage given it represents a significant shift in Government strategy towards **systemic change** by addressing entrenched, foundational issues across multiple sectors aimed at transforming Cambodia into a more resilient, inclusive, and competitive economy.

CAPRED's objectives align with Australia's new international development policy released in August 2023, which focuses on inclusive, resilient, and sustainable growth.

1.2. Purpose of the Mid-Term Review

This report provides an independent assessment of CAPRED from June 2022. Its focus is on the extent to which CAPRED has shown it can effectively target the levers of change to achieve its IOs and EOFOs and support resilient, inclusive, and environmentally sustainable economic growth in Cambodia. It is intended that the Mid-Term Review (MTR) will inform DFAT's decision on a three-year extension beyond the current allocation and whether the current management contractor remains the most appropriate partner, based on their performance, management approach and capacity.

DFAT expects the MTR to:

- Evaluate the relevance and coherence of CAPRED's design, scope, and implementation approaches, including whether adjustments to the Program Logic, MERL Strategy, and/or other strategies/approaches may be required;
- Evaluate capacity-building efforts and the sustainability of CAPRED's interventions;
- Evaluate the appropriateness of CAPRED's governance and management structure;
- Review the allocation of resources, including financial and human resources, to ensure they are aligned with and supportive of CAPRED outcomes;
- Assess how well CAPRED aligns with both DFAT's strategic goals and Cambodia's national development strategies; and
- Synthesise lessons learned and offer recommendations for improvement.

1.3. Methodology

The MTR ToR set out the key review questions (RQs) as shown in Table 1. During the MTR planning process, the review team prepared sub-questions under each RQ to provide further granularity to each area of inquiry. (See Annex Two)

Table 1: Key Review Questions (KRQs)

RQ1:	Does CAPRED's Program Logic provide a clear, realistic, and appropriate approach to Systemic Change?
RQ2:	Is CAPRED's MERL Strategy and framework appropriate to CAPRED's context and aligned with DFAT standards?
RQ3:	Is CAPRED achieving its desired outcomes, specifically regarding progress towards its IOs and EOFOs?
RQ4:	Are management arrangements suitable to optimising performance?
RQ5:	How well positioned is CAPRED to influence the actions of key stakeholders?

The MTR has taken a mixed methods, systems-based approach reflecting the complexity of understanding how CAPRED can contribute to systemic change. The proposed methodology was refined following initial (virtual) key informant interviews (KIIs) with DFAT Phnom Penh post and CAPRED Senior Management, and a light touch literature review of key CAPRED documentation, including the Program Logic, MERL Framework, the 2022 Strategic Plan, reporting systems and reporting outputs.

A process of stakeholder mapping was undertaken to identify key organisational actors. A purposive sampling approach was taken to ensure the review team gained sufficient coverage across the different domains and across public and private sector organisations, recognising that activities and progress will vary given CAPRED is still at an early stage of program implementation, and overlap and interactions across the domains. Annex Three gives an overview of stakeholders and the sample of those consulted in the MTR.

The main data collection phase initially involved a more in-depth review of relevant literature and further remote KIIs. Fieldwork occurred over the last two weeks of March 2025, including further KIIs with individuals and small groups conducted primarily in Phnom Penh. While CAPRED has aims to have nationwide impact, at present its activities are Phnom Penh focused. Field work included visits to Takeo (to meet with Private Water Operators), Kirirom (to meet with Kirirom Food Production Co), and Kompong Thom to look at facets of the cashew and rice value chains. Additional virtual KIIs were undertaken with key stakeholders who were unavailable during the field work period. Across the review process, the MTR team undertook 48 individual meetings and met with a total of 74 key informants.¹ See Annex Four for a list of people consulted during the MTR.

Achieving granular understanding of day-to-day functioning and strategy of CAPRED allowed the MTR team to:

- Identify and assess plausible pathways where CAPRED contributes towards systemic change
- Consider the efficacy and thoroughness of the implementation approaches and strategy as mechanisms to support those pathways
- Reflect on the relevance, coherence and appropriateness of key documentation such as CAPRED's design, the 2022 Strategy (specifically portfolio and intervention level 'pathways to RISE'), the Program Logic, MERL Strategy
- Determine the current status of interventions and opportunities for consolidation, and
- reach evidence-based conclusions including any examples of progress to date along pathways towards systemic change.

¹ Only those who substantively contributed to a meeting are included in this calculation. Some key stakeholders were met on multiple occasions and these have all been counted as individual meetings.

Following the field work, the MTR team presented and discussed initial findings through an in-person debriefing with the DFAT team in Phnom Penh on the 28th of March. An aide memoire was submitted to DFAT on the 14th of April 2025.

2. Review Findings

This chapter presents key findings and supporting evidence for each area of inquiry outlined in the Review Questions (Table 1). Given the importance of GEDSI and climate change in DFAT's agenda, the MTR includes a separate section on these topics. Each section includes not only findings from multiple sources, but also key insights and related recommendations.

2.1. Does CAPRED's Program Logic provide a clear, realistic, and appropriate approach to Systemic Change?

Key findings:

- The current Program Logic is 'workable' and outlines a logical approach for affecting systemic change. However, its static structure doesn't fully reflect the dynamism, lateral engagement and 'flow' that needs to occur at whole of program level if CAPRED is to succeed in affecting systemic change.
- An ongoing undercurrent affecting the program approach is that there is still no clear, agreed definition of what constitutes systemic change in the context of CAPRED.
Reaching clear agreement on a definition of systemic change is paramount at this stage of program implementation, since further delays will likely contribute to continued difficulties with regards to reporting against targets.
- While the Program Logic has limitations, it comes to life and is better activated when applied to a specific systemic change pathway, since day-to-day implementation approaches generally incorporate most of the 'pieces' of the logic.

Key recommendations:

- Given both that the Program Logic is 'workable' and the significant workload involved in revising it at this stage of implementation, it is recommended that the Program Logic be left as is, but that focus be placed on development of a theory of change and formalising an agreed understanding of what constitutes systemic change in the CAPRED context, since these two steps will help solidify understanding of how best to activate the different pieces of the Program Logic.
- Consider making G-PSF a standalone portfolio, as the team handles confidential information and should have the platform to highlight its own achievements and contributions to CAPRED's goals.

2.1.1. Overarching Program Strategy

During the inception period, CAPRED prepared its 2022-27 Strategy which stated that:

*CAPRED adopts a mix of a programmatic and Facility model. While the programmatic approach can improve coordination, reduce risk, and improve efficiency and performance, the Facility model allows CAPRED to flexibly tackle a range of emerging inter-related public and private sector constraints and opportunities to promote resilient, inclusive and sustainable economic growth (RISE) across different sectors.*²

While the above strategic statement seems to strike a balance relevant to CAPRED's context, it appears during the first 18-month period that there was inconsistent view around the Programmatic vs. Facility nature of CAPRED, and that this contributed to differing perceptions of the appropriateness of the Program Logic, MERL, reporting and approaches employed

² CAPRED Strategy 2022-27, p.3

towards achieving systemic change. While there is still no clear and agreed definition of what constitutes systemic change in the CAPRED context, there appears to now be a degree of comfort around the programmatic vs. Facility question, with CAPRED clearly understood as a 'Facility' able to accommodate changes and quickly engage emerging opportunities. However, the observation of this MTR is that CAPRED has many programmatic features and is drawing on these to work strategically and systematically to achieve progress towards several clearly identified systemic changes.

2.1.2. Appropriateness of the Program Logic

As mentioned, while the current Program Logic (see Annex One) is 'workable' and contains all the requisite pieces, there is room to enhance how it captures the dynamism, lateral engagement and 'flow' needing to occur at whole of program level if CAPRED is to succeed and affect systemic change.

This is most evident in the five IO areas. While these are all highly relevant to context, they sit independently within the Program Logic with no clear expression of how they relate to each other. While all five IOs are relevant to the two EOFOs and to the context of systemic change, they are multi-faceted and co-dependent in terms of the results CAPRED is aiming to achieve. Similarly, there is significant lateral interaction between 'work areas', but these sit within the Program Logic as static boxes, with no suggestion as to their interplay with the IOs. While this interaction is sometimes more 'potential' than 'actual' in some areas, this is understandable in the context of a Facility that is only now settling into its stride in terms of clear identification and delineation of the pathways it is best placed to affect. There is also a gap between the static nature of the Program Logic and the concept of RISE, which is intersectional in nature, and requiring synergies between IOs if systemic change is to be achieved.

Findings from KIIs indicate that CAPRED's work with the RGC continues to evolve in terms of pathway identification and developing the sophisticated strategies required to achieve systemic change capable of being sustained over time. This is reasonable at year three given the innovative and ambitious approach. It also highlights the demand driven approach of CAPRED. Furthermore, the RGC is appreciative of the steadiness, responsiveness, sophistication and inclusive nature of their relationships with CAPRED, and also value the technical calibre of the team and the consultants that it can mobilise.

Of note within the Program Logic is the lack of visibility given to the crosscutting themes, which are presented simply as another three portfolios – Policy Hub, Climate Change and GEDSI. This understates the highly active role needing to be played by the crosscutting themes in activating the concepts underpinning RISE and reduces appreciation of their strategic importance to CAPRED. This lack of profile is also at odds with the priority placed by DFAT on issues of GEDSI and climate resilience.

This is also the case with the Policy Hub which is playing a critical role within CAPRED in supporting and partnering with different portfolios and interventions in strategy development, communications and stakeholder engagement, as well as working with technical teams to develop sophisticated performance measurement approaches through development of tools such as dashboards that support activity implementation monitoring. Another important pillar of the overall CAPRED approach is support to G-PSF, which was initiated to progress the business enabling environment and improve the investment climate in Cambodia. However, CAPRED's G-PSF support is essentially invisible within the Program Logic, meaning that there is no line of sight as to how this particular investment can (and already does) enhance work being undertaken through CAPRED's different work areas, and progress towards achievements of the five IOs. Strengthening of the visibility of G-PSF also has the potential to play a pivotal role in terms of bridging the two EOFOs and support alignment between them - a connection that will be essential if the program's goal and objectives are to be realised, recognising the interdependence of these outcomes.

Despite these issues, the MTR concludes that the Program Logic is 'workable'. Given the significant workload involved in revising it, it is recommended that the Program Logic be left

as is. Focus instead should be placed on formalising an agreed understanding of what constitutes systemic change in the CAPRED context and the importance of reporting against the IOs in a way that meet DFAT's requirements as well as enabling CAPRED's own approach to measuring performance. This will help solidify a shared understanding of how best to activate the different pieces of the Program Logic as CAPRED enters a far less theoretical and more tangible period of working collaboratively with clearly identified partners to strengthen pathways to systemic change. It is further proposed that a theory of change (ToC) be prepared to sit under and complement the existing Program Logic, that aims to better capture the current approach and contribution of each component of CAPRED to achieving systemic change

2.1.3. Current performance against the existing Program Logic

An observation of the MTR is that integrated sets of activities are already in place and currently contributing to progression of each of the IOs. These are being activated in multiple forms through CAPRED's different portfolios, and provide pathways through which the IOs, as currently stated, can realistically be achieved. The most significant story of the IOs is the interaction between them and also their interaction with the Policy Hub.

While there is potential for the CAPRED whole to be more than the sum of its IOs, the inability of the Program Logic to reflect the sophistication of day-to-day strategy and workflow means that it is limited in terms of outlining a roadmap for achievement of the currently defined IOs and EOFOs. This lack of clarity, in turn, contributes to varied understanding of what constitutes 'systemic change' in the context of CAPRED. A further follow-on effect is the impact that the static Program Logic has on monitoring and reporting, since reporting directly against the current set of IOs makes it difficult to highlight the integrated strategies that are supporting progress towards systemic change. As mentioned above, the MTR concurs with the opinion of the Quality Technical Assurance Group (QTAG) that there is an urgent need to document an agreed understanding of what constitutes systemic change in the context of CAPRED that meets the needs of both DFAT and the implementation team.

Despite limitations of the Program Logic, data collected over the MTR highlighted dynamic and evolving interactions between portfolios and interventions, spanning a range of potential pathways to systemic change. The five IO areas identified by CAPRED are being actively applied in both day-to-day implementation and strategic planning, supporting the progression and consolidation of systemic change pathways. The key moving forward in terms of CAPRED reporting on its effectiveness relates to agreement being reached that CAPRED be able to report more holistically on its 'systemic change pathways', while also reporting directly against its IOs, as per DFAT M&E standards.

2.1.4. The Program Logic and specific pathways to systemic change

While the Program Logic feels insufficient when viewed at whole-of-program level, it comes to life when applied to specific work areas or pathways to systemic change. The MTR finds that CAPRED is progressing well toward driving systemic change, primarily through three key pathways: (i) increasing the level of integration and interconnection between interventions, (ii) strategic engagement and facilitation of a diverse and strategic range of stakeholders, and (iii) ongoing consolidation of key relationships and influencing.

For example, the logic works effectively when overlaid with work undertaken to date by CAPRED in supporting the RGC's high profile policy direction of Agri-food Industrial Parks (AIPs). Through strategic early engagement and positioning, CAPRED has secured a seat at the 'AIP table' and appears to have positively influenced critical decisions that have been taken about how this ambitious initiative will be realised. Each of CAPRED's work areas are engaged in progressing the initiative, and all five IOs are of direct relevance to the proposed AIP concept and therefore directly relevant to planning and rollout of both the AIP policy framework, but also individual AIPs, as they are formulated. Furthermore, RGC recognised that AIP is an initiative that will succeed with meaningful commitment and coordinated efforts across both the public and private sectors and welcomed CAPRED to support it in seeding this fundamental governance shift.

Given this context, the MTR concludes that redesign of the Program Logic would not be a worthwhile investment, given that CAPRED's day to day functioning already addresses the limitations of the current Program Logic document. However, it is recommended that a ToC be prepared to sit under the Program Logic, that aims to capture the current approach of CAPRED towards achieving systemic change, and addresses deficiencies of the Program Logic, as identified above. It is also recommended that CAPRED, in close consultation with DFAT, collaboratively develop clear and concise documentation, ideally through a facilitated workshop, to establish a shared understanding of systemic change in Cambodia, CAPRED's role in it, and how to assess progress, which would guide the program forward, and support performance measurement.

Box 2: Define "Systemic Change"

There are a range of definitions of systems and of systemic change, though they have common elements. Systems are made up of **interconnected components, actors and relationships**. To facilitate change you need to understand the interconnectedness and look to intervene in ways which positively impact on how the system as a whole operates.

A key feature of systemic change is that it is 'transformational' requiring fundamental shifts in relationships and connections, ultimately leading to a new system that behaves differently than before. It focuses on modifying the policies, relationships, resources, power structures, and values that shape how a system operates. It takes time, requires collective action from a diverse range of stakeholders, and leads to outcomes which are often hard to predict, track and measure.

For more information on defining and measuring systemic change, please refer to Annex Five.

2.2. Is CAPRED's MERL Strategy and framework appropriate to CAPRED's context and aligned with DFAT standards?

Key findings:

- The current MERL strategy contains many valuable elements. However, the process of it being developed over 18 versions has led to it playing overly focused on reporting compliance and now lacks sufficient clarity and focus to capture the nuanced performance of a program as complex and ambitious as CAPRED.
- While current reporting technically meets DFAT M&E Standards, it's viewed by all stakeholder groups as inadequate in describing CAPRED's approach and capturing performance, nor clearly defining the pathways towards systemic change that sit at the heart of CAPRED's day to day operations.
- An unintended consequence of the heavy focus placed on reaching agreement on the bigger picture issues of the MERL strategy, is that consideration of other important reporting requirements is insufficient, such as those related to women's economic empowerment and disability inclusion.

Key recommendations:

- Reporting can be considerably strengthened if it is more systems focused than outcome focused (while still acknowledging the importance of reporting against IOs will remain important).
- A process of developing a ToC could help crystallise understanding of how the Program Logic is activated in day-to-day work at portfolio and intervention levels.
- DFAT and CAPRED should consider more regular and flexible engagement to share updates on CAPRED's evolving approach to systemic change.

2.2.1. Alignment with the Program Logic and Program Strategy

The Program Strategy prepared in 2022 and only finalised in late 2023 is now dated, meaning that there is only limited alignment between the Program Logic, the Program Strategy and the

MERL Framework. This context is contributing to limitations around the quality and effectiveness of reporting on CAPRED's complex and ambitious approach. This challenge is exacerbated by lack of common shared understanding of the definition of systemic change, referred to above.

While the MERL strategy does align with the Program Logic and the results that are differently articulated within the five IOs, the MTR team assess that there is an opportunity for reporting to be strengthened through more innovative approaches that capture how different IOs interact with each other, and how other CAPRED elements affect each IO.

2.2.2. Suitability of the current reporting system

MERL performance is affected by CAPRED's understanding that DFAT expects reporting to be primarily presented through the window of the IOs. While reporting technically aligns with DFAT M&E Standards, there is general dissatisfaction across all parties with regards to the quality and effectiveness of reporting on CAPRED's ambitious approach. This significantly restricts the program from being able to tell the story of its lateral interactions and the degree to which the program is strategically utilising its many parts in pursuit of systemic change. The challenge of reporting primarily through IOs is further complicated by the IOs being defined in overly simplistic ways, with targets that do not sufficiently relate to the systemic change ambitions of CAPRED.

Communications is another important facet of the CAPRED approach that occurs at both a sophisticated and strategic level that is key in supporting progress along 'systemic change pathways'. However, these contributions can be better highlighted in CAPRED's reporting. Beyond traditional communications functions, the CAPRED communications team plays an important role informing strategy for clear and effective dissemination of the many knowledge products being developed, and to assist teams in tailoring products to the needs of different audiences, since high quality communications products can be key in terms of influencing policy reform.

If it is agreed that CAPRED's 'work areas' and/ or 'systemic change pathways' can be used as the entry point for periodic reporting, this will immediately bring to life the interaction and lateral linkages of the program as they are configured to support systemic change. Importantly, CAPRED understand that it must still report against the current IOs, since the IOs all remain relevant and are understood by CAPRED as being an important reference point for DFAT reporting.

It is also noted that the effort required to reach consensus on the MERL strategy demanded focus on the 'big picture' structural MERL issues of ensuring adequate processes for measuring systemic change. However, this has taken focus away from more day-to-day measurement challenges such as determining women's economic empowerment and levels of disability inclusion in the program.

In a reporting approach where 'systemic change pathways' serve as the primary entry point for reporting, reporting against IO reporting will emerge more as a conclusion with different evidence assembled under each IO from different pathways (interconnectedness between interventions, strategic engagement of key actors, and consolidation and evolution of relationships). IO reporting will therefore be grounded in, and informed by the complex stories of change, providing clear context for how progress towards the IOs has or has not been achieved. This would provide DFAT with a valuable management tool since it will flag success stories but also areas where challenges have been encountered. It also ensures that reporting will remain contractually compliant, since it will retain a clear focus on performance against IOs and EOFs.

Consideration should also be given to shifting from the current format of six-monthly progress reports to annual reporting, augmented by six monthly deliverable reports which succinctly report on activities within that period rather than trying to provide an update on the full systemic change story. The current model of six-monthly reporting is not well suited to a systems focused approach where change can be incremental and nuanced. The longer time span of

annual reporting is more realistic in terms of capturing stories of change and demonstrating the accumulated progress.

If this proposal is agreed to, an effort should then be made for one final revision of the MERL strategy to achieve clear, documented agreement between all parties on the MERL approach moving forward. The centrepiece of this final MERL strategy should be a clear and persuasive strategy for tracking systemic change, based on a clear and agreed definition.

Box 3: Restructuring CAPRED reporting

CAPRED reporting is not currently capturing or reflecting the appropriateness and results of CAPRED approaches towards achieving systemic change. The MTR proposes a logical sequence of steps to resolve this issue:

- CAPRED should prepare a brief, standalone document outlining what systemic change means in the CAPRED context and how it intends pursuing it
- Based on this definition, prepare a Theory of Change to sit under the Program Logic with the aim of bringing to life how different CAPRED actions contribute to systemic change
- CAPRED's 'work areas' and/or 'systemic change pathways' are used as the entry point for periodic reporting, in order to facilitate easier description of the interaction and lateral linkages of the program as they are configured to support systemic change (while still reporting against IOs, as per contractual requirements)
- Importantly, CAPRED understand that it must still report against the current IOs, since the IOs all remain relevant and are understood by CAPRED as being an important reference point for DFAT reporting
- Shift from six monthly to annual reporting (augmented by brief six monthly deliverables reports) given six monthly reporting is poorly suited to a systems focused approach where change can be incremental and nuanced.

2.2.3. Appropriateness of CAPRED's M&E system in meeting the needs of program management and external stakeholders, particularly DFAT

It was clear to the MTR team that there is close, strengths-based collaboration between the MERL team and the Policy Hub, including development of dashboards and performance monitoring systems that help guide the work of partners. In this sense, the MERL team is providing an important technical input to program delivery (beyond its monitoring and reporting function) since it is contributing to tangible outputs such as the 'Public-Private Dialogue for Results' which provides the CDC with a monitoring framework to help guide the work of the G-PSF. Dashboards have or are in the process of being developed for MEF, OCM and MISTI – each of which will contribute to improved knowledge management and greater accountability, while also defining and documenting pathways to agreed change.

This contribution is significant. CAPRED has a strong MERL team in place which works in close collaboration with CAPRED's technical teams and the Policy Hub in positioning activities so that the right data is collected, and to help ensure that activities are designed in such a way that they are measurable. The MTR team also noted that CAPRED is already gathering an extraordinary breadth of data across all portfolios, so is very well placed in terms of enabling easy access to the raw material needed for high-quality reporting. This information will also be of critical importance in terms of consolidation of interventions.

On the operations side, CAPRED has sophisticated systems in place to manage different requirements associated with expenditure of Australian funds. This includes performing detailed due diligence and ensuring adherence to DFAT mandatory requirements around ODA expenditure such as justifying sole sourcing expenses, meeting Australian Commonwealth procurement requirements. Steps have also been taken to strengthen systems for ensuring that projects, activities and partners being funded are compliant with policies relating to Child Protection and Sexual Exploitation, Abuse, and Harassment standards, and other climate, environment and social safeguards. In particular, there has been thorough review and overhaul

of systems for safeguarding after weaknesses were identified during a spot check at a CAPRED funded childcare facility.

2.3. Is CAPRED achieving its desired outcomes, specifically regarding progress towards its IOs and EOFOs?

Key Findings:

- CAPRED has achieved strong traction establishing strategic partnerships with public and private sector partners relevant to achievement of the IOs and EOFOs. This is supported by sophisticated strategies that encourage collaboration, helping to break down long-standing organizational silos that have historically hindered systemic change in Cambodia.
- CAPRED is valued for its focus on supporting development of an evidence base to inform and support long-term, sustainable, and inclusive system-wide change.
- Individual pathways towards change are co-created and well understood by both CAPRED and Government partners, but pathways vary in terms of the degree that they have advanced
- One IO (Women's Economic Empowerment) and one portfolio (Agriculture) are less advanced
- The CAPRED team is regarded as technically very strong and is held in high regard by Government and private sector partners for its technical capacity and responsiveness, but also for the respectful way it partners.
- Despite positive commentary around CAPRED's contribution to capacity strengthening, the program lacks clarity around its approach and ambitions.

Key recommendations:

- Early signs of progress toward systemic change and EOFOs are emerging. DFAT should begin considering and planning for a possible program extension.
- There is a need for a review and update of the work occurring through each portfolio and for decisions to be taken around opportunities to consolidate, reduce and restructure interventions.

CAPRED needs to clarify its approach, entry points, and target value chains in agriculture and agro-processing, especially given current misalignment with MAFF.

2.3.1. A slow start

A common theme cutting across all key informant interviews was an observation that progress of CAPRED implementation has been slow. This is not necessarily a criticism since it is common for inception phases to present challenges, especially in contexts where traction and ownership for systemic change needs to be established. While there are differing perspectives as to why this was the case, it is clear that the need to refine the program approach and logic (including reducing IOs from 13 to 5), develop supporting tools, deal with staff turnover (including a change of Team Leader), navigate an election and appointment of a new Prime Minister, and socialize and raise awareness of a complex and ambitious program approach with the public and private sectors, occupied much of the first 18 months. The subsequent 18-month period then needed to focus on ensuring that the necessary partnerships, strategies and building blocks for the program were in place.

2.3.2. General progress towards IOs and EOFOs

The question of measuring progress towards the currently articulated IOs and EOFOs has been complicated by the limitations of the Program Logic and the IOs, as described above. While the 2022 CAPRED Strategy provides valuable description of the approach and intent of each portfolio and their interventions in terms of facilitating pathways to systemic change, the MTR team note that it is now dated given the commencement of the Government mandate, subsequent evolution of Government policies and priorities, and also that CAPRED has been affected by significant flux, including change in senior staff positions and general staff turnover.

There is a need for a review and update of the work and ‘current reality’ of interventions occurring through each portfolio and for decisions to be taken and communicated around opportunities to consolidate, reduce and restructure interventions. This is already happening with several interventions essentially merged, others latent, and some questionable as to their viability given lack of traction to date.

Given the arrival of a new leadership team at DFAT Phnom Penh post, this Strategy refresh would offer a great opportunity for the DFAT team to reacquaint itself with the current implementation context and approach of CAPRED, and to actively contribute to ensuring alignment between DFAT and CAPRED as the Facility enters the final two years of its initial five-year implementation period. Such an approach would logically also provide an opportunity to inform the question of an agreed definition of systemic change in the context of CAPRED.

Given the above-mentioned slow start and that the development of strategies to achieve systemic change are either recently or still being defined or have evolved with time, the approach of the MTR team was not so much to look for tangible, completed results, but to understand intervention level (current) activities, lateral linkages between activities, gaps in logic, consolidation options, management approaches and levels of Government ‘buy-in’ – and then to reach conclusions as to the plausibility of the various systemic change pathways that CAPRED is now pursuing.

The MTR team found that in general, CAPRED is active and implementing sophisticated and relevant strategies that cut across all IO areas and are actively helping position the program to achieve its EOFOs, even though reporting against the IOs remains a challenge. The one exception to this in terms of IOs is the area of women's economic empowerment, which requires clearer focus, a more determined strategy and a more concrete performance measurement framework to monitor progress.

In terms of pathways towards systemic change, CAPRED has worked closely with policymakers within key ministries to influence policies. The team has facilitated policy dialogues with key Government stakeholders on matters related to water policy, food certification regimes, export readiness, investment promotion, Government-private sector collaboration, energy policy and, most prominently, as a trusted and important actor helping progress the ‘big picture’ idea of Agri-Food Industrial Parks (AIP).

The value of the potential AIP to CAPRED lies in the fact that a successful AIP stands to significantly benefit from all that CAPRED has to offer. Furthermore, there is awareness at the highest levels of the RGC that CAPRED is well positioned to provide high-quality technical support to this important Government initiative that is currently being handled directly by the Prime Minister. CAPRED’s ‘status’ in relation to this initiative has the potential to facilitate an important line of communication in relation to advocating how an AIP could activate women's economic empowerment, consider other gender and inclusion issues, and ensure climate responsiveness.

CAPRED has also been able to elevate and systematize the role of the private sector, providing a platform for them to provide feedback to the Government both through specifically identified partnerships that contribute to specific ‘change’ ambitions and through its highly strategic support to the G-PSF. This has included organizing high-level forums and conferences that bring together the private sector, development partners, and the Government to discuss economic issues and policy priorities. CAPRED has also supported the development of policy briefs and documentation to uplift opportunities for the private sector. In the water sector, for example, CAPRED has worked to build the capacity of the Cambodian Water Association (CWA) to negotiate with the Government and address challenges faced by water operators.

2.3.3. Progress of CAPRED’s five Intermediate Outcomes

The MTR found that all CAPRED IOs are being activated in some activity areas, and that all activity areas are drawing upon most if not all the IO strategies. While the five individual IOs are all relevant to CAPRED progressing towards its EOFOs and development objective, the

more significant story of the IOs is the interaction between them and their interaction with the Policy Hub since these multi-faceted approaches form the strategy of how CAPRED will affect systemic change. This section will look at each IO to examine and detail progress and pathways. Elsewhere in the report, IOs are considered more in the context of how they are progressing within individual systemic change scenarios, and through the strategic interaction of different interventions.

IO 1 – Policies

Policy work is progressed through a toolbox of strategies aimed at ensuring responsiveness to context. Worthy note here is that mainstreaming and targeted policy approaches work strategically and harmoniously, with significant collaboration occurring between the Policy Hub and portfolios relevant to each specific policy ambition. In this respect, the Policy Hub is an important Facility asset given it provides the different technical teams ease of access to high quality, in-house ‘policy’ support. This contributes to sophisticated engagement approaches across different policy opportunities that incorporate the potential contribution to be made under each of the IO areas. This includes supporting the CDC in managing the G-PSF, a vital platform for economic reform and diversification that can only succeed if it actively tackles and initiate reforms relevant to the IO areas of markets, technology, finance and economic empowerment of women (though this is a reform argument still needing to be better socialised by CAPRED).

Clean water is another area where CAPRED has been a key contributor to an advanced policy framework that features elements of all IO areas. This has involved extensive and high-quality research that highlighted pressure points in the current policy framework and business model, whilst also bringing clarity to structural issues in the current system for the delivery of clean water. CAPRED has facilitated significant co-investments in clean water initiatives. New technologies have been introduced that facilitate more efficient and effective delivery systems. All this knowledge and the relationships it has fostered fed into CAPRED support to development of a sub-decree that will lay the foundations for a Clean Water Development Fund (CWDF). Further, targeted policy interventions managed more directly through the Policy Hub aim at major structural advancement, such as support to strengthened Provincial Investment Planning with the aim of embedding evidence-based planning systems that guide investment and allocation of resources in the water sector. Worthy of note here is that both mainstreaming and targeted policy approaches work strategically and in harmony with each other, with input from all relevant portfolios to each specific policy ambition, and vice-versa.

Case study 1 - Progressing Systemic Change – Clean Water

Clean water is a critically important systems landscape that CAPRED is wanting to affect. Work so far demonstrates a highly logical and sophisticated approach to resolving the highly complex challenge of ensuring a viable business model for Private Water Operators (PWOs).

Working closely with the responsible ministry (MISTI), CAPRED initiated a major study of the clean water sector which involved dispatching engineers to all provinces and every PWO in the country as a step towards understanding business models, capacity needs and generally ensuring an evidence base for much-needed systemic change. This research empowered the ministry and shed light on the vulnerability and tenuous predicament of the majority of PWOs. By undertaking investment calculations, liability calculations and water security assessments, the study was able to map the country, identify vulnerable areas and support MISTI in strengthening its capacity as a regulator.

This information is now being used to inform and raise awareness at provincial level with the objective of provincial investment plans investing in helping address risks and secure funding for PWOs who are generally servicing severely disadvantaged communities. At the same time, CAPRED is supporting the development of commune level initiatives that raise awareness of what can be done at household level to protect and support reliable, functioning clean water systems.

All of this work is occurring in close collaboration with the Cambodian Water Association, the peak body in Cambodia representing PWOs.

While this is all valuable work, CAPRED is also working closely with MISTI to support drafting of the sub decree for the Clean Water Development Fund and to develop strategies that promote the need for interministerial collaboration if the sub decree is to be progressed, and the CWDF established.

CAPRED is also supporting MISTI in its development partner engagement, as efforts are made to secure financial commitments to the CWDF moving forward.



Photo: Phnom Penh Water Supply Authority's water treatment plant, CAPRED 2025

IO 2 – Markets

CAPRED support to enhancing market access is multi-faceted and tailored to the unique context of specific value chains. It is consolidated through engagement with Government entities such as the Ministry of Commerce which is now placing far greater emphasis on their role and potential contribution to export readiness and promotion. CAPRED's work in relation to the AIP is heavily market focused, supporting a range of different actors to understand certification and standard requirements across both the public and private sectors. This in turn is factored into investment promotion, building confidence amongst potential investors of the readiness of Cambodia as an investment destination. Innovative bridging work is also being undertaken by CAPRED, recognising that it is increasingly common for high-end buyers to want to also invest in productive aspects of their value chain of interest, to help ensure standards – meaning they are both investor and producer. CDC, MEF, MISTI and private sector actors spoke positively to the MTR team about CAPRED's value in terms of raising awareness in relation to market shifts, trends and opportunities, and their support for quick adaptation to these changes in market conditions. The ADB and World Bank also expressed appreciation for CAPRED's contribution to raising awareness of current market trends, and subsequent opportunities and risks citing it as an important contribution to investor engagement and promotion.

This facet of CAPRED work will likely become more significant if the US proceeds with placing tariffs on all Cambodian exports comes into force, given in 2023 the US was the destination of 43.6% of all Cambodian exports.

Case study 2: Pathway to Systemic Change - supporting rollout of Cambodia's first AIP

The Pentagonal Strategy of the Government represents a high-profile shift in strategy by working to address collaboration across multiple sectors with the aim of transforming Cambodia into a more resilient, inclusive, and competitive economy.³ Spoken of as a key pilot for more systemic approaches, Cambodia is wanting to actively develop Agri-Food Industrial Parks (AIPs) as a way of moving beyond the challenges and deficiencies of traditional special economic zones (SEZs) to enhance its agricultural sector, and attract both domestic and foreign investment to help ensure that more benefits remain in Cambodia.

Under the Prime Minister's oversight and direction of the deputy Prime Minister, MEF has led the AIP process to date (though it is anticipated moving forward that AIPs will be coordinated by CDC). Both MEF and CDC reported to the MTR team that CAPRED has played a critically important conceptual role, supporting establishment and drafting of a sub-decree for the AIP framework and governance structure; helping facilitate and strengthen inter-ministerial processes; supporting exposure of key Government actors to global best practice; initiating open debates through its technical portfolios around strategy; and by supporting meaningful connection of the private sector into the discussion, through its support to G-PSF.

The motivation driving more integrated, systemic approaches is to ensure strategies that support resilience, sustainability, diversification and reduce Cambodia's vulnerability to market shocks. Furthermore, the AIP initiative prioritises partnerships with local developers and will consider gender-responsive practices within its governance structure, contributing to inclusive market systems that address weaknesses of Cambodia's first generation of SEZs.

CAPRED continues to work across Government to strengthen and build confidence in the process by identifying private investors and stakeholders potentially interested in supporting the initiative. These activities aim to position the AIP as a cornerstone for attracting foreign investment in agro-industrial development, on the basis that the investment 'offering' is close to or equivalent to that of Cambodia's major competitors.

While the AIP represents a highly significant opportunity for systemic change in Cambodia as it aims to coalesce and optimise roles across Government, it is also a unique opportunity for CAPRED and DFAT given how neatly it overlays the Program Logic. To succeed, the AIP will need coordinated strategy in terms of policy development, market awareness, technological inputs, local financing and strategies that support inclusion – CAPRED's five IO areas.

Moreover, CAPRED's work on the AIP concept has already garnered high-level recognition. As highlighted by MEF Senior Official, "the program's technical support on the AIPs Incentive Framework and institutional arrangements is seen as a transformative initiative that will modernise Cambodia's agro-processing sector, enhance competitiveness and attract quality investments. "

Furthermore, CAPRED's offering will become more focused and granular when the first AIP focus commodity and location is agreed (anticipated to be cashews in Kompong Thom). This will allow the different portfolio teams to work more deeply and tangibly with their RGC partners to ground and activate opportunities to progress the AIP model.

Opportunity also exists for CAPRED in applying another more private sector driven, 'green rice' focused, AIP model, which could offer great opportunities for comparative analysis as these two similar, but different AIP systems emerge alongside each other in real time.

³ Khmer Times. 2023. Cambodia's new PM launches strategy to boost growth, maintain sustainability. <https://www.khmertimeskh.com/501349026/cambodias-new-pm-launches-strategy-to-boost-growth-maintain-sustainability/>



Photo: Women workers at the Mirarth Agritech cashew factory sorting processed cashew nuts before packaging for international markets, CAPRED 2025

IO 3 – Technologies

The MTR team found that technology promotion and adoption is fully mainstreamed throughout CAPRED's work, be that within an agricultural value chain or through policy and data-driven technology that supports dissemination of information, performance management and monitoring systems. While technology support to agricultural value chain strengthening is somewhat low hanging fruit (given Cambodia has very low technology adoption rates compared to its competitors), it remains of critical importance to all aspects of RISE, with technology related work often integrated within aspects of all other IOs. For example, CAPRED support to rice processor AMRU is supporting them to enter new markets, given it facilitates improved capacity to meet food certification standards.

Case Study 3: A systemic approach to technological adoption

A core challenge faced by Cambodia in terms of competing with its neighbours for agricultural export markets relates to very low levels of technological adoption. Many businesses lack awareness, the technical capacity or access to the finance necessary to modernize their operations, resulting in inefficiencies, reduced competitiveness, and lower-quality, lower value exports. Recognizing this key constraint, CAPRED has 'technology' as an IO, seeing it as a vital lever that and has worked to incorporate technological solutions across its interventions, ensuring businesses and government stakeholders have the necessary tools to promote systemic change.

These range from supporting smallholders to access technology appropriate to the context, such as machines that enable a tenfold increase in cashew shelling capability, through to support to leading agri-business company (AMRU) to establish a rice mill drawing on world leading technology.

Thinking systemically, a good example of the role of technology can be seen in CAPRED's support to IPC, which enabled Cambodia's first internationally accredited agri-food testing facility, thus enhancing the country's ability to meet international food safety standards, boosting consumer confidence and facilitating market expansion.

This addresses the reality that to increase its exports, Cambodia must produce safe products compliant with global market standards. Even with FTAs in place, Cambodia still faces non-tariff barriers related to sanitary and phytosanitary standards and compliance with end-market certifications, regulations and procedures. CAPRED has approached this challenge by supporting the introduction of a Quality Infrastructure (QI) system, whereby CAPRED supports the development of policies and the improved capacity of public and private bodies that implement standards, accreditation, metrology and conformity assessment (testing, inspection and certification).

By developing a QI roadmap, CAPRED was able to identify the challenge posed by Cambodia's various testing facilities lacking international accreditation since there is a lack of trust in local conformity

assessment services due to their lack of accreditation. On the flipside, CAPRED identified significant market demand for local food safety and compliance testing services, given that exporters must currently send their food samples abroad at significant cost.

This led to support to the (private sector) IPC to establish and obtain the technology for international accreditation for pesticide and heavy metal testing laboratories. This allowed Cambodia its first facility that offered the full suite of testing services required for export to the EU.

CAPRED is now exploring support for the relevant ministry (MISTI) in developing a QI roadmap to guide their internal approach and enhance national capacity for promotion of improved quality assurance approaches. Additionally, CAPRED is exploring potential collaboration with Khmer Enterprise, a government-backed initiative within MEF, that has been established to foster a dynamic entrepreneurial ecosystem. Its core mission is to mobilize, invest, and manage resources to support startups, small and medium-sized enterprises (SMEs), and ecosystem builders across the country. CAPRED's intention is to partner with Khmer Enterprise to support them to better provide capacity building for QI service providers in the agriculture and food industry, including identification and facilitation of access to new technology.



Photo: Workers at Amru Rice factory handle milled rice as part of the processing and packaging workflow, CAPRED 2024

Technology adoption is increasingly recognised within the RGC as a central element of promoting market competitiveness in Cambodia, given how advanced processing systems in Thailand and Vietnam have now become. Technological understanding is also central to the consideration of financial investment mechanisms, and how they can be more easily accessed to allow for technological upgrading of key value chains. CAPRED is also supporting the Private Sector in terms of understanding the contribution of technology to resilience and sustainability. Strategic use of information and technology is also apparent in CAPRED's work, such as the introduction of dashboards within key institutions such as the Ministry of Economy and Finance (MEF) and the Council of Ministers (CoM), that assist in enhancing accountability, support performance measurement and strengthen foundations for evidence-based policymaking.

IO 4 – Finance

Limited access to affordable finance and Cambodia's generally underdeveloped financial sector has long been a severe impediment to economic growth.⁴ While no easy fixes are apparent, CAPRED is working across its landscape to consider how improved financial investment mechanisms can support systems reform. Efforts are also being made to help

⁴ East Asia Forum. 2024. Overcoming constraints to inclusive growth in Cambodia.
<https://eastasiaforum.org/2024/01/30/overcoming-constraints-to-inclusive-growth-in-cambodia/>

identify and address the specific financing needs and opportunities of different sectors - including opportunities related to accessing green finance.

CAPRED has also brought focus and understanding to steps needing to be taken by government in relation to alternative finance mechanisms, working through research, awareness raising, private sector engagement and coalition building to support progression of the Cambodia Climate Finance Facility (CCFF) - jointly managed by the Agricultural and Rural Development Bank (ARDB) of Cambodia and Mekong Strategic Capital (MSC). This partnership aims to provide long-term financing for climate change mitigation and adaptation projects, addressing funding gaps in climate-related initiatives within the country. Agreements between the Green Climate Fund, the Korea Development Bank, and other implementing parties are well underway, with the first lending expected to occur between July-September 2025. CDC reported that CAPRED's facilitation has accelerated the establishment of the CCFF by at least a year, underscoring its role in catalysing climate-resilient finance.

Case Study 4: Enhancing access to finance

Access to affordable finance has long been a critical challenge in Cambodia, particularly for small and medium enterprises (SMEs) and agricultural producers. Cambodia's financial sector remains underdeveloped, limiting investment in key industries that could drive inclusive economic growth. The country also faces gaps in climate finance, slowing progress in climate adaptation and mitigation efforts. Recognizing these systemic barriers, CAPRED has worked to enhance financial investment mechanisms that support resilient, sustainable, and inclusive economic development.

While solid progress in terms of securing affordable access to finance remains challenging, CAPRED has facilitated some potentially significant interventions that aim to improve Cambodia's financial ecosystem. A key initiative of CAPRED has been support to establishment of the Cambodia Climate Finance Facility, a joint effort between the state-owned Agricultural and Rural Development Bank of Cambodia and Mekong Strategic Capital, a Phnom Penh-based investment and advisory firm operating across the Greater Mekong region. This facility aims to close the financing gap for climate-related projects by mobilizing longer-term public and private capital for climate mitigation and adaptation projects across the country.

CAPRED has also advised MEF on policy options for infrastructure bonds, collaborating with the Securities and Exchange Regulator of Cambodia to draft a *Prakas* for the Cambodian Stock Exchange. Additionally, CAPRED has worked with private investors to explore financing mechanisms tailored to agricultural producers, ensuring better lending terms for rural entrepreneurs.

In terms of results, both MEF and the CDC reported that CAPRED's engagement helped accelerate establishment of the CCFF, increasing the potential for Cambodian businesses to secure financing for climate resilience projects more quickly. The draft *Prakas* for infrastructure bonds is still at a very early stage, but has the potential to facilitate a new investment modality capable of building opportunities for long-term financing of national infrastructure. In the agricultural sector, CAPRED's work in raising awareness of different financing mechanisms has improved SME understanding of viable loan structures, reducing financial vulnerability among small-scale producers. These interventions have collectively enhanced Cambodia's financial landscape, expanding access to capital for businesses and climate-related initiatives – while all remaining 'works in progress' to be further engaged by CAPRED over its remaining implementation period.

A key lesson from CAPRED's financial sector interventions is the importance of establishing strategic institutional partnerships early to accelerate the potential for implementation. The rapid establishment of the CCFF demonstrates the effectiveness of collaborative, strength space engagement between government agencies and private investors. However, CAPRED must continue refining its strategy for private sector financing, ensuring that SMEs - particularly those owned by women - have equitable access to new financial tools.

MEF has also sought support from CAPRED for advice on different policy options in relation to creating a market for infrastructure bonds listed on the Cambodian Stock Exchange.

Working with the Securities and Exchange Regulator of Cambodia (SERC) – a division of MEF, CAPRED has supported development of a draft Infrastructure bond *Prakas* (an official proclamation or ministerial regulation) for consideration by SERC/MEF leadership.

At the producer level, work has been undertaken to understand the financing needs of small-scale agricultural producers, to consider options for mechanisms that provide better terms to producers who have limited access to information and face challenges when accessing finance.

IO 5 - Women's Economic Empowerment

Progress towards this IO is less evident, as is the degree to which it synergises with other IOs. Strategy for this IO also feels underdeveloped, though there are some important foundational steps being undertaken. CAPRED's support to The Asia Foundation (TAF) involves a national survey of Micro, Small and Medium Enterprise (MSMEs) that will focus on business conditions, constraints, and understanding incentives to formalise. The survey will generate gender disaggregated data which will be used to generate valuable insights into women-led businesses. Early-stage work is also being undertaken with MISTI in relation to gender responsive budgeting (GRB), initially through work with the General Department of Potable Water with the intention of also engaging MISTI's General Department of SMEs. This aims to help shape policy recommendations and future interventions that target women's economic participation and benefit. However, this survey is only now commencing and GRB discussions are also at an early stage. Given the centrality of MSMEs to RISE, it is recommended that 'women in MSMEs' be the strategic focus of CAPRED's WEE related work given the opportunity of working inter-ministerially on the subject and leveraging other initiatives such as G-PSF and the AIP.

One area within the WEE IO where CAPRED has gained traction is its work on the care economy. According to MoWA, this is a key area where CAPRED has successfully leveraged its network of private and public sectors, undertaking work which has the potential to form a model capable of influencing Cambodia's future care sector. Kirirom Food Production, where CAPRED has rolled out this work, spoke highly of the contribution of CAPRED's model to staff retention, while also expressing concern around its financial viability without subsidisation.

Despite this area of progress, this IO area needs to be given greater priority moving forward, including (i) consideration of whether or not the GEDSI team is appropriately staffed with proper staffing and (ii) clearer articulation of how GEDSI is being integrated within the overall approach if CAPRED is to impact women's economic empowerment in strategic ways.

Case study 5: Care Economy

Cambodian women continue to carry a disproportionate burden of unpaid care work, largely due to entrenched social and cultural norms. This imbalance, which limits women's economic participation and personal development, was further exacerbated by the COVID-19 pandemic. Recognising the care economy, particularly childcare and eldercare, as vital to gender equality and inclusive economic growth, CAPRED has identified it as a targeted intervention under its GEDSI strategy.

The Care Economy intervention aims to address the specific needs and constraints faced by women, people with disabilities, and other marginalised groups. CAPRED's approach includes sector scoping, testing inclusive business models, and fostering public-private partnerships. These efforts are designed to boost workforce participation, promote women's economic empowerment, and advance systemic GEDSI outcomes.

The intervention is structured around three key outputs: (i) sector analysis and feasibility assessment, (ii) development of an investment pipeline and support services, and (iii) policy development. As of the MTR, CAPRED had made solid progress on the first two outputs, including stakeholder mapping, ecosystem analysis, and piloting business models to generate evidence and advocacy materials. However, the policy component remains at an early stage, making the final two years critical for driving systemic change.

CAPRED has initiated engagement with both private sector actors and government, particularly MoWA. However, MoWA has noted that the engagement so far has been largely information-based, rather than

strategic. This may indicate an opportunity to strengthen mutual understanding and alignment in working approaches. Strengthening this relationship is essential, as MoWA plays a central role in advancing gender-focused policy in Cambodia.

A key insight from implementation to date is the care economy's potential of strong interconnectedness with other sectors. For instance, collaboration with Kirirom Food Production Co. to assess employee needs for childcare facilities illustrates how GEDSI objectives can align with agricultural development. Going forward, CAPRED should deepen such cross-sectoral linkages to support broader and more systemic impact.

2.3.4. CAPRED engagement of the public and private sectors

CAPRED is highly regarded for the depth of technical expertise within its core team, their accessibility and responsiveness, as well as CAPRED's network and ability to contract in additional capacity that is both highly relevant and technically appropriate. This is a significant value add of the program and is said to be a key contributor to capacity development amongst key partners – both public and private sector. However, there is a need for greater clarity around CAPRED's capacity building approach. Preparation of an integrated capacity building and localisation plan is needed to better guide and capture CAPRED results in these areas.

Another recurrent theme of feedback from partners was appreciation for the respectful, constructive, solution focused approach of the team. This level of trust talks to the degree that the team is trusted by the RGC and increasingly integrated in supporting navigation of complex and sensitive policy issues. For example, CAPRED alone is being approached to support and strengthen the secretariat of the G-PSF, including the management of the vast array of confidential information that the Forum secretariat has access to. This 'seat at the head table' dynamic can be seen across many of CAPRED work areas and forms an extremely valuable foundation from which the program can move forward and promote systemic change.

"They challenge us and work with us to strengthen strategy and capacity". interviewed Government stakeholder, March 2025

"Too many development partners want to build structures whereas CAPRED is helping us build systems that will strengthen our position to stimulate investment, promote trade, and attract finance. This is what we need as we approach LDC graduation." interviewed Government stakeholder, March 2025

Box 4: Pathway to Systemic Change - G-PSF

The Government-Private Sector Forum (G-PSF) is Cambodia's principal platform for structured dialogue between the Royal Government and the private sector. Its primary objective is to enhance the business enabling environment through collaboration aimed at identifying and addressing regular challenges and barriers to investment and economic growth.

While the G-PSF was first established in 1999, the CDC (which is the central government body responsible for coordinating and facilitating the G-PSF) notes that it has been significantly enhanced by the contribution and support provided through CAPRED. While this contribution is multi-faceted, it centres around support to the CDC and the G-PSF Secretariat and is based upon a 'Public Private Dialogue for Results' (PPDR) approach which focuses on strengthening institutions and enhancing dialogue between the public and private sectors.

The idea underpinning PPDR was the need to energise the G-PSF through ensuring greater accountability of those who participate. While this focuses on demanding accountability of ministries to report in a clear and timely manner on private sector relevant policy progression (to demonstrate responsiveness to private sector concerns), it also puts pressure on the private sector themselves to provide the necessary data to support decision-making. A dashboard developed by CAPRED that monitors PPDR performance is helping revolutionise this dynamic, clearly documenting decisions taken, steps needing to be taken and timelines for delivery of reform measures.

Strengthening government-private sector dialogue was key, supporting G-PSF to enhance the quality of consultation and engagement, stakeholder engagement, monitoring and evaluation, and research and analysis as steps towards sharing responsiveness to emerging business concerns. In April, CAPRED helped initiate the first Economic Growth Dialogue partnership with the World Bank, drawing

together private sector representatives and development partners to further understand private sector needs at this turbulent point in history.

CAPRED efforts to date have helped to reinvigorate the G-PSF as an adaptive platform for improving the business environment and fostering greater collaboration and trust between the public and private sectors. G-PSF also provides an important foundation of relevance capable of impacting and supporting the different pathways that CAPRED will focus on over coming years, such as the AIP, water infrastructure, transformative energy solutions and policy work related to trade and investment. To succeed, these pathways will require contributions from both public and private sectors.

While in many respects a systems change in its own right, CAPRED's G-PSF support also has the potential to enable other systemic change pathways by providing a forum where public and private needs and constraints can be understood and actioned - in an environment where systems that demand enhanced accountability for the progression of reforms are now in place.

To optimise this privileged position, CAPRED needs to identify a 'sweet spot' regarding how G-PSF knowledge and insights can be shared more broadly across its overall program– without compromising the important level of trust achieved with the RGC in relation to CAPRED's support to the G-PSF.

One challenge in the current G-PSF system is that absence of a dedicated Secretariat, which has required CDC to reallocate staff from other responsibilities, as there is no actual G-PSF Secretariat. CAPRED has been requested to provide financial support to enable the permanent staffing of a G-PSF secretariat (3-4 staff). While Australian ODA cannot be used to fund government salaries, there is a need to build in sustainability and work with the CDC to consolidate G-PSF systems given the importance of functional government-private sector relations to CAPRED achievement of its IOs and EOFOs.

2.4. Are management arrangements suitable to optimising performance?

Key findings:

- There is general satisfaction in terms of the functioning of the Program Steering Committee (PSC) given the relevance of CAPRED work to the current mandate.
- High levels of appreciation within Government for the technical capacity and responsiveness of the CAPRED team have helped establish significant trust.
- The Policy Hub offering is significant in terms of consolidating traction with Government and capacity building (internally and externally) around evidence-based policy development.

Key recommendations:

- The Strategic Coordination Group needs reconsideration in terms of defining a more results-oriented approach.
- The current set of PBR indicators would benefit from simplification.

2.4.1. CAPRED governance

The MTR Team consider current governance arrangements as being suitable for a multi-dimensional Facility such as CAPRED. PSC members view CAPRED as being in close alignment with the Pentagonal Strategy of the new mandate. The PSC oversees policy, strategy, and decision-making, and serves as an important entry point for coordination of initiatives aimed at ensuring collaboration towards systemic change. The PSC enjoys active participation from its members though representatives acknowledge the difficulty to stay fully informed of all the different work streams of CAPRED given they only meet biannually. Each ministry has assigned a Liaison Officer to coordinate and share information relevant to CAPRED, though one ministry (MISTI) has requested that two Liaison Officers be able to accompany their Steering Committee representative to ensure more informed discussion and future work planning.

A theme coming from different PSC members is that CAPRED is operating in the 'right place at the right time', given Cambodia is now in its three-year preparatory period as it moves towards graduation from Least Developed Country status in December 2027. This context was

also cited as a reason that a decision on CAPRED's extension period should be taken sooner than later.

2.4.2. Working style

The MTR found that Government counterparts place great value on the policy support coming from CAPRED, including dashboards, which they see as an important advancement in terms of performance management and accountability, and in tune with the current direction of Government under the new mandate. CAPRED is also seen as making an important contribution in terms of supporting the RGC with prioritization and identification of points of competitive advantage.

Endorsement of efforts aimed at strengthening capacity for performance management were often spoken of through the lens of being a priority of the Prime Minister, which in turn heightened government appreciation for the responsiveness of CAPRED in developing these systems at institutional level. Furthermore, multiple interviews across Government suggested that the Prime Minister is aware of the work being undertaken by CAPRED in relation to dashboard development and performance monitoring, CAPRED's support to the G-PSF, and other accountability mechanisms. Prime Ministerial endorsement is a significant factor given that the CDC is seeking CAPRED support in terms of providing 'special funding' for staffing of a secretariat to guide G-PSF work.

The other pillar of CAPRED governance is the Strategic Coordination Group (SCG), which draws together more technically focused Government officials than the PSC and includes members from ministries and other Government bodies not actively working with CAPRED at present. The formulation and purpose of this group needs reconsideration in terms of defining a more results-oriented approach. While bringing technical focal points from across Government offers potential value, the breadth of the agenda has resulted in the meeting being less relevant for some participants. This challenge is also associated with the fact that only two people per Ministry may attend as per the SCG mandate. Moving forward, as CAPRED's areas of focus achieve greater clarity, it would make sense to breakdown the current structure of the SCG to establish subgroups or technical working groups, or to replace the SCG with 'system focused' technical groups which aim to draw together key actors relevant to a specific systemic change, for example technology adoption.

While Government representatives expressed no concern in relation to the size of the CAPRED team, there was commentary regarding the number of different 'CAPRED faces' encountered, and limited understanding with regards to how CAPRED is structured and uncertainty as to who they should approach in relation to different needs or opportunities. To that end, there was support for the idea of a 'relationship manager' who could act as the primary contact and entry point responsible for directing public and private partners to the right desk within CAPRED in relation to a specific subject.

2.4.3. Internal CAPRED Management

The way CAPRED functions internally is collaborative, with a sense of inclusivity and leadership with staff feeling empowered to contribute to complex, technical discussions. The Policy Hub works hand-in-hand with the relevant technical portfolio and intervention areas and their support to output development is valued by Government counterparts. This collaboration helps enhance output quality, strengthens internal and external capacity on policy work, and contributes to further strengthening of the partnerships of technical teams with their government counterparts.

While efforts are made to incorporate private sector perspectives in portfolio level policy dialogue and decision-making, there appears to be room for further strengthening. This would logically occur through better leveraging CAPRED's G-PSF work which allows the Facility unique access to key decision-makers; a window into RGC priorities as they pertain to the private sector; and, also early understanding of the RGC's vision for change under the mandate of the Prime Minister. Moving forward, there is a need to identify a 'sweet spot'

regarding how G-PSF knowledge and insights can be shared more broadly within CAPRED to support to the G-PSF. Furthermore, given the unique nature of CAPRED's work, consideration should be given as to whether G-PSF would be best managed as its own portfolio.

While CAPRED have fostered a strong sense of 'team', there remain areas where there is an urgent need for focus to ensure their offering can be fully integrated within the program approach, notably the agriculture portfolio (which has experienced significant turnover of staff) and work related to GEDSI and WEE where the evaluation team feels there is a need for more proactive leadership and an opportunity for enhanced levels of integration, potentially occurring through the lens of Women in MSMEs.

2.4.4. CAPRED staffing

The perspective of the MTR team is that the current staffing structure seems broadly appropriate to the current portfolio of activities, with a Senior Management Team that includes representation of all portfolios, plus operations. Teams are led by senior staff with support coming from less senior technical staff. Most program staff were engaged in some form during the course of the MTR, with all able to speak articulately about the specific intent and strategy of their work and its systemic dimensions.

The review found that staffing seems to be distributed appropriately, though with some areas worthy of review. The Policy Hub, Trade and Investment, and Infrastructure teams are all relatively comparable in terms of staffing levels, and senior leadership oversight. While some teams have grown more quickly than others (e.g. the Policy Hub has expanded rapidly in the past 12 months) no one technical team has disproportionately larger staffing or senior management oversight than others. While the agriculture team is smaller, this reflects challenges encountered and the fact that it has been in the process of rebuilding over the past six months.

The functional teams (Communications/Operations/MERL) have differing staffing profiles, reflecting the relative workload and complexity of each discipline. The MERL team is in a phase of expansion. However, given difficulties finding this in-demand and highly technical skill set in the Cambodian market, there is a tension in terms of an urgent need for team expansion, while maintaining the overall technical quality and reliability of outputs.

Areas where staffing arrangements would benefit from review more or less align with broader observations of this MTR around performance. Both the MERL and GEDSI functions are currently overseen by a single director, whose capacity is stretched despite their highly relevant expertise in both areas. This dual responsibility limits the dedicated time required to drive the GEDSI agenda effectively, especially given limited demand coming from government partners for such interventions. Furthermore, there is a reported delay in recruitment of GEDSI staff as CAPRED have struggled to identify a suitably skilled candidate. While the joint management of MERL and GEDSI has the potential to support stronger gender mainstreaming across the program, the current arrangement needs review to determine whether or not it is sufficient to the program's needs.

The other domain/portfolio where progress is slow and staffing light is that of Agriculture and Agro-Processing. This is recognised within CAPRED as an urgent need and is in the process of being addressed as the specific details of programming in these two portfolios is clarified. It is also likely that the government will reach a concrete decision soon regarding focus commodities for the AIP - likely to be cashews and rice. This decision should help focus recruiting efforts given it shed light on specific technical needs.

2.4.5. Policy Hub management and staffing

The question of Policy Hub staffing is complicated by various factors. Firstly, Policy Hub staffing currently includes staffing for G-PSF support. Given a recommendation of this Review is that consideration should be given to separating out G-PSF work from the Policy Hub, its staffing complement would immediately reduce (although would remain the same in total when including the G-PSF support team). In addition to the Policy Hub's targeted and integrated

activities, it manages two large-scale interventions; the Asia Foundation partnership and the CDRI relationship, which consume 75% of the overall Policy Hub budget. These interventions require roughly two full time equivalent staff to manage.

Further, the MTR concludes that the work of the Policy Hub needs to be understood in the context of its day today approach of working collaboratively with, and making significant contribution to, all other portfolios as strategies for progressing systemic change are actioned.

It is also important to acknowledge the participatory approach of the Policy Hub, by working hand-in-hand with the relevant technical portfolio or intervention area and Government counterparts in development of different outputs. This collaboration is helping enhance the quality of outputs, strengthen internal and external capacity around policy work, and contributing to further strengthening of the partnerships of technical teams with their government counterparts. While efforts are made to incorporate private sector perspectives in policy dialogue and decision-making, there appears to be room for further strengthening, and for the Policy Hub to closely interact and engage with G-PSF despite different reporting lines (from two separate Team Leads).

Given these factors and the centrality of the Policy Hub's work to CAPRED's overall strategy for achieving systemic change, it is felt that current staffing and resourcing is reasonable.

2.4.6. Performance Assessment Framework

While the Performance Assessment Framework (PAF) indicators agreed for CAPRED are relevant, they are very briefly stated and therefore not well suited to capturing the complexity and interactions of an approach focused on systems change. Given the proposal of the MTR for considerable review of the overall MERL and reporting approach, PAF indicators should also be reviewed and/or augmented to help ensure they are viewed by all parties as relevant and appropriate to capturing performance and advancing shared understanding.

2.4.7. Payment By Results

The current PBR indicators are worthy of review, since they are complex and would benefit from simplification. The complexity lies in many indicators having a qualitative focus, rather than the more commonly applied system of using quantitative indicators for PBR systems (numeric targets or 'yes/no' procedural compliance). PBR approvals have taken longer than expected. PBR challenges are no doubt intertwined with the general lack of confidence that stakeholders have had in the MERL system adequately capturing CAPRED's performance. As with other aspects of the MERL system, the PAF and PBR are similarly impacted by the lack of coherence between CAPRED's day-to-day working reality and the requirements under the performance measurement systems.

2.4.8. DFAT-CAPRED liaison

An opportunity exists in terms of adapting the way that the DFAT and CAPRED teams engage each other, to allow for semi-regular updating of the evolution of approach at CAPRED, given the nuanced nature of systemic change. This would help ensure up-to-the-minute understanding of the different threads of each systemic approach and help identify opportunities for strategic input from DFAT Phnom Penh post that could assist in advancing CAPRED efforts. It would also be an opportunity for CAPRED to understand and be updated on Australia's development priorities.

2.5. How well positioned is CAPRED to influence the actions of key stakeholders?

Key findings:

- CAPRED has established firm foundations for advocacy and influencing based in it being a trusted partner working in areas of high priority.

- Responsive to the mandate of the Government has allowed CAPRED to establish important relationships with the newly appointed leadership that has emerged since the 2023 election.
- Development partners have highlighted the mutual benefits of working with CAPRED in terms of leveraging their different strengths, expertise, networks and relationships. Similarly, the interviewed private sector stakeholders acknowledge CAPRED for its strong relationships, responsiveness, and valuable contributions.

Key recommendations:

- CAPRED should assign dedicated relationship managers to serve as main points of contact for key Government and private sector partners and help connect them with the right CAPRED teams.

CAPRED support to the G-PSF is high profile, strategic and relevant providing a finger on the pulse of Government-private sector issues and opportunities. However, it is also sensitive and needs nuanced oversight.

2.5.1. CAPRED's position to advocate for critical reforms

CAPRED has established firm programming foundations across multiple sectors based on the relevance of its focus areas and the capacity it brings to partners. This has placed the Facility in a strong position to advocate and contribute to RGC policy discussion in relation to RISE. This firm foundation is aided by the reputation developed through earlier Australian programming (CAVAC and 3i).

Private sector stakeholders interviewed also acknowledge CAPRED for its strong relationships, responsiveness, and valuable contributions. CAPRED not only serves as a bridge and facilitator of dialogue between the private sector and the government but also plays a critical role in building private sector capacity. Through financial and technical support - including business plan development, study tours, market analysis, and technical guidance on accessing new markets - CAPRED has helped businesses expand their processing capabilities and value-added production. Its assistance with labour readiness and compliance has further enabled businesses to achieve higher standards such as ISO 9001 and SMETA (Social Audit Compliance), strengthening their export readiness and positioning them to access international markets like Australia.

Development partners interviewed reaffirmed CAPRED's potential to engage in advocacy and exert influence at high policy levels. One partner noted that CAPRED has strategically selected its collaborators based on their comparative advantages, such as strong research capabilities and established relationships with local governments, to help address capacity gaps arising from the program's early stage. While there is a shared recognition that the program's broad scope creates some tension between competing priorities, one partner observed that CAPRED demonstrates a strong sense of internal prioritisation. Moving forward, further refinement of these priorities will be important as the team seeks to define and strengthen its niche.

2.5.2. Strategies for engaging, informing and influencing key stakeholders

The MTR found that the program has been highly responsive to the mandate of the Government, and that this responsiveness put it ahead of the pack given other development partners were less quick in understanding the implications of the new mandate. CAPRED's responsiveness is related to both its focus as well as the timelines and appropriateness of inputs. This has helped establish important relationships with the newly appointed leadership that emerged following the 2023 election. Examples of CAPRED being in step with the current priorities of the RGC include support to the G-PSF; the development of dashboard and performance management systems; support to the progression of the AIP (including working inter-ministerially); support to the drafting of various sub-decrees and *prakas*; as well as other issues and priorities currently prominent in the thinking of Government.

Through the establishment of firm relational foundations alongside the strong reputation that the CAPRED team has developed in terms of their technical capacity, CAPRED has positioned

itself as a partner of choice in relation to priority reform areas. Furthermore, it is well positioned to promote systems thinking and the need for whole of Government strategic thinking in relation to complex reform challenges, given that the breaking down of silos and the need for systemic change are both central to the architecture of the government mandate.

For the private sector, CAPRED is promoting systems approaches that facilitate business matching, investment promotion, export readiness and the development of an evidence base to inform the Government reform agenda. CAPRED's support has been well-received, and the private sector has expressed satisfaction with the mechanisms put in place. The ability of CAPRED to connect its private sector partners with highly relevant technical assistance, undertake high-quality diagnostic work, and support adoption of new technologies able to support the principles of 'RISE' have further strengthened credibility.

In relation to development partners, CAPRED has positioned itself as a key interlocutor, co-chairing technical meetings and coordinating technical efforts. CAPRED's ability to deploy resources and expertise, as well as its internal technical capacity is valued by partners like the World Bank and the ADB, since its work aligns closely with their own objectives. CAPRED has also demonstrated capacity to engage effectively at community level, with efforts to raise awareness and improve cooperation with local authorities on issues like water resources, provincial investment planning and provincial based information gathering.

2.6. GEDSI and climate change

Key findings:

- CAPRED's work on the care economy is a positive starting point for promoting women's economic empowerment and workforce participation.
- Disability inclusion within CAPRED is hard to get a clear line of sight on; Cambodia's skilled civil society sector should be engaged to support efforts.
- CAPRED's climate-related work is innovative, with efforts to integrate climate considerations mainstreamed across activities.

Key recommendations (on GEDSI):

- CAPRED needs a more proactive approach to integrating GEDSI issues into its work and system change efforts, despite the significant issue of limited Government demand.
- Better use and communication of global and regional data of the 'whole of economy' benefits of women's economic empowerment could be a key entry point to highlight the benefits of gender inclusion. Meanwhile, gendered cultural nuances in Cambodia's economy could help promote women in leadership and decision-making roles.
- CAPRED should ensure that disability inclusion is embedded across the program's portfolios.

2.6.1. GEDSI

There is a need for a more proactive approach as to how the various issues of GEDSI can be integrated within CAPRED's day to day work. The MTR team note that this is not straightforward given limited Government demand for such input. However, given the priority placed on GEDSI by DFAT, it is incumbent upon CAPRED to be more imaginative and exploratory in terms of how issues of gender, social inclusion and disability can be integrated within the various forms of systemic change that the program is pursuing.

While there is limited demand for a gender lens across CAPRED's focus areas, the Ministry of Women's Affairs (MoWA) - CAPRED's gender focal point - both expressed interest in strengthening the relationship and engagement with CAPRED. There is acknowledgement that improving working relationships could help shift collaboration from activity-based interactions toward more strategic, long-term partnership and joint implementation.

Similarly, it is difficult to determine how and where disability issues are being addressed within CAPRED. While this is a challenging area given limited Government demand, Cambodia has a strong history of advocating for the rights of people with disabilities. Building on this foundation could help enhance the integration of disability considerations within CAPRED's

work. The disability focused civil society sector in Cambodia should be consulted more strategically to support CAPRED's efforts in this area.

Although some development partners, such as The Asia Foundation, were selected for their capacity to integrate GEDSI and other cross-cutting issues into programming, GEDSI has not emerged as a strong priority. In fact, in-depth interviews with stakeholders from across the private sector, public sector, and development partners rarely mentioned GEDSI as a focus, which contrasts with the high priority placed on it by DFAT.

CAPRED's work on the care economy pilot is a positive step and offers a starting point from which further efforts to promote gender equality can occur, despite being a standalone example. Progress reports have indicated a shift from reporting on the number of women involved in CAPRED's activities to actively launching initiatives with women economic empowerment consideration. Additionally, MoWA regards the care sector is an area where the power imbalance between men and women are shown clearly and needs more attention from both private and public sectors. Through its collaboration with private sector partners, CAPRED has piloted a model that has the potential to redistribute powers between men and women in the household.

An important entry point could simply be the collation and presentation of the vast data set of evidence available globally and regionally that highlights when women are economically empowered, productivity rises, poverty decreases, and GDP grows. There are also important, gendered cultural nuances at play within the Cambodian economy that could be used as discussion starters and leveraged to identify strategies that help enhance the voice of women in leadership and decision-making, given their pivotal role in the private sector. CAPRED's support to TAF in relation to research around MSMEs could help provide strategic focus for CAPRED's gender and WEE related work.

2.6.2. Climate Change

CAPRED is working to integrate climate consideration throughout its portfolios. Steps have been taken to integrate disaster risk reduction, environmental protection and climate change considerations into planning and decision-making at both strategic and intervention levels. Additionally, CAPRED has embedded disaster risk reduction and climate change in its Environmental and Social Management System, meaning that disaster risk assessments are now standard practice for all projects, ensuring that climate resilience is considered at every stage of project design and implementation.

These integrated approaches can be seen through initiatives such as improved waste management; better application of agricultural by-products within rice, mango and cashew processing, and business systems; application of drought-tolerant and flood-resilient crop varieties; and improved clean water and irrigation systems that address water loss.

The climate team also play an important role in terms of gathering, maintaining and disseminating climate related data, which is in turn affecting technical programming in areas such as clean water, and energy. As mentioned above, CAPRED (through support to Mekong Strategic Capital, a Phnom Penh-based investment and advisory firm operating across the Greater Mekong region) has supported establishment of the Cambodia Climate Finance Facility. Launched in 2024, it is designed to mobilize both public and private capital for climate mitigation and adaptation projects across the country.

CAPRED also works with private sector partners to raise awareness and assess interest in accessing green finance, follow up with interested parties to support them in terms of their readiness to apply for such loans.

While the climate work is already well advanced, it would be anticipated that this work stream will become more active as the granular detail of pathways to systemic change are identified, and work is needed to activate awareness and approaches that address environmental sustainability. This evolution should shed clearer light on CAPRED's climate resilience performance.

Given the above, it is assessed that CAPRED's work generally aligns with DFAT's climate ambitions given it has initiated a holistic approach that integrates climate consideration and response into programming decisions, including promoting both mitigation and adaptation efforts. However, it appears that there remains room for greater visibility being given to CAPRED's climate programming.

3. Recommendations

This Chapter presents a set of recommendations for each area of inquiry, summarising the key suggestions based on the findings outlined above.

Area	Recommendation	Responsibility
Program logic	REC1. The MTR concurs with the view of the QTAG recommending a need for a brief, standalone document (2–3 pages) that clearly defines what systemic change means in the CAPRED context and how the program is or intends to pursue it . This should be complemented by a ToC that sits beneath and reports against the current Program Logic and captures CAPRED's strategic approach to achieving systemic change. This process should be collaborative, ideally through a facilitated workshop with DFAT, to build a shared understanding of systems, systemic change in Cambodia, CAPRED's role, and how progress can be assessed.	CAPRED, DFAT
MERL strategy and associated mechanism	REC 2. There is a need for agreement to be reached on a revised and more purposeful MERL system, including reporting approaches that better meet the needs of both DFAT and CAPRED . The MTR proposes that this involves 'pathways to systemic change' being used as the entry point for reporting, since this will bring to life the interaction and lateral linkages of CAPRED as they are configured to support systemic change - while recognising the ongoing importance of CAPRED reporting against its IOs, as per its contractual requirements.	CAPRED, DFAT
MERL strategy and associated mechanism	REC 3. It is proposed that there is a shift from the current format of six-monthly progress reporting to annual reporting , augmented by six monthly deliverables which succinctly report activities within that six-month period that provides an evidence-based assessment of progress against outcomes. The longer time span of annual reporting is more realistic in terms of capturing stories of change and demonstrating accumulated progress. The aim here is to strike the right balance between capturing cumulative progress and ensuring that DFAT is best equipped to meet its own reporting requirements.	CAPRED, DFAT
Progress towards IOs and EOFOs	REC 4. There is a need to review and update CAPRED's portfolio of interventions, and to clearly communicate decisions around opportunities to consolidate, reduce, or restructure them.	CAPRED, DFAT

Area	Recommendation	Responsibility
Progress towards IOs and EOFOs	REC 5. There is an urgent need to clearly settle on an approach, entry points and target value chains within the agriculture/agro processing work area , noting that there is currently limited alignment between CAPRED and MAFF around systemic change on the agriculture landscape.	CAPRED
Progress towards IOs and EOFOs	REC 6: The MTR team believe that early-stage pathways to systemic change are in place and illustrate that progress towards the achievement of the programs EOFOs is being made. DFAT should start early thinking and planning for a possible extension of the program.	DFAT
Management arrangement	REC 7. Consideration should be given to establishing the G-PSF as a standalone portfolio. This would improve the accountability and visibility of its contributions to CAPRED's broader objectives and the trust it has built in managing commercial information, while also identifying a strategic approach to share G-PSF insights more broadly within CAPRED without compromising the trust and confidentiality established with the Royal Government of Cambodia.	CAPRED, DFAT
Management arrangement	REC 8. The current set of PBR indicators would benefit from simplification and should be reviewed. This would logically occur after final decisions are taken regarding the MERL system.	DFAT, Cowater
Management arrangement	REC 9. The Strategic Coordination Group mechanism (as part of CAPRED's governance structure) is in need of review since it is not currently meeting the needs of participants.	CAPRED, DFAT
Advocacy and influencing	REC 10. CAPRED should appoint individual 'relationship managers' to act as a primary contact and entry point for key Government and private sector partners , and to take responsibility for helping direct partners to the right desk within CAPRED in relation to a specific subject.	CAPRED
GEDSI	REC 11. Strategy in relation to 'Women's Economic Empowerment' is underdeveloped. Given the centrality of MSMEs to RISE, it is recommended that 'women in MSMEs' be the strategic focus of CAPRED's WEE related work.	CAPRED
GEDSI	REC 12. CAPRED should ensure that disability inclusion is embedded across the program's portfolios . This should include meaningful consultation with Cambodia's disability-focused civil society sector and address current gaps in measurement, reporting and visibility along other key inclusion areas.	CAPRED

Annex One: Program Logic

Goal	Cambodia has sustainable, resilient and inclusive economic growth and development				
Objective	Cambodian women and men equally benefit from increased access to, or increased participation in, environmentally sustainable, economically resilient and inclusive economic growth				
End Of Facility Outcomes	EOFO1: PUBLIC SECTOR		EOFO2: PRIVATE SECTOR		
	By 2031, targeted RGC agencies develop and implement policies that contribute to more sustainable, resilient, and inclusive* growth in CAPRED domains		By 2031, targeted private sector stakeholders undertake more sustainable, resilient, and inclusive* trade and investment initiatives in CAPRED domains		
Intermediate Outcomes/ Pathways of Change	IO1: Policies	IO2: Markets	IO3: Technologies	IO4: Finance	IO5: Women's Economic Empowerment
	Targeted RGC agencies have better capacities and more incentives to develop and implement evidence-based policies that enhance sustainable, resilient, and/or inclusive growth* in CAPRED work areas	Targeted markets include better linkages and standards that expand sustainable, resilient, and/or inclusive growth* in CAPRED work areas	Targeted RGC and private sector organisations adopt selected technologies that enhance sustainable, resilient, and/or inclusive growth* in CAPRED work areas	Targeted private sector organisations utilise selected financial investment mechanisms that enhance sustainable, resilient, and/or inclusive growth* in CAPRED work areas	Targeted women have increased capacity and opportunities to engage in CAPRED work areas
Work Areas	Agriculture and Agro-processing	Trade, Investment and Enterprise Development		Infrastructure Development	Cross-Cutting themes
	Support, trial and scale more productive, inclusive and resilient agricultural and agro-processing value chains	Support, trial and scale more competitive, inclusive and resilient trade, investment, and enterprise development models and policies		Support, trial and scale more effective, resilient and inclusive water and energy infrastructure and services	Support, trial and scale more effective, resilient and inclusive GEDSI and climate change initiatives
Activities / Services	Grants	Evidence	Technical Assistance	Pilots	Policy Dialogue
	CAPRED funds and supports innovative initiatives and investments that promote transformation in CAPRED domains	CAPRED generates and disseminates evidence on markets, policies, and practices to targeted stakeholders in CAPRED domains	CAPRED provides technical assistance to strengthen investments & organisational performance in CAPRED domains	CAPRED develops, tests and evaluates innovative initiatives in CAPRED domains	CAPRED supports and facilitates engagement and advocacy on selected economic policies in CAPRED domains
					Coalition Building
					CAPRED connects people, ideas and resources to promote and leverage change in CAPRED domains

Text version: CAPRED PROGRAM LOGIC

Goal

Cambodia has sustainable, resilient and inclusive economic growth and development.

Objective

Cambodian women and men equally benefit from increased access to, or increased participation in, environmentally sustainable, economically resilient and inclusive economic growth.

End of Facility Outcomes

EOFO1: PUBLIC SECTOR

By 2031, targeted RGC agencies develop and implement policies that contribute to more sustainable, resilient and inclusive growth in CAPRED domains.

EOFO2: PRIVATE SECTOR

By 2031, targeted private sector stakeholders undertake more sustainable, resilient and inclusive trade and investment initiatives in CAPRED domains.

Intermediate Outcomes / Pathways of Change

- **IO1 Policies**
Targeted RGC agencies have better capacity to develop evidence-based policies that enhance sustainable, resilient and inclusive growth in CAPRED work areas.
- **IO2 Markets**
Targeted markets include better functioning market systems that enhance sustainability, resilience & inclusiveness of trade & investment initiatives in CAPRED work areas.
- **IO3 Technologies**
Targeted RGC & private sector stakeholders adopt technologies that enhance sustainability & resilience of trade & investment initiatives in CAPRED work areas.
- **IO4 Finance**
Targeted private sector organizations have improved access to finance for investments that enhance sustainability & resilience of trade & investment initiatives for inclusive growth in CAPRED work areas.

- **IO5 Women's Economic Empowerment**

Targeted women have increased access to resources needed to participate equitably in the economy across all CAPRED work areas.

Work Areas

- **Agriculture and Agro-Processing**

Support trialing more productive, innovative & resilient agricultural and agro-processing value chains.

- **Trade Investment Enterprise Development**

Support trialing more effective market systems approaches for enterprise development across sectors.

- **Infrastructure Development**

Support trialing more effective resilient infrastructure services.

- **Cross-Cutting Themes**

Support trialing more effective gender equality, social inclusion (GESI), and climate change initiatives.

Activities / Services

- **GRANTS**

CAPRED funds support innovative initiatives and investments that promote transformation in CAPRED domains.

- **TECHNICAL ASSISTANCE**

CAPRED provides technical assistance services across all activities.

- **EVIDENCE**

CAPRED generates and disseminates evidence on markets, policies, and practices for targeted stakeholders in CAPRED domains.

- **PILOTS**

CAPRED tests and evaluates innovative initiatives across all activities.

- **POLICY DIALOGUE**

CAPRED supports policy dialogue between government, private sector, and civil society organizations (CSOs).

- **COALITION BUILDING**

CAPRED convenes people, ideas, and resources to promote and leverage change.

Annex Two: Stakeholder and Activity Mapping - names in bold show sample of those consulted

Agriculture and Agro-Processing	Trade, Investment and Enterprise Development	Water and Energy
Agriculture <i>Productivity and competitiveness</i> - AG.01 Markets for innovative input/mechanisation supply MAFF - AGROS Husk Ventures - AG.02 Policies for more competitive and diversified production - Supreme National Economic Council - SwissContact MAFF <i>Market linkages</i> - AG.03: Improve market linkages Farmers, buyers, suppliers <i>Finance and investment</i> - AG.04 Access to agricultural Finance - National Bank of Cambodia - Credit Bureau of Cambodia - SME Bank SMEs, smallholders, financial institutions	Trade <i>Expand trade opportunities</i> - TR.01 Support preparedness for LDC graduation and trade policy - Trade Policy Advisory Board - TR.02 Work with the RGC to leverage free trade agreements MoC - Pegotech - General Department of Customs and Excise - TR.03 Strengthen quality infrastructure services - Institut Pasteur du Cambodge - TR.04 Work with the private sector to promote exports Cambodian Rice Federation - Cambodian Cashew Federation - Export Connect SMEs	Water <i>Piped Water (improved access and quality through public-private partnerships)</i> - WA.01: Establish and implement a water development fund MISTI MEF - MRD - MoWRAM World Bank - WA.02: Implement existing VGF contracts Existing contractors - WA.03: Pilot and scale new private sector investment models MISTI - WA.04: Develop water sector capacity, especially regulatory functions MISTI Cambodia Water Association - Australian Water Association

Agro-Processing*Value addition*

- AP.01 Establish at least one AIP and build the economic evidence base for incentivising investment in ag-processing
 - Committee of Economic and Financial Policy, Deputy PM's Office
 - Investors, developers
- AP.02 Develop zero-waste and other economically viable environmental models
 - **Kirirom Food Production**
 - Royal Trust Trading Co.
- AP.03 Support the adoption of modern agro processing equipment and technologies
 - Leap Sovannara Lathe Co.

Demand driven food industry services

- AP.04 Support demand driven, market oriented agri-food research and food innovation services
 - National University of Battambang
 - **Agri food SMEs**
 - **Khmer Enterprise**
 - Institute of Technology of Cambodia

Investment*Investment mobilisation*

- IN.01 Provide implementation and policy support for the new Investment Law
 - **CDC**
 - Provincial governors office
- IN.02 Support the agri-food investment desk and agri-food investment promotion
 - **Agri-food Investment Desk**
 - **SMEs**
 - **Kirirom Food Production**
- IN.03 Support private sector investment readiness
 - Navita
 - **ADB Frontier**
 - **Investors and SMEs**

Enterprise Development*Business formalisation*

- ED.01 Promote business formalisation
 - **MISTI, MEF, MLVT**
 - Traware Technologies
 - Business Registration Body
 - Business Associations, NGOs
 - ILO and UNDP.

Promote GTED (GEDSI Transformative Enterprise Development)

- ED.02 Build the private sector business case for GEDSI investments
 - **SMEs**
- ED.03 Support GTED finance and investment readiness
 - **Emerging Markets Entrepreneurs**

Energy*Variable Renewable Energy*

- EN.01 Build the foundations for future VRE integration into the grid
 - **Ministry of Mines and Energy**
 - **Electricity Authority of Cambodia**
 - **Electricité du Cambodge,**
 - MOWRAM
- EN.02 Explore support to off-grid electricity and electronic vehicles
 - **MME**
 - MVA
- EN.03: Develop an ESCO market for energy audits (and potentially other services)
 - Energy Service Company
 - MME

GEDSI	Climate Resilience	Policy Hub
Integrated - GE.01 Mainstream GEDSI into operations and all portfolios - Ministry of Women Affairs - Development partners - NGOs - University students Targeted - GE.02 Support public policies to promote GEDSI and Women's Economic Empowerment - Ministry of Economy and Finance - General Secretariat Committee of Public Financial Management Reform Program - other ministries (MoWA, the MOC, MISTI, MAFF), - UNDP - GE.03 Build a Care Economy - Kirirom Food Production Co.	Integrated - CL.01 Integrate climate investments across CAPRED portfolios - National Sustainable Development Committee at Ministry of Environment Targeted - CL.02 Support the financial sector's provision of climate finance - Agricultural and Rural Development Bank - Mekong Strategic Capital - environmental experts - High school and college students. - CL.03 Support the strengthening of climate finance regulation and policy - General Department of Budget, MEF	Mainstreaming CAPRED policy - PH.01 Integrate policy development across the CAPRED portfolio - CDC - OCM - The Asia Foundation - CDRI - National Institute of Statistics - Trade Policy Advisory Board - MISTI - MEF - Business Organisations Policy platforms and coordination - PH.02. Build national capacity for policy coordination and consultation - PH.03 Strengthen G-PSF - CDC - OCM - The Asia Foundation - CDRI - National Institute of Statistics - Trade Policy Advisory Board - MISTI - MEF - Business Organisations

Annex Three: Key MTR Questions and Sub questions

1. Does CAPRED's Program Logic provide a clear, realistic, and appropriate approach to Systemic Change?

- a. Is the current Program Logic sufficient in terms of articulating a roadmap for achievement of IOs and EOFOs?
- b. Is the approach to Systemic Change outlined in CAPRED's Program Logic effective in guiding Facility implementation?
- c. Is there agreed understanding between DFAT and CAPRED of what constitutes Systemic Change?
- d. What more could be done to strengthen the Program Logic?

2. Is CAPRED achieving its desired outcomes, specifically regarding progress towards its IOs and EOFOs?

- a. Is the CAPRED Strategy clear in articulating the Facility approach and outcomes?
- b. Is there sufficient evidence of pathways and progress towards agreed IOs and EOFOs?
- c. Are capacity building efforts sufficient for sustainable, resilient and inclusive growth and women's economic empowerment?
- d. What (if any) changes to CAPRED's performance, management approach, and/or capacity may be required to support progression towards its IOs and EOFOs?

3. Is CAPRED's MERL Strategy and framework appropriate to CAPRED's context and aligned with DFAT standards?

- a. Does the MERL strategy adequately align with the Program Logic and Program Strategy?
- b. Is the current reporting system suitable to articulation of CAPRED results?
- c. To what extent does CAPRED's M&E system meet the needs of program management and external stakeholders, particularly DFAT, including tracking and reporting on women's economic empowerment and disability inclusion?
- d. Is the MERL strategy aligned to DFAT's Monitoring and Evaluation standards?
- e. To what extent has the MERL Strategy agreed to in September 2024 already been adopted and actioned?

To what extent does CAPRED understand, and proactively manage and mitigate program risks (child protection, preventing sexual harassment, fraud, corruption), including political risks?

4. Are management arrangements suitable to optimising performance?

- a. Is CAPRED's governance and management structure appropriate to optimising performance?
- b. Is the allocation of resources, including financial and human resources, in alignment with and supportive of CAPRED outcomes?
- c. What is the value add of the Policy Hub in terms of IOs and EOFOs?
- d. Are the Performance Assessment Framework and Payment by Results indicators suitable to effectively capturing performance and incentivising performance? Do they clearly align with the MERL indicators, or could they be aligned better?
- e. Is there clear and shared understanding between DFAT and Cowater with regards to expectations regarding Facility performance? What could be done to further enhance clear understanding?

5. How well positioned is CAPRED to influence the actions of key stakeholders?

- a. Is CAPRED well positioned to advocate for critical reforms / good practice in its target domains and cross-cutting portfolios, in line with its mandate?
- b. How appropriate are strategies for engaging, informing and influencing key stakeholders?
- c. What strategies does CAPRED have in place to manage expectations of the RGC in terms of what CAPRED can and can't deliver?
- d. What is the program's current level of influence with the Cambodian Government, other development partners and the private sector? Is this sufficient to initiate actual reform?
- e. What else could CAPRED and/or DFAT do to extend reach and influence?

Annex Four: People consulted through MTR process

#	Name	Organisation	Role
1	Ms. Kirsty Harris	DFAT	Development Counsellor
2	Ms. Kanu Negi	DFAT	First Secretary
3	Mr. Sophearun In	DFAT	Senior Program Manager
4	Ms. Amber Cornovs	DFAT	Former First Secretary
5	Ms. Faith Considine	DFAT	Second Secretary
6	Mr. Khy Huy	DFAT	Senior Program Manager
7	Mr. Piseth Nou	DFAT	Senior Program Manager
8	Mr. Kang Sin	DFAT	Senior Program Manager
9	Ms. Sokuthea Ly	DFAT	Senior Program Manager
10	Mr. Paul Keogh	CAPRED	Facility Director
11	Ms. Ajla Vilogorac	CAPRED	Director of MERL and GEDSI
12	Ms Makararavy Ty	CAPRED	MERL Lead
13	Ms Riguen Thorn	CAPRED	MERL Officer
14	Ms. Kelly Wyett	CAPRED	Economist Lead
15	Ms. Heng Sokgech	CAPRED	Policy Hub Deputy Lead
16	Mr. James Brew	CAPRED	Senior Advisor, Government-Private Sector Forum
17	Mr Bendith Ly	CAPRED	Economic Policy Associate
18	Mr Bunchheang Born	CAPRED	Junior Economic Researcher
19	Ms Sothea Oum	CAPRED	Senior Economic Policy Researcher
20	Mr Naihuong Seng	CAPRED	Junior Economic Researcher and Data Analyst
21	Mr. Thlang Chiva	CAPRED	Climate Resilience Lead
22	Ms. Ponleu Cheu	CAPRED	Trade, Investment and Agri-food Innovation Lead
23	Mr Phousana Soeung	CAPRED	Crop Specialist
24	Mr Kong Siv	CAPRED	Trade Promotion Manager
25	Ms Sereysothea Sao	CAPRED	Investment and Agri-food innovation coordinator
26	Mr Sousachak Sim	CAPRED	Trade & Export Promotion Coordinator
27	Mr Vorleak You	CAPRED	Investment Promotion Officer
28	Ms. Mola Tin	CAPRED	Infrastructure Lead
29	Mr. Adnan Falak	CAPRED	Senior Private Sector Development Advisor
30	Ms. Makaravy TY	CAPRED	MERL Lead
31	Mr. Sornnimul Khut	CAPRED	Senior Manager, Communications and Knowledge Management
32	Ms. Joanna Brewster	CAPRED	Strategic Communications Advisor
33	Ms. Sinat Hin	CAPRED	Stakeholder Liaison Officer

#	Name	Organisation	Role
34	Ms. Leanne Devereux	CAPRED	Chief of Operation Officer
35	Ms. Anne Rouve-Khiev	Cowater	Contractor Representative
36	Ms. Erin Anderson	Cowater	Technical Director Asia Pacific
37	Ms. Fiona MacKenzie	Cowater	Program Director
38	H.E Samheng Bora	MoC	Secretary of State, Ministry of Commerce
39	H.E Nut Unvoanara	CDC	Secretary General of the Cambodian Investment Board, CIP/CDC
40	Ms. Kong Kimsri	CDC	Officer, CIP/CDC
41	Mr. Chhay Mengleng	CDC	Officer, CIP/CDC
42	H.E Oum Sotha	MISTI	Secretary of State, Ministry of Industry, Science, Technology and Innovation (MISTI)
43	H.E Che Lidin	MME	Under-Secretary of State, Ministry of Mines and Energy
44	HE. Lao Poliveth	OCM	Under-secretaries of state, Council of Minister
45	HE. Ban Kosal	OCM	Under-secretaries of state, Council of Ministers
46	H.E Tep Piyorin	MEF	Under-Secretary of State, Ministry of Economy and Finance
47	H.E Ung Luyna	MEF	General Director of the General Department of Policy, MEF
48	H.E Pen Thirong	MEF	Secretary of State, Ministry of Economy and Finance and member of PSC
49	H.E Ros Seilava	MEF	Secretary of State, Ministry of Economy and Finance and Chair of PSC
50	Mrs. Sengphal Davine	MoWA	Deputy Director General, Directorate General of Gender Equality and Economic Development, Ministry of Women Affairs
51	H.E Prak David	MAFF	Secretary of State, Ministry of Agriculture, Forestry and Fisheries and member of PSC
52	Mr. Prum Somany	MAFF	Director of the Department of International Cooperation and member of SCG
53	Mr. Meas Holy	Kirrirom Food Production (KFP)	Managing Director of Kirirom Food Production
54	Mr. Proeung Sam On	KFP	HR and Administration Manager
55	Mr. Sieng Hay	KFP	Sell and Training Assistant and Day-care Center
56	Ms. Korn Sovet	KFP	Production Manager
57	Ms. Cheng Kimyi	KFP	Production and System Improvement Manager
58	Mrs. Preap Botum Seila	PWO	Srey Sokhom, Private Water Operator (PWO)
59	Mr. Hel Soy	Village Chief	Peaream village/commune, Bati district, Takeo province
60	Mr. Heng Srenghuot	PWO	Heng Srenghuot, Private Water Operator (PWO)

#	Name	Organisation	Role
61	Mrs. Has Samet	Villager	HH clean water connection in Peak Bang Oung village, Tramkok district, Takeo province
62	Mr. Lun Yeng	CRF	Secretary, Cambodia Rice Federation (CRF)
63	Mr. Ivan Keogh	Comin Khmer	CEO
64	Mr. Meng Visal	Khmer Food	Director
65	Mrs. Veng Dalin	Bronith Chanty	CEO
66	Mr. Lim Minh	CWA	Executive Director, Cambodia Water Supply Association (CWA)
67	Ms. Sim Bunich	CWA	HR and Finance Manager
68	Mr. Chin Phat	CWA	Senior Water Supply Engineer
69	Ms. Touch Sokunthea	CWA	Program Coordinator
70	Mr. Oknha Song Saran	CEO	AMRU Rice
71	Mr. Sakett Sophaseila	Manager	Confirel
72	Mrs. Meliney C. Linberg	TAF	Country Representative, The Asia Foundation (TAF)
73	Mr. Faya Hayati	WB	Senior Economist, World Bank (WB)
74	Mr. Matthew Viner	ADB	Consultant, Asian Development Bank (ADB)

Annex Five: Defining and Monitoring Systemic Change

Key issues to emerge from the MTR have been the challenge of defining and tracking 'systemic change' and how to identify and monitor CAPRED's contribution to it. This short paper provides reflections from the MTR team as to how to these issues might be addressed.

What are systems and what is systemic change?

There is an increased focus on systemic change due to a recognition that traditional development approaches often only address the symptoms of development problems and not their underlying causes. To deliver sustainable change there is an increased need to understand the complexity and uncertainty in which development interventions operate and to effectively work with and not outside of national and local systems.

There are a range of definitions of systems and of systemic change, though they have common elements. Systems are made up of interconnected components, actors and relationships. To facilitate change you need to understand the interconnectedness and look to intervene in ways which positively impact on how the system as a whole operates. A key feature of systemic change is that it is 'transformational' requiring fundamental shifts in relationships and connections, ultimately leading to a new system that behaves differently than before. It focuses on modifying the structures, policies, relationships, resources, power structures, and values that shape how a system operates. It takes time, requires collective action from a diverse range of stakeholders, and leads to outcomes which are often hard to predict, track and measure.

How do you monitor contribution to systemic change?

Development has traditionally used a project-based 'closed system' approach to monitoring and evaluation, using logic models with clear, direct causal links from inputs/activities to outputs to outcomes. Assuming the causal pathways hold true these can be monitored and progress towards outcomes assessed and the impact of interventions evaluated. This model provides evidence of change that can then be attributed to the intervention.

Systemic change challenges a number of the assumptions underpinning this model. Causal pathways are complex, often non-linear and may involve changes that happen beyond the time period of a development intervention. Multiple planned activities are implemented simultaneously often at different institutional levels and alongside additional activities outside of the control donor funded interventions. Desired outcomes may be difficult to forecast given the number of variables involved and their often intangible nature. Attribution to change becomes problematic – philosophically because systemic change needs to be a collective effort – and practically because there are likely to be multiple factors and stakeholders that have also contributed to the change happening.

Although monitoring system change and the contribution an external intervention can make towards it is challenging, it is still necessary if development actors are going to understand how change happens, where they make a difference, what activities add value, why, and in what circumstances.

Ways forward for the CAPRED Program

There are a number of ways that the DFAT could look moving forward. Here are two possible approaches:

Outcome Harvesting

This approach may be *one* that is relatively straight forward to operationalise and current routine reporting processes would require only a minimal adjustment, though regular formal assessment or evaluation process would be required.

Outcome Harvesting focuses on collecting evidence of what has changed – so outcomes – and then works backwards to determine to what degree and how an intervention has contributed to these changes. The advantage of this approach for assessing systemic change is it means you don't have to fully define what a system is, or what its component are, but you do have to have clear criteria as to what can be considered 'system level' or transformational change, even if you aren't able to predict in advance what they will be.

The current Program Logic does provide some starting points as to what for this as the work areas highlight interventions 'going to scale' and the intermediate outcomes highlight increased capacities, linkages across and between sectors/different actors, evidence of sustainable growth, step changes in investment, or widespread implementation of new policies.

Outcome harvesting needs a clear process which can be applied periodically. The following stages provide an example of how it could be operationalised:

- **Define the 'harvest'** – what changes have we seen or do we want to look for in Cambodia that might be relevant to the intervention logic?
- **Review relevant documentation/evidence and consult stakeholders** to identify where outcomes might be considered to have been achieved – assess the degree to which they can be considered transformational 'system level' changes
- **Agree a description of the change** – what is different now, how is the system operating in ways that are different than previously – what behaviours are different, what are stakeholders able to do that they weren't previously, how are peoples lives improved/going to be improved. Make sure the description is credible
- **Identify how and at what stages the intervention may have contributed to that change**; what influence has the intervention had on stakeholders/change agents. Identify other actors who will also have contributed to the change and how the intervention has engaged with them – this stage is important if you want to understand what works and why – systemic change is rarely if ever driven or facilitated by a single actor or intervention. It is important at this stage to recognise that 'the amount' an intervention contributes can vary, sometimes a minor intervention can be significant even if it plays a small role – so a useful question to ask is 'Would this change have happened in the way it has without this intervention?' Key to this stage is that the contribution is plausible – don't 'over claim'.
- **Verify and Substantiate** – share the outcome description and 'contribution story' with a range stakeholders who are independent but knowledgeable – does it make sense, what additional evidence do they have that supports or challenges the 'harvest'. Is there other documentary evidence that can be reviewed that might support or challenge stakeholder views
- **Analysis and presentation** – this may involve a thorough mapping and documentation of evidence of causal pathways highlighting the role and contribution of different facets/elements of an intervention towards observable system level changes

In terms of performance monitoring, outcome harvesting recognises that predicting the exact nature and results of interventions within complex change is challenging. The focus then is on

having a clear view of what type of change CAPRED hopes to see, recognising that any contribution will be partial, may need to adapt over time and involve unpredicted as well as predicted engagement with stakeholders. 'Results' or targets will be number of examples of contribution made across different outcome areas, rather than precise predetermined descriptions of what the changes will be.

Scorecard based approach.

An alternative approach is based on the premise that though systems change is complex, hard to predict and measure, there is still a relatively stable set of dimensions that can 'define the system' and be targeted as drivers of transformational change. As an example, it would be possible to pull from CAPRED's logic model dimensions such as:

- Institutional arrangements,
- Technology development, deployment, transfer or innovation,
- Market development and transformation;
- Knowledge generation, learning processes and replication of good practices, methodologies and standards

Each of these dimensions can then be broken down into component parts with the assumption being that if there is positive movement across some, or all of these components within the dimensions then these will lead to improved system level outcomes. Key to this approach is agreeing on the definition of the system dimensions and components and then identifying indicators of change within the components. What this approach also does is recognises that outcome level change, takes time and often only fully emerges after the intervention which aims to contribute to that change has been completed.

There are a number of ways the 'measurement' or assessment of change can be done. One mechanism is to develop scorecards for each dimension. The scorecards would assess change across agreed indicators after an initial baseline assessment. What a scorecard approach does is it provides a range of different indicators in which the change may have occurred, so can be a generic framework but used in a context specific way.

It can involve simple binary indicators. As shown in the example below – looking at institutional arrangement - it is also possible to say the indicator isn't in place but there has been progress made.

Institutional Arrangements	Achieved
There is an enabling policy and regulatory environment in place	Yes
Lead Ministry/Institution established with roles and responsibilities clear	Yes
Public sector organisations at a national level have sufficient capacity to perform their role	No (but progress made)
Public sector organisations at sub-national level have sufficient capacity to perform their role	No
Dedicated budgets in place and being appropriately utilised	No (but progress made)
Private Sector organisations are aware of opportunities and are actively planning to utilise them	Yes
Private sector organisations have sufficient capacity to capitalise on opportunities	No
Established coordination and monitoring mechanism in place	No
Clear links established with other relevant sectors	No

Scoring can then be aggregated – so at baseline there may be 2 ticks where the team think the indicator is in place and sufficient for system change – but in six months that may have increased to 5 ticks which shows progress being made in one core component of system change.

This approach does require qualitative reporting to give more detail and to assess the intervention contribution. So, for example:

- What has changed?
- What contribution did the intervention/intervention actor make?
- What contribution did other actors make
- What evidence of change do you have?

More complex scoring mechanisms can also be used as shown in the example on the next page. This gives more details as to what is required for system change and gives more quantitative detail. So, in the example below if this was a baseline assessment the score would be 11 out of a possible 18.

Again, a qualitative explanation and assessment of the change and the contribution of the intervention are required. The advantage of this approach is that it does provide greater clarity as to what the intervention is trying to achieve, so can assist in learning as well as linking more to accountability. Fundamentally, though, it is still focused on contribution and not attribution.

Degree to which intervention has contributed to strengthening institutional and regulatory frameworks for resilient development pathways in a country-driven manner

Element	Score 1	Score 2	Score 3
1	Lack of or limited legal/regulatory/policy frameworks in place.	Clear evidence and examples of improved legal/regulatory/policy frameworks being developed and put into place which show an appreciation of resilient pathways.	Effective socially inclusive legal/regulatory/policy frameworks developed and implemented at local and/or national level and clear evidence of enforcement of a regulation.
2	Limited or no financial and/or human resources allocated to support the development and implementation of institutional and regulatory frameworks.	Clear budgets and resources allocated to supporting the development of institutional and regulatory frameworks with some evidence of progress being made.	Significant and regular financial resources and organisational units focused on the development, implementation and enhancement of institutional and regulatory frameworks.
3	Public sector actors do not have an organizational structure/system or trained staff to respond to identified challenges.	Clear efforts being made to identify skills and capacity at both organisational and individual level, with evidence of training and learning being underway.	Public sector actors have an organizational structure/system or are fully staffed with trained and knowledgeable individuals to address identified challenges.
4	No horizontal or vertical cross government coordination.	Evidence that government departments/ministries and/or national and local governments are aware of the need for coordination and have initiated the development of coordination mechanisms.	Clear functioning coordination mechanisms at both horizontal and vertical levels effectively coordinating responses.
5	Private sector players unaware of their contribution to identified challenges and do not have structures or skills to respond in a timely manner.	Clear examples of private sector companies developing and funding initiatives and strategies that directly identify and respond to needs.	Private sector players fully understand their role and possess business models/strategies/expertise to proactively address appropriate challenges.
6	Civil society organizations have insufficient knowledge and skills to address relevant challenges or to hold the public and private sector to account.	Clear evidence and examples that some civil society organisations understand sector challenges and are developing strategies, interventions and capabilities to ensure they are addressing those that are relevant to them.	Civil society organizations understand the contribution they can make and are collectively focused on ensuring their interventions address sector challenges and that they hold other stakeholders/duty bearers to account.

A further approach is to just assess examples of system change based on the type of outcomes that the intervention is aiming to contribute to. This assumes that the intervention is trying to facilitate or catalyse change beyond the boundaries of its own scope and target groups. The table below shows an example of how an assessment could score against dimensions of scale, replicability and sustainability.

DIMENSION	Low	Medium	High
SCALE	Limited or no evidence of a pathway towards quantifiable impact beyond existing intervention targets.	Clear evidence of a pathway towards increased quantifiable impact is emerging beyond project or programme scope. Evidence might include: • increased commitment/interest from existing project holders, or new interested parties • the development of strategies covering larger target areas/populations; • better-than-expected results funded or influenced interventions.	Clear evidence of a pathway towards a significant increase in quantifiable results. Evidence might include: • significant expansion of funded or influenced programmes based on increased resources allocated from new or existing sources; • actual and significant increase in measurable, quantifiable results within and beyond the scope of the project/ programme by a range of similar interventions/ actors.
REPLICABILITY	Limited or no evidence of examples of intervention models funded/supported being considered in different geographical or sectoral settings or by new organisations.	Examples of intervention models which are similar or influenced by funded/supported interventions are being planned and/or piloted in different contexts by one or more different organisations.	Clear evidence of multiple examples of models similar to, or drawing from funded/supported interventions are being extensively funded and implemented, including appropriate adaptation to meet local context.
SUSTAINABILITY	No or limited evidence that the institutional structures and behavioural norms required to sustain observed changes are sufficiently robust to exist without additional external funding and support.	Clear examples of where good practice norms and institutional structures have become embedded across a range of stakeholders and where intended outcomes are maintained without being reliant on external funding and support.	Clear evidence that institutional structures and a range of stakeholder groups are able to lead, facilitate and support interventions that expand and further enhance observed outcomes and the associated good practice norms.

With all of these approaches it is important that there is a shared understanding of what dimensions have been selected and an agreement that they fit with a ToC as to how system level outcomes can be achieved. They work best when they are as simple as possible – definitions and scores have to be good enough rather than perfect - and useful for those who are trying to implement projects/programmes as ways of assessing the changes they aim to facilitate.

