Caribbean Annual Program Performance Report 2011



October 2012

## Summary

This report summarises the aid program’s progress in 2011 in the Caribbean. It is the second development cooperation report for the program.

# Context

Australia’s approach to foreign policy has evolved to more actively engage in regions and countries, including the Caribbean[[1]](#endnote-2), which are beyond Australia’s traditional partners. The region is diverse and includes high and middle income countries, as well as a least developed country (Haiti) afflicted by significant rates of poverty.[[2]](#endnote-3) Australian aid is helping the Caribbean address a range of serious development challenges including poverty, susceptibility to disasters and climate extremes, vulnerability to economic shocks and high crime rates. More than 36 per cent of the population in the region lives on less than US$2 a day.[[3]](#endnote-4)

While the Caribbean is making steady progress towards the Millennium Development Goals (MDGs), improvements are varied. The MDG One (poverty) MDG Six (HIV/AIDS and other diseases) and MDG Seven (environmental sustainability) are lagging in some countries across the region, while countries like Haiti, Suriname, Guyana and Belize are off target on multiple MDGs. However, in recent decades there have been marked increases in life expectancy across most of the Caribbean countries, and a marked decline in infant mortality. Secondary education is nearly universal and there is greater access to tertiary education. Reductions in levels of poverty are reflected in the United Nations Development Programme Human Development Index rankings[[4]](#endnote-5) (*refer Annex A*).

The Caribbean region suffers constraints to economic and social development comparable to other small island developing states (SIDS)[[5]](#endnote-6) regions. Its small, open economies generally have a limited economic base, depend on tourism and scarce natural resources, and have low technical and institutional capacity for economic growth. They are vulnerable to external shocks, high unemployment, high public debt and weak institutions, and many face fiscal and debt distress. Youth disengagement and high rates of violent crime are significant development challenges.

Climate change (CC) and disaster risk reduction (DRR) are also priority development challenges for many low-lying coastal states with ecosystems vulnerable to climate variability. Most of the population live in coastal areas. Economic activity depends on sectors vulnerable to climate variability such as tourism, agriculture and inter-island trade. Sea level rises are expected to increase the impact of storm surges and erosion, fresh water resources are expected to become insufficient to meet demand, and hurricane activity is forecast to increase.

Natural disasters continue to challenge the economic and physical development of Caribbean countries. Although there is widespread recognition of the need for comprehensive disaster management and better management of the environment, there is a shortage of people with required skills and political will for concerted action.

There is a strong history of regional groupings in the Caribbean, including a push for a single market. The agenda for a common market has had limited success due to sovereignty concerns and institutional weaknesses in the Caribbean Community (CARICOM)[[6]](#endnote-7). Despite this, there is a widespread understanding between Member States, financial institutions and donors alike that strong regional integration is essential for economic growth and social stability in the Caribbean.

Development activities have historically been poorly coordinated, though donors are now taking steps to change this. The CARICOM Secretariat as the peak regional body is also increasing its role in coordination. Australia is the fifteenth largest donor by volume in the Caribbean, contributing a modest 0.5 per cent of total Official Development Assistance (ODA) in the region in 2010[[7]](#endnote-8). Our primary development relationship is with CARICOM, and incorporates a focus on institutional strengthening activities which support regional partners. The Australian Government has committed to strengthen relations with Caribbean countries and build on shared historical, sporting, social and political ties, as well as membership of the Commonwealth.

# Program objectives and strategy

Australia’s ODA to the Caribbean is $60 million over four years from 2010 to 2014. Nearly all funding has been programmed and more than 66 per cent ($40 million) was expensed by the end of June 2012.

## Expenditure

Table 1: Estimated expenditure in 2011-12

|  |  |  |  |
| --- | --- | --- | --- |
| Objective | | A$ million | % of program |
| 1. Assisting communities, nations and regional partners to address climate change and better prepare for and respond to natural disasters | | 4 | 24 |
| 1. enhancing ability within the Caribbean to manage and respond to the region’s economic challenges | | 4.8 | 30 |
| 1. building linkages and partnerships between the Caribbean, Australia and the Pacific which add to Caribbean knowledge and capacity to address its development priorities | | 3.2 | 20 |
| 1. Direct Assistance for flexibility to respond to specific emerging priorities | 4.3 | | 26 |

The Caribbean Program is focused on our experience, expertise and credibility and complements the work of partner governments and other development partners. The Program is focused on three priorities: climate change and disaster risk reduction, economic resilience, and linkages between people and institutions. The priorities are mutually reinforcing. In addition, there is a budget for direct assistance for emerging priorities such as responding to disasters and regional development challenges. The Program emphasises partnerships with key regional institutions and development of strong people-to-people linkages.

The Caribbean Program has five dimensions:

1. Work with regional organisations that have a proven track record. The Caribbean has pushed for regional integration to promote economic growth, financial and social stability. A relatively small donor such as Australia can gain leverage by working with existing regional and international partners.
2. Share experience and links with the Pacific. Australia has a long history of partnering with Pacific regional organisations[[8]](#endnote-9) and can play a role in bringing Caribbean and Pacific regional organisations and countries together for reciprocal learning, lesson sharing and mutual support.
3. Focus on areas of shared interest and Australia’s comparative advantage. The Caribbean is vulnerable to the impact of climate variability. Australia contributes widely to international efforts to encourage greater investment in disaster risk reduction which can preserve development gains, save lives, protect livelihoods and reduce the cost of responding to disasters. One area of particular Australian expertise is the management of coral reefs and marine ecosystems.
4. Build partnerships between people and institutions in Australia and the Caribbean – providing technical assistance, capacity development and volunteers. The program aims to strengthen links between individuals and institutions, laying foundations for long-term collaboration with stakeholders in civil society, business, academia and government institutions.
5. AusAID’s Caribbean program is consistent with Australia’s new aid policy; Helping the World’s Poor through Effective Aid: Australia’s Comprehensive Aid Policy Framework (the CAPF). It is modest program with the bulk of assistance delivered through partners. Activities are aligned with regional priorities and focussed on building skills and expertise within regional institutions and frameworks.[[9]](#endnote-10) This benefits multiple countries across the region. It also offers more capacity to make a difference and value for money.

Our approach has been well received by CARICOM, regional organisations and bilateral partners. Our additional trilateral partnerships with Brazil on water and sanitation projects in Haiti, as well as cooperation with Cuba to improve health services in Haiti and the Pacific are in line with the partnership approach.

# Progress against objectives

In December 2011, a draft Performance Assessment Framework (PAF) was developed to monitor, evaluate and communicate the results of AusAID’s program in the region. Most of the results are small contributions in a much larger change process. A finalised PAF will help us understand how we contribute to large change processes, not only by financial contributions but with new ideas. Program objectives from 2010 have been adjusted in the new PAF. The program now has one overarching objective – that Australia is perceived as a valued development partner that supports Caribbean countries to reduce their vulnerability to climate change, natural disasters and economic challenges. The following three ‘portfolio level’ objectives in Table 1 support the achievement of this objective.

Table 1: Ratings of the Caribbean program’s progress in 2011 towards program objectives

|  |  |  |
| --- | --- | --- |
| Objective | Rating in 2011 | Relative to  previous rating |
| Contribute to improved effectiveness of communities, nations and regional partners to reduce the impact of climate change and natural disasters | ⬛ | Green |
| Contribute to an enhanced ability within the Caribbean to manage and respond to economic challenges in the region | ⬛ | Green |
| Promote meaningful opportunities for interaction between Caribbean, Australian and Pacific citizens and opinion leaders which add to Caribbean knowledge and capacity to address climate change, natural disasters and economic challenges | ⬛ | Green |
|  |  |  |

Note:

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

## Objective 1 – Contribute to improved effectiveness of communities, nations and regional partners to reduce the impact of climate change and natural disasters:

Rating: ⬛ The objective will be fully achieved within the timeframe of the Ministerial commitment.

Australia has invested in increasing the skills and expertise of regional institutions to help Caribbean countries reduce vulnerabilities associated with climate change and better preparedness to act and respond to disasters in the region.

Australia’s contribution has helped build up the Caribbean Community Climate Change Centre’s (5Cs) human resource capability to attract donor funding and manage activities to reduce the impact of climate change in Caribbean communities. Our support has enabled 5Cs to increase its human resources and establish more robust administrative and fiduciary systems. This has contributed to increased technical support and guidance to implementing agencies through recruitment of additional technical, professional and administrative support staff.

The 5Cs’ strengthened capacity was recently recognised when it was elected by the World Bank and SIDS partners as the Secretariat for SIDSDOCK (a venture capital fund for SIDS climate change management and climate change adaptation initiatives). 5Cs is currently being accredited as a Regional Implementing Entity for the Adaptation Fund, which finances projects and programs to help developing countries adapt to the negative effects of climate change. The 5Cs also signed an MOU in 2011 with the Secretariat of the Pacific Regional Environment Program to collaborate on reducing the impact of climate change. A joint pavilion at the United Nations Framework Convention on Climate Change 17th Conference of the Parties (UNFCCC COP17) in Durban is a practical example of such collaboration.

With support from Australia and other donors, the 5Cs also helped the 4 874 people of Bequia in St. Vincent and the Grenadines benefit from a solar powered desalination plant that produces better quality drinking water, improved reliability and lower cost than the previous supply. Excess power is sold to the national utility contributing to its long-term sustainability.[[10]](#endnote-11)

Australia is a major contributor to the Caribbean Disaster Management Harmonised Implementation Program (CDM-HIP) of the Caribbean Disaster Emergency Management Agency (CDEMA), along with Canada and the United Kingdom. Under this program, CDEMA has developed a Model National Comprehensive Disaster Management (CDM) policy that supports member states to update their Multi-Year Caribbean Disaster Management Country Work Programs. It has developed a series of tools to prioritise comprehensive disaster management within member states. These tools include a model policy, templates for a national strategy and action plan, model legislation, information sharing, enhancements to the CDEMA website and an audit tool. The tools are designed to integrate disaster risk reduction into national policies and plans. The tools can be implemented by member states even after the conclusion of the program. Adoption of the model tools will promote the shift from response to disaster events to a focus on disaster risk management.

Through Australia’s support to CDEMA, St Lucia is one of three participating member states committed to the inclusion of disaster management into its national disaster management policy and strategy. CDEMA’s regional program also supported the strengthening of St Lucia’s national relief distribution plan. CDEMA enhanced public awareness of self-evacuation in response to hurricanes with special focus on the school-aged population and the hearing impaired in St Lucia. As chair of the Management Advisory Committee of the CDM-HIP in 2012, Australia will increase its role in advocating for a greater emphasis on development results, gender and disability data and integrating climate change and disaster risk reduction activities.

With support from Australia and the United Kingdom, CARIBSAVE (a non-governmental organisation in partnership with 5Cs and the University of Oxford) completed climate change risk atlases for fourteen countries (five attributable to Australian support). The atlases use UNFCCC climate model scenarios and existing digital elevation models to illustrate the impact of sea level rises of less than 1 metre and 2 metres. The atlases examine sectoral vulnerabilities, assess adaptive capacity and propose practical country specific strategies, particularly the effects on the tourism industry. They will be used by decision makers to protect their assets and ecosystems on which they depend, guide socioeconomic development that is climate-resilient, and build the capacity to respond to climate change. CARIBSAVE has provided the atlases to the relevant countries and received endorsement by respective governments.

Australian support has also helped the UN Economic Commission for Latin America and the Caribbean (ECLAC) to estimate the costs of adapting to and mitigating against climate change impacts based on scenarios for the next 20 to 50 years. Australian support for the University of West Indies (UWI) research and post-graduate studies (including six of the ten scholarships awarded in 2011), and a community-based adaptation small grants program with the United Nations Development Program Global Environment Fund are building institutional, community and individual capacity in the region.

Australia responded to requests from the Government of St Lucia to assist with recovery from widespread damage caused by Hurricane Tomas in October 2010. These activities support better planning, risk reduction and preparedness and a culture of resilience rather than only disaster response. As a result, around 276 landslides have been assessed, eight hectares of major landslides have been rehabilitated, and six nurseries (with 56 900 seedlings planted) established. Work has also been created for 50 people to plant 104 148 seedlings, rehabilitate 54 hectares and monitor rainfall and stream flow data. One of three sites identified for hydro monitoring equipment has also been fully installed.

## Objective 2: Contribute to an enhanced ability within the Caribbean to manage and respond to economic challenges in the region

Rating: ⬛ The objective will be fully achieved within the timeframe of the Ministerial commitment.

AusAID contributes to economic reform in the Caribbean through three complementary activities. These activities are designed to help reduce average levels of debt to Gross Domestic Product, increase intra-regional trade and economic cooperation and increase youth employment. Our partners, the Caribbean Technical Assistance Centre (CARTAC) and the International Finance Corporation (IFC) in particular have a history of proven results and provide an efficient way to deliver Australia’s contribution to economic governance in the region.

Australia’s 2011 contribution represents around 5 per cent of CARTAC’s budget for activities that strengthen tax and customs administration, public financial management, market regulation and supervision and economic analysis.[[11]](#endnote-12) This investment helped retain retention of a public financial management advisor along with activities allocated to the position that would otherwise not exist. Our contribution (we are now the third largest donor after Canada and UK) has been timely as other donors reduce their contributions.[[12]](#endnote-13) It has helped spread donor coverage thereby reducing the risk of funding shortfalls for the program which is considered to be a leading and effective provider of technical assistance in the region.[[13]](#endnote-14) It has also enabled AusAID to participate in decision making through membership on CARTAC’s steering committee. CARTAC's demand driven model ensures that it is responsive to needs expressed by its clients, and being based in the region it can respond quickly to emerging priorities. As a regional organisation CARTAC is a cost-effective way to deliver technical assistance and capacity building support.

Australian support has enabled the first phase of the IFC’s trade logistics program to continue in four countries (Dominica, Grenada, St. Kitts & Nevis and St. Lucia) and expand to two more countries.[[14]](#endnote-15) It has established a model for assisting countries in the diagnosis and development of strategies to improve trade logistics. IFC has focused on the implementation of action plans developed in an earlier phase (supported by Canada), converting diagnostics into actions and reforms. Hurdles remain including inter-agency customs coordination and significant investments required for better port facilities. However, Caribbean countries are beginning to reap the benefits from streamlining trade logistics in the region. This includes a reduction in the number of days to trade in St. Kitts & Nevis from twelve to eleven days for exports (or 9 per cent), and from thirteen to twelve days for imports (or 8 per cent), resulting from the introduction of electronic submission of Customs’ declarations.[[15]](#endnote-16)

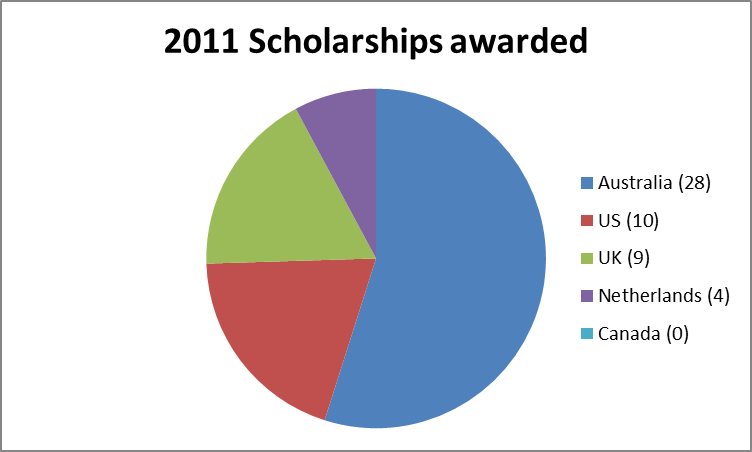
As the leading donor to the Youth Uplift Through Employment (YUTE) program Australia has contributed around 23 per cent of its total budget with other donors and private sector partners (which contribute 55 per cent). This has helped YUTE to deliver training and employment opportunities for a target of 2 000 Jamaican youth. It is hoped Australian funding could catalyse support from other donors. The first class of 85 students recently graduated and there have already been 283 job placements for YUTE participants. As youth engagement is a regional challenge, other countries have expressed interest in the project’s progress. Australia is also seeking to have a better understanding of youth issues and has commissioned a paper that will summarise youth interventions in the Caribbean and any emerging issues. The paper is expected to be completed for the CARICOM – Australia Senior Officials’ Meeting in 2012.

## Objective 3: Promote meaningful opportunities for interaction between Caribbean, Australian and Pacific citizens and opinion leaders which add to Caribbean knowledge and capacity to address climate change, natural disasters and economic challenges

Rating: ⬛ The objective will be fully achieved within the timeframe of the Ministerial commitment.

The Caribbean program people to people linkages activities are building the skills of a range of people. These include government officials, students, business people, academics, youth, children and people with a disability.

In 2010, 22 Australia Awards (development scholarships) were granted across   
eight countries, while in 2011, 28 scholarships were granted across ten countries. Fields of study aligned closely with the Caribbean program priorities. The increase in the overall number of expressions of interest and applications between the 2011 and 2012 intake indicates that the program is gaining momentum. Australia also appears to be providing more scholarships than other traditional donors.



From the 2011 intake (selected in 2010) three students have finished studies and the rest will return home between June to December 2012.

An alumni program is expected to begin in 2013 to monitor and evaluate the progress of returning scholars. It will identify ways to engage existing alumni who studied in Australia with an Australian Award (such as in pre-departure briefings and return home workshops).

Managing Australia Awards continues to be labour intensive. The 48 active scholarships and the 2012 selection processes (which included 238 expressions of interest and 84 shortlisted people) were managed by two of five program staff at different points of the program cycle. The activity accounts for around 16 per cent of the program, yet it occupies up to 40 per cent of program staff time.

The deployment of volunteers in 2011 was delayed due to time required to establish governance arrangements, and the engagement of a regional manager. With these arrangements in place, we expect more rapid volunteer deployments over the next year (the first volunteers were deployed to Dominica in March 2012).

Sixteen officials from twelve countries received additional diplomatic training to help build the capacity of future decision makers and potential leaders. The training continues to gather interest in the region and is expected to lead to improved trade relations and international partnerships between Caribbean nations and their partners and Australia. The Australian National University has also increased its ties with the University of West Indies through joint delivery of the training.

Through the Australian Sports Outreach Program (Australian Sports Commission) in the Caribbean, more than 8 000 children and adults including people with disabilities were encouraged to take regular exercise and live healthy lifestyles, taught teamwork and leadership skills. These results help increase youth engagement in local economies (complementing the YUTE work in Jamaica).

We also helped build strong institutional links between Australia and the Caribbean with the University of Canberra successfully implementing a sports management fellowship program attended by people from eight Caribbean countries. One fellow from this program is playing a key role in the Australia Sports Outreach Program in St Lucia.

AusAID also supported the attendance of Caribbean officials and experts at conferences on climate change, sustainable energy and coral reef management and trade where relationships with Pacific counterparts have been established.

***Direct assistance***

The Caribbean portfolio also includes a fund to support a range of small unrelated activities in response to requests from Caribbean governments and other key stakeholders such as CARICOM and the Organisation of Eastern Caribbean States (OECS). In total $16 million has been allocated for these activities. They range from: rebuilding infrastructure (St Jude Hospital damaged by a fire in St Lucia and the Parliament House in Grenada destroyed by Hurricane Ivan); responding to disasters such as Hurricane Tomas in Haiti building 150 water tanks and 20 community toilet blocks and hand-washing stations; support for regional development challenges such as a land registration project with the OECS and building the technical awareness of 38 officials from 13 countries in coral reef management. Most of these activities are less than $1 million and contribute to Australia’s broader engagement across the Caribbean.

# Program Quality

Overall progress is considered in the context of the Caribbean program being guided by an MOU with CARICOM. The program is relatively immature and operates in a new region for AusAID. 2010 was the start-up phase in which partnerships were established and pipeline activities undertaken.

Despite its infancy, the program is on track and nearly all of the $60 million four year commitment is expected to be disbursed by 2013.

Priority areas such as climate change, disaster risk reduction and economic resilience continue to be relevant to regional needs and there is significant interest from the region in what Australia offers as a donor. It has been challenging to deliver development activities across a regional program made up of 15 countries of different sizes, income levels, and governments. Additional time and care is required getting to know partners, even though capacity to follow through on specific activities is sometimes limited.

Program fragmentation has resulted from rapidly scaling up programming and is magnified because the Caribbean program covered 15 countries until recently.[[16]](#endnote-17) Rationalisation and consolidation will be an important focus in 2012 to 13 (particularly Direct Assistance funds), as will developing and then applying fit for purpose quality review processes to strengthen the program’s analytical base.

2011 focused on putting in place the building blocks for quality and performance assessment, leading to the development of the program’s Performance Assessment Framework (PAF) at the end of 2011. The draft PAF is aligned with the strategic goals articulated in the CAPF. The APPR is a combined assessment of the Quality at Implementation (QAI) reports and does not include humanitarian funding.

Nearly all activities continue to meet milestones similar to 2010 (*refer Annex B for QAI scores)*. Some activities have exceeded expectations for example institutional strengthening of CDEMA and 5Cs, Australia Awards and Sports for Development activities. Two activities (construction of Grenada Parliament House and the Australia Volunteers for International Development program) have been delayed mostly due to delays in receiving partner government approvals. The delays do not present significant risks to Australia’s investments at this time.

There are some areas that require improvement to increase the effectiveness of the Caribbean Program. They include reducing the management burden of delivering the Australia Awards and small activities, and promoting gender equality and opportunities for people with disability among our partners.

The program priorities and objectives are negotiated in partnership with CARICOM. Progress and results are reviewed at quarterly meetings and the annual Senior Officials Meeting. Feedback from the CARICOM Secretariat (Secretary General) described the Australian aid program as ‘you do as you say’ and Australia’s value extends to ‘advocacy for SIDS in international fora and policy dialogue - it is not just about funding’. Further comments indicate the rapid delivery of the program has been efficient, however with relationships now established the focus will be on supervision and partner dialogue to manage for development results.

An AusAID visit to the region in December 2011 to assess early performance and develop a PAF confirmed that the Program was addressing relevant development priorities in the Caribbean region. The performance team met with the CARICOM and OECS Secretariats, 5Cs, CDEMA, ECLAC, UWI, CARIBSAVE, IFC, other donors and private sector and government representatives. The team gathered performance evidence from a range of sources including meetings, reports, databases and interviews. The PAF will identify qualitative and quantitative information required for future reporting of quality processes, this includes reporting through case studies.

A review is scheduled for late 2012 when the Caribbean Program reaches mid-point in the four-year program (2010 to 2014). The review will consider results to date, management of the program and future programming options. The review together with the 2011 performance mission will help determine whether targets are being met and ultimately the sustainability of the overall program.

Multilateral organisations (IFC, United Nations, IMF) have generally met our expectations in operating, performance and fiduciary systems while some like the IMF (through CARTAC) exceeded them. However, AusAID and other donors (including Canada and UK) continue to lobby for increased focus on development results ensuring approaches to climate change adaptation are strongly aligned with disaster risk reduction, greater donor coordination and data collection on gender equality and disability.

The Australian Multilateral Assessment helps guide our engagement. Of the six partners for the Caribbean program assessed, (Global Environment Facility, IFC, IMF, International Organisation for Migration (IOM), International Committee of the Red Cross, and the UN Office for the Coordination of Humanitarian Affairs) all received between satisfactory and very strong ratings against all criteria with the exception of the IOM, which is implementing direct assistance water and sanitation activities in Haiti. The IOM scored a weak assessment against playing a critical role in improving aid effectiveness through results monitoring. IOM currently does not frame its work in terms of results achieved.

The Caribbean program relies on critical partnerships with Australian Government agencies and universities[[17]](#endnote-18) to help deliver aid in the Caribbean region. Working through these government systems in the provision of direct assistance in operating environments that are less well understood poses higher risks.

# Management Consequences

Seven staff in Canberra and Port of Spain manage a modest (approximately   
$15 million per year) diverse program with more than 37 activities in 15 countries. The high number of contracts reflects the relative immaturity of the program and makes delivering the program administratively burdensome. Staffing has been marginally increased from the previous year to set up the Port of Spain Post, and additional *ad hoc* expertise (AusAID and other) has been used during ‘surge’ periods.

AusAID has been strategic with its investment by partnering with donors and supporting regional institutions. But most success will depend on the results of large partnerships and institutional strengthening, which are long-term and resource intensive undertakings. There are also limits on a small team’s ability to greatly influence or deeply understand partners and their activities.

Regular and often face to face interaction and deployment of expert resources for supervision and verification of these partnerships is vital in a region that is large and time consuming to traverse. Innovative ways to manage delivery including building on existing successful programs with partners, targeting high value partnerships where Australia has a comparative advantage such as coral reef management, as well as regularly accessing expertise to monitor aid effectiveness, continue to be required. The targeted use of AusAID advisers and outside expertise will continue to be crucial, and reducing the number of smaller activities will also be needed to minimise fragmentation.

With more than 90 per cent of the current $60 million program expected to be disbursed by 2013, future programming decisions will need to be made over the next 18 months. The Mid Term Review (MTR) of the program will inform this process.

Delivering aid to Cuba and the Dominican Republic has been challenging because they are not members of CARICOM, are Spanish speaking and diplomatic relations are managed from Mexico City Post. For example, good communication between AusAID and DFAT (Canberra and Mexico City) as key interlocutors with the Cuban Government will be particularly vital to Australia’s cooperation with Cuba to improve health services in the Pacific.

More training is needed to further improve program management and supervision. With AusAID’s Caribbean Post now established, opportunities exist to refine roles and responsibilities within the program team.

Nearly all of the management consequences actions outlined in the 2010 Annual Program Performance Report were met or partially met (see Annex B). Management actions arising for this year’s report are:

1. Finalise Performance Assessment Framework – to help improve the collection and assessment of development results in line with the AusAID CAPF and quality processes.
2. Undertake the MTR of the Caribbean program – a formal evaluation with CARICOM to assess current performance.
3. Review the efficiency of the Caribbean Australia Awards program including the promotion and selection process, and resource requirements.
4. Identify and update risks to the program including obtaining a better understanding of our partners’ risks and how risks may impact on achievement of objectives.
5. Complete the program’s operational architecture, including a regional program strategy, ensuring it is in place by mid 2013.
6. Rationalise and consolidate activities, including small direct assistance activities, to develop a plan and set indicative targets for the number of activities to be reduced.
7. Refine roles between Desk and Post to work more effectively, including developing staff expertise in monitoring and supervision. Continue to look for innovative and non-face to face ways to monitor activity progress remotely such as making better use of the reporting of trusted partners, AusAID adviser and external expertise.
8. Explicitly address gender equality and disability within the program, being selective to ensure impact. Identify ways to do this during the MTR and in future programming.
9. Regularise and streamline consultations with partners, CARICOM Secretariat and key donors and disseminate information.
10. Maintain working relationships between Caribbean and Pacific program areas to exchange information and continue to help build stronger the links between both regions which are considered as SIDS.
11. Include a combined ODA discussion in future APPRs with relevant Australian Government agencies.

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| --- | --- | --- |
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# Annex A:

Chart 1.1 is a sample of 7 Caribbean countries and the CARICOM average Human Development Index.



# Annex B:

Table : 2011 Quality at Implementation data[[18]](#footnote-2)

| Quality at Implementation | Financial approval | Relevance | Effectiveness | Efficiency | Monitoring & Evaluation | Sustain-ability | Gender Equality | 2011 Average |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Climate Change and Disaster Risk Reduction Pillar | $17.5 million | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ |  |
| Economic Resilience Pillar | $10 million | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ | ⬛  4.5 |
| People-to-People and Institutional Linkages Pillar | $16.5 million | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ | ⬛ | ⬛  4 |

Definitions of rating scale:

|  |  |
| --- | --- |
| Satisfactory (4, 5 and 6) | Less than satisfactory (1, 2 and 3) |
| ⬛ = 6 = Very high quality | ⬛ = 3 = Less than adequate quality; needs significant work |
| ⬛ = 5 = Good quality | ⬛ = 2 = Poor quality; needs major work |
| ⬛ = 4 = Adequate quality; needs some work | ⬛ = 1 = Very poor quality; needs major overhaul |

# Annex C:

Status of 2010 management consequences

|  |  |  |
| --- | --- | --- |
| Management Consequence | Status | Comment |
| Work with like-minded donors to encourage key regional organisations to address performance issues.  Clarify AusAID profile and role in relation to each key partner organisation. | Achieved  Partly achieved | AusAID is regularly represented on donor committees particular for CDEMA and CARTAC which also feature the Canada and UK. This is an ongoing process.  Performance assessment framework being developed for implementing in 2012. |
| Work to strengthen and deepen established relationships.  Build knowledge of the region in AusAID and Australia, and of Australia in the region | Achieved  Partly Achieved | Ministerial and Senior Official Visits continue to build relations with partner governments and CARICOM while regular donor meetings improve relations with development partners  A communication strategy to be implemented in 2012, to increase understanding and awareness of the program as well as communicate results of the program to stakeholders. |
| Dialogue with whole of government partners to ensure criteria of development effectiveness is understood and balance is maintained. | Partly Achieved | Regular consultation in region (particularly with HOMs) and in Canberra.  Country architecture not in place but mid-term review is expected to increase understanding of development priorities |
| Develop program performance framework.  Increased understanding of how to meet AusAID reporting requirements.  Develop a forward phase, multi- year work plan.  Risk assessment of program partners and impact  Consider mechanism for achieving consistency in staffing and building institutional knowledge and consistency in approaches. | Partly Achieved  Partly Achieved  Partly Achieved  Partly achieved  Not achieved | Framework to be complete and operational in 2012 and aligned with the Comprehensive Aid Policy Framework. Early progress being made on monitoring and developing case studies.  Specialist M E support has been used to train staff to enhance reporting on result level data in QAIs and other briefings. The same support will be provided to road test performance framework. Further program management training required.  Superseded by Engagement Strategy  Draft risk & fraud management plan developed for Port of Spain post  Staff leave and turnover and an agency restructure is likely to provide challenges for the Program. However contracting on-going technical support in the region has helped build skills. |

# Annex D

**Headline Results Summary: Country/Regional Program**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Headline Result Indicator** | **2011 Result** | **How Australia contributes  (type of aid)** | **Method of calculation** | **Data source** |
| Number of people awarded tertiary scholarships | 34[[19]](#footnote-3) | Projects | Full result attributed to AusAID | Partner reporting and AusAID records (Confidence – high) |
| Number of people with increased access to safe water | 12,000 | Pooled funds – Australia contributed 10% of overall budget for water project in St Vincent & Grenadines; and 81% of budget in Haiti WASAN project | Pro-rata based on Australia’s total financial contribution against total donor and government spending. | Results data comes from partner reporting (Confidence – High) |
| Number of public servants trained | 16 | Projects | Full result attributed to AusAID | Partner reporting and AusAID records (Confidence – Medium) |
| Number of countries assisted with adaptation programs to reduce vulnerability to climate change | 6 | Pooled funds – Australia contributed 33% of total $15m funding to CDEMA HIP. | Pro-rata based on Australia’s total financial contribution against total donor and government spending. | Results data comes from partner reporting (Confidence – High) |
| Number of countries supported to improve public financial management | 0.7 | Pooled funds – Australia has contributed over 5 % of total funding to CARICOM’s key technical support agency - CARTAC | Pro-rata based on Australia’s total financial contribution against total donor and government spending. | Results data comes from partner reporting (Confidence – medium) |

# Annex E: Glossary

Australian Agency for International Development (AusAID)

Millennium Development Goals (MDG)

Small island Developing States (SIDS)

Climate Change (CC)

Disaster Risk Reduction (DRR)

Caribbean Community (CARICOM)

Official Development Assistance (ODA)

Performance Assessment Framework (PAF)

Caribbean Community Climate Change Centre (5Cs)

Caribbean Disaster Emergency Agency (CDEMA)

Memorandum of Understanding (MOU)

United Nations Framework Convention on Climate Change 17th Conference of the Parties (UNFCCC COP17)

Caribbean Disaster Management Harmonised Implementation Program (CDM-HIP)

Caribbean Technical Assistance Centre (CARTAC)

University of West Indies (UWI)

International Finance Corporation (IFC)

Youth Uplift Through Employment program (YUTE)

Australian National University (ANU)

Australian Sports Outreach Program (ASOP)

Comprehensive Aid Policy Framework of AusAID (CAPF)

Quality at Implementation (QAI)

Organisation of Eastern Caribbean States (OECS)

UN Economic Commission for Latin America and the Caribbean (ECLAC)

International Monetary Fund (IMF)

International Organisation for Migration (IOM)

Global Environment Fund (GEF)

# Annex F:

Footnotes

1. Australian has provided aid to 15 ODA eligible countries in the Caribbean region (13 CARICOM members plus the Dominican Republic and Cuba - who are not members of CARICOM). The Bahamas has not been ODA-eligible since 2005 and Montserrat is a British Territory. From 2012 Trinidad & Tobago and Barbados were not ODA eligible. [↑](#endnote-ref-2)
2. Haiti currently ranks 158 out of 187 countries on the Human Development Index. [↑](#endnote-ref-3)
3. Based on World Bank and United Nations data. [↑](#endnote-ref-4)
4. United Nations Development Programme Caribbean Human Development Report (2012). [↑](#endnote-ref-5)
5. The small island states of the Caribbean are also keen to build stronger links with similar economies in the Pacific. [↑](#endnote-ref-6)
6. The 15 CARICOM members are: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, St Kitts and Nevis, St Vincent and Grenadines, Suriname, Trinidad and Tobago. [↑](#endnote-ref-7)
7. Leading donors as a percentage of total ODA in 2010 included United States of America (25%), European Union (14%), Inter-American Development Bank (14%), and Canada (10%). [↑](#endnote-ref-8)
8. For example the Secretariat of the Pacific Regional Environment Program (SPREP) and the Pacific Islands Geoscience Commission. [↑](#endnote-ref-9)
9. Australia has helped scale up support to regional institutions like the Caribbean Regional Technical Assistance Centre (CARTAC), the Caribbean Disaster and Emergency Management Agency (CDEMA) and Caribbean Community Climate Change Centre (5Cs), which are already supported by other experienced donors (Canada and the United Kingdom). [↑](#endnote-ref-10)
10. The system performance measured during the month of October [2011] indicates that the average annual output should exceed the design specifications by at least thirty per cent. The system was designed to deliver a minimum of 115,000 KWH per year. The SWRO system’s annual requirement is 80,000 KWH. (Source: Final Report – Bequia Salt Water Reverse Osmosis Project, Caribbean Community Climate Change Centre, December 2011 p5) [↑](#endnote-ref-11)
11. Phase IV of CARTAC aims to reduce average levels of debt to GDP in five of the most heavily indebted Caribbean countries from over 120 per cent to less than 110 per cent by 2015. [↑](#endnote-ref-12)
12. Canada is reducing its contribution to CARTAC to focus on other priority sectors in the Caribbean such as education and training, [↑](#endnote-ref-13)
13. Independent Evaluation of Phase III, Oxford Policy Management (2010) [↑](#endnote-ref-14)
14. IFC is currently collecting baseline data in 5 countries – Antigua and Barbuda, Guyana, Jamaica, Suriname and Trinidad and Tobago to assist with the selection of the two additional countries to be supported under the project. [↑](#endnote-ref-15)
15. World Bank Group Doing Business Report 2012 [↑](#endnote-ref-16)
16. From 2012, Barbados and Trinidad & Tobago became ineligible to receive ODA. [↑](#endnote-ref-17)
17. Department Foreign Affairs and Trade, Australian Sports Commission and Great Barrier Reef Marine Park Authority as well as Australian Universities [↑](#endnote-ref-18)
18. QAIs are undertaken for significant activities under the Partnership Priority Outcomes and for significant funding provided to other sectors through other donor and government activities. Financial information is as at February 2012, when QAIs were prepared. [↑](#footnote-ref-2)
19. This figure represents 28 scholarships awarded under the Australia Awards and six scholarships awarded in 2011 under the UWI CERMES project. [↑](#footnote-ref-3)