Australian Government
AusAID

Australian AID

# OECD DAC PEER REVIEW OF AUSTRALIA, 2013

## Memorandum

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# Contents

**Acronyms Used** ..... i

**Australian Aid: Making a real difference – Delivering real results** ..... 1

**Chapter 1: Policy vision and strategic orientations** ..... 6

*1.1 Policies, strategies and commitments* ..... 6

*1.2 Decision-making* ..... 7

*1.3 Policy focus* ..... 9

**Chapter 2: A comprehensive development effort** ..... 13

*2.1 Global development issues* ..... 13

*2.2 Policy coherence for development* ..... 14

*2.3 Engaging in partner countries* ..... 16

*2.4 Financing for development* ..... 17

**Chapter 3: Aid allocations & development finance** ..... 19

*3.1 Official development assistance volume* ..... 19

*3.2 Official development assistance allocations* ..... 19

*3.3 Official development assistance channels* ..... 21

**Chapter 4: Organisation fit for delivering quality development cooperation programme** ..... 23

*4.1 Institutional systems, innovation and behaviour change* ..... 23

*4.2 Human Resources* ..... 28

**Chapter 5: Delivery modalities and partnerships help deliver quality aid** ..... 32

*5.1. Budgeting and programming processes* ..... 32

*5.2 Partnerships* ..... 37

*5.3. Fragile states* ..... 40

**Chapter 6: Results, learning, transparency and accountability** ..... 42

*6.1 Policies, strategies, plans, monitoring and reporting* ..... 42

*6.2 Evaluation and institutional learning* ..... 44

*6.3 Communication, accountability, and development awareness* ..... 46

**Chapter 7: Humanitarian assistance** ..... 47

*7.1 Strategic framework* ..... 47

*7.2 Effective program targeting* ..... 49

*7.3 Effective delivery, partnerships and instruments* ..... 50

*7.4 Organisation fit for purpose* ..... 52

*7.5 Results, learning and accountability* ..... 54

**Annex 1: Progress against 2008 DAC review recommendations** ..... 55

**Annex 2: AusAID human resource profile by location** ..... 63

**Annex 3: Organisation chart** ..... 65

**Annex 4: Organisational change and policy development** ..... 66

**Annex 5: Key references** ..... 67

## Acronyms Used

| | |
|---|---|
| ACC | Australian Civilian Corps |
| ACFID | Australian Council for International Development |
| ACMC | Australian Civil-Military Centre |
| ADB | Asian Development Bank |
| ADF | Australian Defence Force |
| AFP | Australian Federal Police |
| AMA | Australian Multilateral Assessment |
| AMCs | Advance Market Commitments |
| ANAO | Australian National Audit Office |
| ANCP | AusAID-NGO Cooperation Program |
| APPR | Annual Program Performance Report |
| APS | Australian Public Service |
| ARDE | Annual Reviews of Development Effectiveness |
| ARF | Adviser Remuneration Framework |
| AusAID | Australian Agency for International Development |
| CAPF | Comprehensive Aid Policy Framework |
| CBM | Christian Blind Mission |
| CDI | Commitment to Development Index |
| CSOs | Civil society organisations |
| DAC | Development Assistance Committee |
| DCCEE | Department of Climate Change and Energy Efficiency |
| DESC | Development Effectiveness Steering Committee |
| DFAT | Department of Foreign Affairs and Trade |
| DFID | Department for International Development (United Kingdom) |
| DPKO | Department of Peacekeeping Operations |
| DRR | Disaster risk reduction |
| DSEWPaC | Department of Sustainability, Environment, Water, Population and Communities |
| EU | European Union |
| FRANZ | France, Australia and New Zealand Agreement |
| GENDERNET | DAC Network on Gender Equality |
| G20 | Group of Twenty |
| GHD | Good Humanitarian Donorship |
| GNI | Gross National Income |
| HLF-4 | Fourth High Level Forum on Aid Effectiveness |
| IATI | International Aid Transparency Initiative |
| ICRC | International Committee of the Red Cross |
| IEC | Independent Evaluation Committee |

| | |
|---|---|
| IMF | International Monetary Fund |
| INCAF | International Network on Conflict and Fragility |
| LDCs | Least developed countries |
| MDGs | Millennium Development Goals |
| NGOs | Non-governmental organisations |
| MOPAN | Multilateral Organisation Performance Assessment Network |
| OCHA | United Nations Office for the Coordination of Humanitarian Affairs |
| ODA | Official Development Assistance |
| ODE | Office of Development Effectiveness |
| OECD | Organisation for Economic Cooperation and Development |
| OGDs | Other Government Departments |
| PACER | Pacific Agreement on Closer Economic Relations |
| PAF | Performance Assessment Framework |
| PIF | Pacific Islands Forum |
| PLA | Performance-Linked Aid |
| PMEP | Performance Management and Evaluation Policy |
| PSE | Producer Support Estimate |
| PSS | Principal Sector Specialist |
| QAI | Quality at Implementation Report |
| QPR | Quality, Performance and Results |
| QRS | Quality Reporting System |
| SES | Senior Executive Service |
| SPC | Strategic Programming Committee |
| SRC | Strategic Reform Committee |
| UN | United Nations |
| UNHCR | United Nations High Commissioner for Refugees |
| WFP | World Food Programme |
| WIPS | Working in Partner Systems |

# Australian Aid: Making a real difference – Delivering real results

## A new policy approach: *Effective Aid*

Over the four years since the last OECD DAC peer review of Australia in 2008, the Australian Government has developed and implemented a major new policy framework for the aid program centred on aid effectiveness.

In 2010, the Government commissioned the first independent review of the aid program in fifteen years. *The Independent Review of Aid Effectiveness* concluded that Australia had a good aid program that was effective by global standards. It made 39 recommendations to further strengthen the effectiveness of the aid program**.**

The Government's aid policy, *An Effective Aid Program for Australia: Making a real difference – Delivering real results,* released in July 2011, responded to the *Independent Review of Aid Effectiveness* and set the strategic direction for a growing aid program. *Effective Aid* established a new purpose for the aid program, which is to help people overcome poverty. The aid policy also reaffirms Australia's commitment to play our part in achieving the Millennium Development Goals (MDGs). *Effective Aid* sets out five strategic goals for Australia's aid program: saving lives; promoting opportunities for all; sustainable economic development; effective governance; and humanitarian and disaster response.

Following on from *Effective Aid*, the Government released a *Comprehensive Aid Policy Framework* (CAPF) for Australia's aid program in May 2012, including a four-year, whole of Official Development Assistance (ODA) budget strategy which outlines the geographic and sectoral distribution of the aid program to 2015-16. The CAPF also includes a new three-tier Results Framework which identifies a set of 'headline results' that the Government has committed to the aid program to deliver in the four years to 2015-16. Progress against these results will be reported in an Annual Review of Aid Effectiveness. The first Annual Review, due in October 2012, will provide a baseline for the reporting of the headline results.

The Government has increased the annual aid program by 50 per cent since coming to office in 2007 to reach **$**5.2 billion in 2012–13. Australia's aid budget is forecast to grow to $7.7 billion by 2015–16, representing 0.45 per cent of Australia's GNI. This estimate has Australia on track to become the sixth largest donor in the OECD in volume terms (Australia was ranked tenth in 2011). The Government remains committed to increasing ODA to 0.5 per cent of GNI.

In 2012-13 Australia will provide bilateral aid to around 35 countries around the world. Australia's top 12 partners, all of which are in the Asia-Pacific, will receive 45.5 per cent of this. In line with the aid allocation criteria set out in *Effective Aid* and the CAPF, the aid program will remain focused on the Asia-Pacific, especially Australia's nearest neighbours, Indonesia, Papua New Guinea, Solomon Islands and East Timor.

Australia's approach to poverty reduction is centred on improving the lives of people living in poverty, particularly those in the Asia-Pacific region where 22 of our 24 nearest neighbours are developing countries with widespread poverty. Unlike most other OECD DAC donors, Australia's key development partners are our neighbours. Australia's development policies are grounded in our experience and knowledge of our own region.

Our aid program recognises the importance of sustained economic growth to poverty reduction, providing assistance in areas such as agriculture, mining, and infrastructure. Australia also aims to maximise people's opportunities to lift themselves out of poverty, by investing in education, promoting gender equality, and improving the lives of people with disabilities. Education is the flagship of Australia's aid program.

In promoting gender equality, AusAID takes a gender mainstreaming approach, where the needs of men and women, boys and girls, are considered in our programs; alongside targeted investments to support gender equality and women's empowerment. Australia is taking a leadership role in addressing gender equality issues in the Pacific, where gender indicators are among the worst in the world.

Australia is a strong advocate for disability-inclusive development and has demonstrated international leadership on this issue since the launch of our disability-inclusive development strategy *Development for All*, in late 2008. *Effective Aid* mandates 'enhancing the lives of people with disabilities' as one of our ten development objectives.

AusAID has fully revised its *Environmental Management Guidelines* to reflect changes to aid policy and programming and best practice approaches. The new Guidelines were released in August 2012.

Australia's aid program also has a focus on addressing vulnerabilities in our region. Twelve of Australia's closest neighbours are currently considered fragile by the OECD DAC and the World Bank. Australia is a recognised leader in providing assistance to fragile states, and AusAID's *Framework for working in fragile and conflict-affected states* (2011) provides guidance on working effectively in these countries.

*Effective Aid* recognised that delivering aid through multilateral organisations allows us to benefit from these organisations' specialist expertise and extends our reach and impact. Australia is committed to increasing funding to multilateral organisations. In March 2012, the Government published the *Australian Multilateral Assessment* (AMA) which assessed the effectiveness of key multilateral partners and their relevance to Australia's interests. The AMA also made recommendations to guide Australia's engagement with multilateral organisations.

Australia is further improving its engagement with a broad range of civil society partners and launched a new *Civil Society Engagement Framework* in June 2012. The Framework links increased funding to civil society organisations to their effectiveness, capacity, and relevance to Australia's development interests.

AusAID is focused on improving the way the aid program engages with the Australian business community and promotes private sector-led growth in partner countries. AusAID's *Private Sector Development Strategy* was released at a forum with business in August 2012.

**An organisation fit for purpose**

AusAID is the lead agency in delivering Australia's aid program, responsible for approximately 92 per cent of Australian ODA. AusAID's redesignation as an Executive Agency in 2010 formalised its autonomy within the foreign affairs and trade portfolio and its leadership on provision of development policy advice, planning and management of poverty reduction activities, responses to humanitarian and disaster crises, and representation of Australia in international development fora. It

also allowed for a stronger executive-level structure to support our expanding aid program.

AusAID recognises the value of decentralised aid management approaches in ensuring our growing aid program is built on strong country knowledge and partnerships. Over the last decade, AusAID has systematically expanded the role of overseas offices, giving them more responsibility and accountability for implementation of the aid program in-country. The expanded role for country offices has resulted in a changing staff profile for the agency with a significantly increased number of staff located overseas, including a large cadre of highly skilled locally engaged staff who fulfil vital roles in program delivery and corporate services.

AusAID has made considerable efforts to strengthen its workforce in Canberra and at our overseas posts, to ensure we have the skills and expertise to manage complexity and support the scale-up in aid. This remains a work in progress. AusAID's *Workforce Plan Phase Two* (due for release in September 2012) sets out the key workforce challenges for the agency in developing a workforce to deliver an increasingly effective aid program, as well as longer-term strategies to build a professional, high performing workforce; establish career streams; ensure the right people are in the right roles; and support a diverse and unified workforce.

### Whole of government

AusAID continues to take the lead role in coordinating the Australian Government's delivery of ODA. The Development Effectiveness Steering Committee (DESC), established in 2006 and chaired by AusAID's Director General, provides strategic advice to the Government on Australia's aid program. Over the past twelve months, the Australian Government has strengthened the role of the DESC in overseeing whole of government coordination and coherence of Australian aid, consistent with *Effective Aid* as a whole of government policy. The DESC meets approximately every two months and has a strong role in determining aid budget priorities, approving major program strategies, and development and implementation of the CAPF, including the four-year ODA budget strategy. AusAID provides the Secretariat for the DESC. Australia is also strengthening its whole of government approach by developing and applying uniform standards for planning, delivery, monitoring and reporting of Australian aid.

AusAID provides advice on development considerations related to Australia's foreign, security, trade, migration, environment, and other policies through a range of consultative mechanisms and inter-departmental working groups including the Secretaries' Committee on National Security, Strategic Policy Coordination Group, and the Asia Century Inter-Departmental Committee.

### Making Australian aid more effective

The Australian Government aims to deliver an aid program that is world-leading in its effectiveness, delivers real and measurable results in reducing poverty on the ground and is consistent with our commitments made at Paris, Accra and Busan.

Since 2006, Australian aid has been fully untied. Untying Australian aid is consistent with the Government's longstanding commitment to openness in trade and competition.

Our aid is becoming more predictable and accountable. The CAPF's rolling four-year budget will guide future increases in the aid budget and (along with our country strategies) will provide a greater level of predictability to our development partners.

The CAPF's Results Framework provides a structure to plan and measure our results aligned to the strategies outlined in the aid policy. The introduction of the Results Framework marks a shift for the aid program from a well-established performance-based approach to a results-focused approach. An Independent Evaluation Committee has been established to oversee high quality evaluations, ensuring a strong evidence base to our program design.

Australia is increasing the proportion of aid delivered through partner systems, subject to comprehensive and context-specific assessment of associated risks and benefits. Through the CAPF, the Government has committed to provide a 30 per cent increase on current levels of funding through partner systems by the end of 2014. Australia supports partner governments to strengthen their public financial management systems and to improve transparency and accountability.

Our Transparency Charter (together with our obligations under the International Aid Transparency Initiative) represents Australia's commitment to providing more accessible information on what we fund and the results we achieve.

Country program strategies provide a framework to guide policy dialogue, aid activities, partnerships and other elements that directly contribute to achieving development objectives. They are shaped by international aid effectiveness principles, are aligned to the priorities and needs of the partner country, are harmonised with the activities of other donors in the country, and encourage mutual accountability between governments. Country strategies also promote a focus on managing for results.

Pacific Partnerships for Development, introduced in 2008, provide an enhanced approach to development cooperation, based on mutual accountability and enhanced predictability. The Partnerships establish a small number of agreed priority areas for development and specify the results to be achieved (often by a 2015 timeframe) consistent with the MDGs and partner government plans. They focus development efforts on service delivery, commit minimum levels of funding from both governments to support priority outcomes, and identify funding gaps for discussion.

AusAID is pursuing value for money in our use of advisers by ensuring a comprehensive and rigorous approach guides the aid program's use and remuneration of advisers. These reforms will save an estimated $90 million over two years.

AusAID has also strengthened existing robust fraud and risk management systems and capabilities, and increased its investment in risk management, fraud prevention and internal audit to ensure that aid funding is used for its intended purpose and achieves results.

**Humanitarian assistance**

AusAID leads the Australian Government response to humanitarian crises in developing countries, working closely on the operational aspects of emergency responses with whole of government partners.

*Effective Aid* committed Australia to enhance disaster preparedness and deliver faster, more effective responses to humanitarian crises. This is a priority for the Australian aid program since a disproportionate number of global disaster events – 45 per cent – occur in the Asia-Pacific region. In 2011 AusAID released a revised *Humanitarian*

*Action Policy* to guide the Australian Government's commitment to deliver effective and appropriate humanitarian action as part of the aid program. The policy is grounded in the Good Humanitarian Donorship (GHD) Principles, endorsed by Australia in 2003.

Australia takes a comprehensive approach that integrates recovery and building resilience into humanitarian action strategies to support longer term development. Australia's disaster risk reduction (DRR) policy, *Investing in a Safer Future: A Disaster Risk Reduction Policy for the Australian Aid Program* (2009) commits AusAID to the integration of DRR principles into its development and humanitarian programs. Expenditure on DRR increased from $59 million in 2009-10 to over $102 million in 2010-11.

Australia recognises the importance of protection in humanitarian crises and focuses humanitarian assistance on protecting the rights of people and enabling their access to basic services. Australia has released an *Australian National Action Plan on Women, Peace and Security 2012-18*.

# Chapter 1: Policy vision and strategic orientations

The Australian Government's aid policy, *An Effective Aid Program for Australia: Making a real difference – Delivering real results*, released in July 2011, sets the strategic direction for the growing aid program. In May 2012, the Government released the *Comprehensive Aid Policy Framework* (CAPF), meeting the commitments outlined in *Effective Aid* to develop a four-year, whole of ODA budget strategy and a three-tier Results Framework. The Government is committed to increasing its official development assistance to 0.5 per cent of Gross National Income.

## 1.1 Policies, strategies and commitments

***- clear policy vision and solid strategies guide the program***

1.1.1 The 2008 DAC peer review welcomed the new Australian Government's reinforced focus on the Millennium Development Goals (MDGs) and poverty, and noted that a political framework would be valuable in guiding the aid program over the medium to long term.

1.1.2 In May 2009, as part of the 2009-10 Budget statement, the Government released a Policy Statement on Australia's International Development Assistance which outlined the core principles and themes for a stronger and more effective Australian aid program.

### *Independent Review of Aid Effectiveness*

1.1.3 In November 2010, the Australian Government commissioned the first independent review of the aid program in fifteen years. The *Independent Review of Aid Effectiveness* was undertaken by an independent panel with professional experience across government, non-government and business sectors. The panel consulted extensively with Australian Government departments, non-government organisations and other stakeholders in the Australian community. Fieldwork was conducted with a selection of Australia's bilateral and multilateral partners. The panel also received around 300 written submissions from a cross-section of the Australian and international community.

1.1.4 The *Independent Review of Aid Effectiveness* concluded that Australia had a good aid program that was effective by global donor standards. It nonetheless made 39 recommendations to further strengthen the effectiveness of the aid program. The Government agreed, or agreed in principle, to 38 of the recommendations[1]. The majority of these have now been implemented.

[1] The *Independent Review of Aid Effectiveness* also recommended that the words "International Development" should be added to the title of the Minister for Foreign Affairs. This was noted for further consideration by the Government.

### *Effective Aid*: a clear strategy

1.1.5 The Australian Government outlined its response to the *Independent Review of Aid Effectiveness* in a new aid policy – *An Effective Aid Program for Australia: Making a real difference – Delivering real results* – in July 2011. *Effective Aid* sets a clear strategic direction for Australia's aid program through to 2015–16 and establishes a new purpose for the aid program - to help people overcome poverty. Australia's new aid policy reaffirms the Government's commitment to achieving the MDGs.

1.1.6 *Effective Aid* sets out five strategic goals for Australia's aid program: saving lives; promoting opportunities for all; sustainable economic development; effective governance; and humanitarian and disaster response. These goals outline Australia's contribution to achieving the MDGs and recognise the importance of progress across governance, regional security, justice and human rights, and sustainable economic development. Giving effect to these strategic goals are 10 individual development objectives across a number of thematic areas.

1.1.7 The new policy confirms education as the flagship of Australia's aid program, with a primary focus on increasing the number of children in school, keeping them there for longer, and helping them to learn more while they are there.

1.1.8 Since the release of *Effective Aid*, AusAID has developed and publicly released nine thematic strategies (refer 1.3.2) to guide aid program delivery against the five strategic goals.

### A *Comprehensive Aid Policy Framework*

1.1.9 As outlined in *Effective Aid*, the Australian Government released the CAPF for Australia's aid program in May 2012. The framework is central to delivering the goals and commitments set out in the new aid policy.

1.1.10 The framework includes a four-year, whole of ODA budget strategy which specifies the geographic and sectoral distribution of the aid program to 2015–16. It also includes a new three-tier Results Framework which identifies a set of 'headline results' that the Government has committed to deliver in the four years to 2015–16. These will be aggregated across the program and reported on centrally, to provide a picture of what Australian aid is achieving. Progress will be reported in a new Annual Review of Aid Effectiveness. The first Annual Review, due in October 2012, will provide a baseline for the reporting of the headline results.

1.1.11 The CAPF will enable the Australian Government to plan and implement aid investments more effectively. Its development sets a high standard in budget forecasting, aid predictability, transparency and accountability.

## 1.2 Decision-making

***- rationale for allocating aid is clear and evidence-based***

1.2.1. Australia has strengthened decision-making around how, why and where aid will be spent. We are committed to being more transparent on our criteria and processes for determining aid allocation across bilateral, sectoral and multilateral channels.

1.2.2. *Effective Aid* and the CAPF outline our rationale and approach. In determining the geographic and sectoral distribution of the aid program to 2015–16, AusAID undertook a comparative analysis based on the criteria of poverty, national interest, Australia's capacity to make a difference, and the scale and effectiveness of our current aid programs. Each region (and some individual countries) was then assigned to one of three "growth bands" indicating priority needs, and scope to use additional aid to have a positive impact. Within regions and countries, aid expenditure is informed by a detailed evaluation of the operating environment and consultation with our development partners.

1.2.3. Australia's current top 12 bilateral aid recipients are in the Asia-Pacific region and are forecast to remain our largest partners to 2015–16. Figure 1 shows estimated aid volume in 2015-16 by geographic distribution.

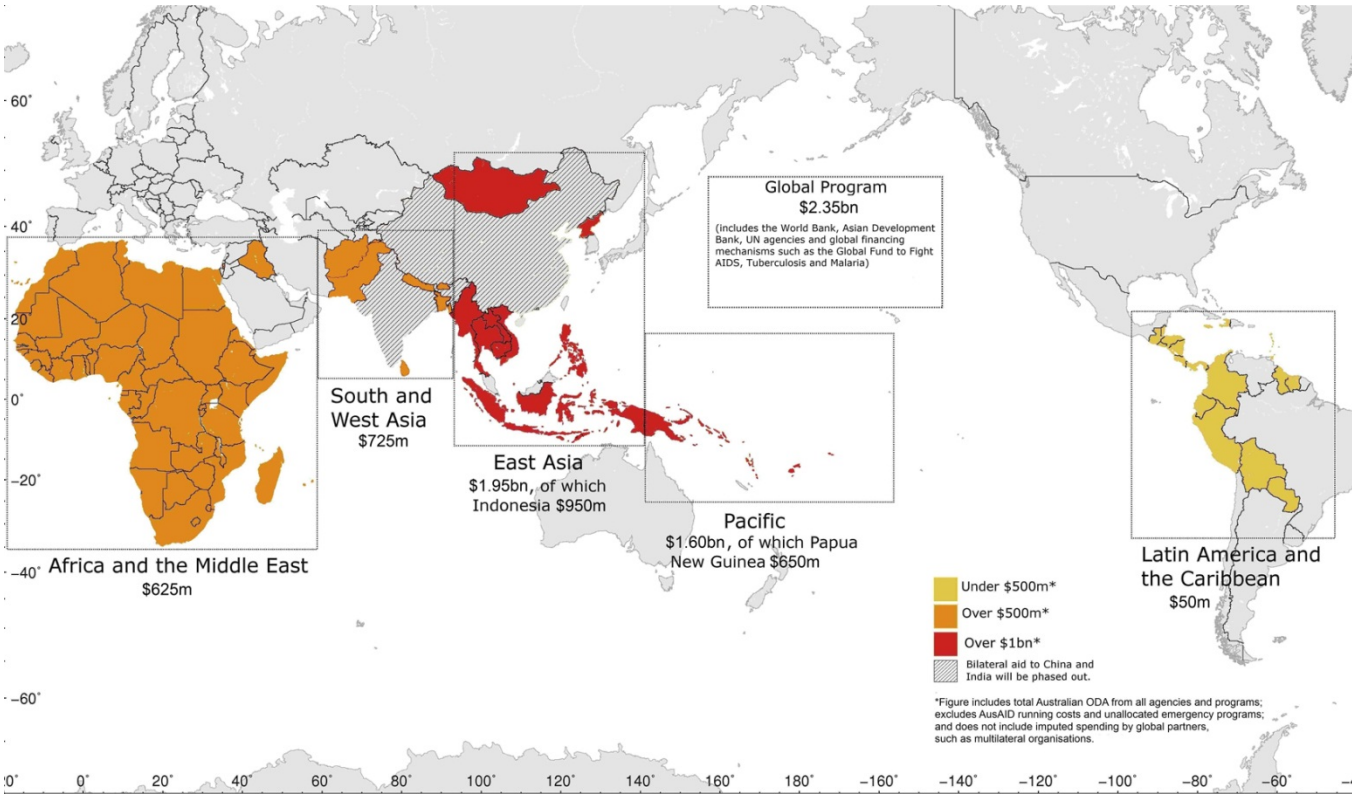



**FIGURE 1:** Indicative geographic distribution of the aid program by 2015–16 (Source: CAPF, 2012)

1.2.4. *Effective Aid* commits Australia to increase funding to effective multilateral organisations. While our nearest neighbours receive the highest level of Australian assistance, we are committed to engaging beyond our region. Support to multilateral organisations allows us to extend our reach and impact. Australia's engagement with multilateral organisations is driven by a Multilateral Engagement Strategy. Performance of multilaterals will be assessed annually to ensure allocation decisions take account of respective capabilities (refer Chapter 3.3). Where possible we intend to work with other donors to minimise the impact of our performance assessments on multilaterals.

## 1.3 Policy focus

***- fighting poverty, especially in LDCs and fragile states, is prioritised***

1.3.1 In *Effective Aid*, the Government states that the fundamental purpose of the Australian aid program is to help people overcome poverty. This is a shift to focuses more clearly on poor **people** rather than poor countries. Australian aid aims to address those factors which prevent people from escaping poverty, including through providing access to health and education services, developing economic opportunities and resilience, promoting effective governance and tackling environmental challenges.

1.3.2 Following release of *Effective Aid*, new program strategies have been mapped against the new policy framework, and new program strategies are explicitly framed by the strategic goals, development objectives, and allocation criteria of the aid program. AusAID has publicly released nine thematic strategies covering education, health, water and sanitation, disability, effective governance, infrastructure, gender, food security and private sector development. These articulate our approach to tackling poverty through investment in key sectors and provide guidance on which sub-sectors and approaches represent the best returns on investment. Further strategies are under development and will be available on the AusAID website when finalised.

### Least developed countries

1.3.3 Australia prioritises the needs of least developed countries (LDCs) in our approach to poverty reduction. At the September 2010 United Nations (UN) MDGs Summit, Australia committed to increasing the focus of its development assistance on the 48 LDCs. In 2011–12, funding for LDCs accounted for around one third of Australia's ODA. Australia is providing development assistance to 45 least developed countries and is also supporting recent United Nations efforts to improve opportunities for countries graduating from LDC status.

1.3.4 Australia also provides development assistance to middle income countries in recognition of persistent political, economic and social challenges. Despite Indonesia's recent economic growth, about 50 per cent of the Indonesian population (or 120 million people)[2] live on less than US$2 a day. Thirty million Indonesians live below their national poverty line and tens of million live only just above it[3]. Our goal is to help these countries achieve sustainable poverty alleviation by delivering outcomes that are consistent with the targets set under the MDGs.

### Fragile states

1.3.5 Australia's aid program recognises that many of the world's poorest people live in fragile and conflict-affected countries and that none of these countries has yet achieved a single MDG. In 2012–13 approximately 56 per cent of

[2] World Bank estimate 2010 (most recent available).
[3] Indonesia Statistics (BPS), Social Economic Data Monthly Report, July 2011. Indonesia's national poverty line is very low at less than US$1 per day.

Australia's bilateral and regional development assistance spending on partner countries will go to fragile states, including countries in our immediate region such as East Timor and Solomon Islands.

1.3.6 In December 2011, AusAID released the Framework *for working in fragile and conflict-affected states* which provides guidance for AusAID staff on approaches to working effectively in these countries. The Framework also informs whole of government, international and civil society partners of AusAID's approach and highlights the Australian Government's experience of working in fragile states (refer Chapter 5).

1.3.7 Australia is a member of the OECD-DAC International Network on Conflict and Fragility (INCAF) and a strong supporter of the International Dialogue on Peacebuilding and Statebuilding. Australia initiated the 'Friends of g7+' mechanism to help fragile states to engage constructively with the international community ahead of the MDGs Summit in New York in September 2010 and the Fourth High Level Forum on Aid Effectiveness (HLF-4) in Busan in November 2011. At HLF-4, Australia endorsed the New Deal for Engagement in Fragile States and we co-chair, with Afghanistan, the International Dialogue on Peacebuilding and Statebuilding Working Group to Implement the New Deal.

**Relationship between development and humanitarian programs**

1.3.8 Saving lives and humanitarian and emergency response are two of the five strategic goals of *Effective Aid*. AusAID is the Australian Government's lead agency for both development and humanitarian assistance, which facilitates a coordinated response across both aspects.

1.3.9 AusAID's *Humanitarian Action Policy*, released in December 2011, recognises the relationship between humanitarian assistance and development programs in transition situations (refer Chapter 7). Consistent with international principles and good practice in humanitarian donorship, AusAID's policy states that a focus on early recovery needs to occur as part of any humanitarian response. The policy also covers assistance to strengthen the capacity of countries to prepare for occurrences of disaster and other humanitarian crises. It also complements AusAID's disaster risk reduction (DRR) policy, *Investing in a Safer Future: A Disaster Risk Reduction Policy for the Australian Aid Program (2009)*. AusAID will track progress towards the goals of the Humanitarian Action Policy through its monitoring and evaluation framework.

1.3.10 AusAID leads the whole of government Australian Civilian Corps (ACC) initiative (refer Chapter 7.1). The ACC has enhanced Australia's capability to respond to the capacity gaps between an immediate humanitarian response and longer-term recovery and development programs.

**Cross-cutting issues – gender, environment and disability**

1.3.11 The 2008 peer review recognised Australia's efforts in integrating **gender equality** into the aid program. Gender equality remains an overarching goal of Australia's aid program with three of the 10 development objectives of *Effective Aid* specifically addressing gender equality and the empowerment of women. In November 2011, AusAID released the thematic strategy *Promoting*

*opportunities for all: Gender equality and women's empowerment*, which sets out Australia's approach to maximising the impact of the aid program on gender equality and women's empowerment.

1.3.12 In line with the Gender Equality Thematic Strategy, AusAID continues to take a gender mainstreaming approach, where the needs of men and women, boys and girls are considered in our programs. This occurs alongside targeted investments to support gender equality and women's empowerment. Major gender initiatives in the Pacific, Afghanistan, Indonesia and Cambodia will deliver important results for women in the medium term. Australia is taking a leadership role in addressing gender equality issues in the Pacific, where gender indicators are among the worst in the world, and unacceptably high rates of violence against women are a particular concern.

1.3.13 A 2012 review of gender stocktakes by AusAID's Office of Development Effectiveness (ODE) found that the existence of good AusAID and partner government gender policy alone would not lead to gender equality. Effective outcomes require a combination of other factors: capacity building of AusAID staff, contractors and partner government staff; support from management; interest and push from AusAID in Canberra; adequate resourcing; appropriate technical advisory support; and ensuring guidelines and advice were practical.

1.3.14 A network of gender focal points helps to promote consideration of gender equality across the agency. In September 2011, Australia appointed its first Global Ambassador for Women and Girls to advocate for women's equal participation in political, economic and social affairs.

1.3.15 Australia also continues to share knowledge and promote international good practice as a participant in the OECD-DAC's Network on Gender Equality (GENDERNET). The Director of AusAID's Gender Equality Section is currently co-chair of the GENDERNET Bureau.

1.3.16 Since the last DAC peer review, Australia has integrated **environment and climate change** more effectively into the program. In response to the outcomes of the DAC review, AusAID undertook its own review to improve integration of environment issues across the program. This review prompted several areas of reform, including that:

- AusAID's strategic programming architecture and quality and performance assessment systems (refer Chapters 5.1 and 6.1) include requirements for considering environmental opportunities and risk;
- AusAID's internal aid management system includes environmental marker questions for all activities;
- an e-learning course on integrating environment, climate change and DRR in the aid program was released in July 2012;
- an environment focal point network has been established across the agency and at key posts to improve outreach and support on climate change and environment programming and enhance the technical capacity of posts; and
- the 2003 Environmental Management Guidelines have been fully revised to reflect changes to aid policy and programming and best practice

approaches. The new Guidelines were released in August 2012 and a range of implementation tools will be progressively released over the next two years.

1.3.17 Australia is shaping international environment and climate change assistance through its participation in the governing bodies of the Global Environment Facility, Green Climate Fund and the Climate Investment Fund. Australia is also working through other multilateral forums to support developing countries transition to sustainable development pathways.

1.3.18 Australia is a strong advocate for **disability-inclusive development** and has demonstrated international leadership on this issue since the launch of our disability-inclusive development strategy, *Development for All*, in late 2008. *Effective Aid* mandates 'enhancing the lives of people with disabilities' as one of our ten development objectives. Australia's achievements in this area were highlighted in the 2011 World Report on Disability as a good-practice model of inclusive international cooperation.

1.3.19 The *Development for All* strategy's primary outcome is to support people with disability to improve the quality of their lives by promoting and improving access to the same opportunities for participation, contribution, decision-making and social and economic wellbeing as others.

1.3.20 AusAID's *Development for All* strategy has a particular focus on two key sectors - education and infrastructure - and four countries - Cambodia, East Timor, Samoa and Papua New Guinea. This is complemented by initiatives that support people with disabilities to participate, encourage governments and other partners to address barriers to the social and economic participation of people with disability, and support partner governments' efforts to meet the needs of all citizens. For example, Australia supports the Pacific Disability Forum, the Pacific region's umbrella disabled people's organisation, to strengthen members' capacity to raise awareness of disability rights and to provide advice to governments on equal access and full participation by people with disability.

1.3.21 The appointment of Disability Inclusion Specialists in Asia and the Pacific as well as focal points both in Canberra and at posts is helping strengthen the skills of AusAID staff. A number of AusAID's programs have mainstreamed disability. For example the Australia Indonesia Basic Education Program is developing ministerial regulations on inclusive education, training personnel from the 2000 schools in the program, and piloting a model for inclusive education in five districts. Australian assistance has also built around 1000 junior secondary schools with ramps and accessible toilets.

1.3.22 However more work is needed to support wider inclusion throughout the aid program. A mid-term review of *Development for All* is scheduled for release later in 2012.

# Chapter 2: A comprehensive development effort

## 2.1 Global development issues

### *- Relation to the global development landscape*

2.1.1 Australia's foreign policy and development policy approaches are shaped by our geographic location in the Asia-Pacific. Of Australia's 24 nearest neighbours, 22 are developing countries in which poverty is widespread. The region has more than its share of challenges – including rapid urbanisation, population growth and natural disasters. A number of our neighbours are fragile and conflict-affected. Climate change poses a serious threat, particularly to the small island states of our region. At the same time, the Asia-Pacific is also a fast growing region which has seen rapid poverty reduction due in large part to sustained broad-based growth.

2.1.2 Shared and sustained economic growth remains the most powerful long-term means of reducing poverty. Australia's aid policy recognises the importance of non-aid drivers of growth including trade, investment and economic reforms. Australia works with partner governments to improve the policy environment for sustainable growth, trade and private sector development. This includes sharing Australian expertise to help partners manage the development of natural resources, particularly in the mining sector. Australia also supports efforts to strengthen transport, energy and communications infrastructure and workforce capacity, all of which are important for growth.

2.1.3 Australia recognises that climate change is a global problem that can only be tackled by international action. Global action must involve all countries, but avoiding the worst impacts of climate change relies entirely on whether the top emitters take action. As one of the top 20 global carbon emitters, Australia is taking action to reduce domestic emissions and is helping to shape a global climate change solution.

2.1.4 Australia works through its membership in institutions such as the International Monetary Fund (IMF), World Trade Organization and the Group of Twenty (G20) to promote a fair and competitive environment that enables global economic growth. Australia's aid program also builds close bilateral relationships with our neighbours, providing a strong platform for cooperation in major regional and global forums.

2.1.5 In 2011 the Centre for Global Development ranked Australia ninth in its Commitment to Development Index (CDI). The CDI measures national efforts across policy areas important to developing countries. Although the CDI notes that Australia could improve in areas such as trade barriers in the textile industry and greenhouse gases per capita, our 2011 ranking is driven by Australia's low trade barriers against developing country agricultural exports, our leading role in peacekeeping efforts, and policies that promote productive investment in poor countries.

2.1.6 AusAID is responsible for approximately 92 per cent of Australia's ODA. AusAID's redesignation as an Executive Agency in 2010 formalised its autonomy within the foreign affairs and trade portfolio and specified AusAID as the lead agency within the Australian Government responsible for policy,

planning, implementation and monitoring of Australia's overseas aid program (refer Chapter 4.1).

2.1.7 AusAID provides advice on development considerations related to Australia's foreign, security, trade, migration, environment, and other policies though a range of consultative mechanisms and inter-departmental working groups including the National Security Policy Steering Committee, Strategic Policy Coordination Group, and the Asia Century Inter-Departmental Committee.

2.1.8 AusAID's Director General also sits on the Secretaries' Committee on National Security (SCoNS) which reports to the National Security Council, the senior policymaking body in the Australian government on national security matters. SCoNS is composed of the secretaries of the key government departments and the heads of relevant intelligence agencies, providing on the activities of departments and agencies in connection with intelligence and domestic security matters.

## 2.2 Policy coherence for development
### *- examples of policy coherent policies*

2.2.1 AusAID's approach **to environment and sustainable development** in the aid program aligns closely with the Government's policy priorities. We will continue to work alongside government partners to ensure policy coherence in delivering development outcomes.

2.2.2 AusAID works cooperatively with the Departments of Foreign Affairs and Trade (DFAT); Sustainability, Environment, Water, Population and Communities (DSEWPaC); and Climate Change and Energy Efficiency (DCCEE); and with the Australian Treasury to ensure that we deliver initiatives of joint strategic importance including on oceans management, climate change risks and impacts and climate finance policy.

2.2.3 Our approach in country-level programming is to ensure coherence between Australia's policy priorities, such as compliance with the Environment Protection and Biodiversity Conservation Act 1999, and corresponding policy and regulation in partner countries. For example, in supporting the Coral Triangle Initiative, we are working across the Australian Government, with partner countries and with conservation non-governmental organisations (NGOs) and other donors to ensure the outcomes will deliver benefits to local communities.

2.2.4 Australia's **trade** policies are strongly supportive of developing countries' interests. Australia continues to press for an ambitious, comprehensive outcome of the Doha Round that liberalises trade in agriculture, manufacturing and services. We have provided full duty free and quota free market access for all imports from LDCs since 2003, following which there has been growth in LDCs' exports to Australia by seven per cent each year.

2.2.5 Australia recognises that millions of farmers around the world, particularly in developing countries, are unfairly disadvantaged in the world market. The reduction of long-standing distortions to global agricultural production and trade is critical to achieving food security in developing countries. Australia is a major agricultural exporter, and our own agricultural industry is relatively

free of trade-distorting practices. Australia's leadership in this area is demonstrated by the OECD Producer Support Estimate (PSE), which estimates the percentage of farm income arising from government support. Australia's PSE in 2010 was only 2.2 per cent, the second lowest among OECD countries. Australia works actively in international trade negotiations to liberalise global agricultural trade, including as Chair of the Cairns Group of 19 agricultural exporting countries which has been an influential voice in the agricultural reform debate since its formation in 1986.

2.2.6 As developing countries increasingly participate in free trade agreements, it is important that such agreements underpin improvements in economic integration and drive economic growth. Australia continues to assist developing country partners to improve their ability to negotiate effectively and optimise the benefits from such agreements, including through contributions to the Doha Development Agenda Global Trust Fund.

2.2.7 Australia's primary objective in the Pacific Agreement on Closer Economic Relations (PACER) Plus negotiations (launched in 2009) is to promote the economic development of Pacific Islands Forum (PIF) countries through enhanced regional trade and economic integration. Australia supports PIF countries to commission independent research on PACER Plus and funds capacity building activities for Forum Island Country trade officials.

2.2.8 **Remittances** are an important source of development financing, totalling almost three times global ODA in 2011. Lowering the global average cost of remittances to five per cent by 2014 will free up more than US$15 billion in developing countries each year. Driving down barriers to sending remittances means more money will reach the hands of the poorest families. Practical assistance includes price comparison mechanisms to increase transparency and competition and drive down prices.

2.2.9 Australia and New Zealand are assisting Pacific Islanders transfer money home through a website – www.sendmoneypacific.org – which provides information and advice on the different options for and costs of remitting funds to the Pacific.

2.2.10 Building on these regional efforts, Australia continues to advocate for reducing remittance costs at the global level in a variety of forums, including the Global Remittances Working Group through the World Bank. Australia is leading G20 efforts to reduce the global average cost of remittances to five per cent by 2014, and supports developing countries to implement practical measures to increase transparency and competition in the remittance services market. Australia is also driving greater accountability for G20 remittances work to ensure that political commitments translate to practical action to reduce costs.

2.2.11 Australia is increasing opportunities for **labour mobility** in the Pacific through initiatives such as the Pacific Seasonal Worker Program. The Seasonal Worker Program is open to employers in the horticulture industry (with pilots in other agricultural industries) and seasonal workers from East Timor, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. As of 11 April 2012, 1,093 seasonal workers had been recruited from Tonga, Kiribati, Vanuatu, Papua New Guinea, including six

from East Timor. It is anticipated that up to 12,000 seasonal workers will participate in the program between 2012–13 and 2015–16.

2.2.12 The program is led by Australia's Department of Education, Employment and Workplace Relations, which works closely with other Australian Government departments (including AusAID) to ensure the success of the program, and to maximise development impacts. Under the program, AusAID:

- supports the four original pilot countries (Kiribati, PNG, Tonga and Vanuatu) and the five new countries (East Timor, Nauru, Samoa, Solomon Islands and Tuvalu) to manage recruitment and processing for offshore labour markets;
- supports financial literacy and entrepreneurial, rural and workplace skills, basic health and English language training for seasonal workers;
- developed communications materials for pre-departure briefings and training for workers; and
- funded a detailed World Bank evaluation of the development impacts of the scheme

**Raising awareness of development issues and building support**

2.2.13 AusAID has an active Global Education Program operating in all states in Australia and providing professional development and learning materials to teachers and trainee teachers in government, Catholic and private sectors. The global education program is designed to prepare students to reflect on development issues, to live in an increasingly globalised world and to be active, participating citizens who contribute to shaping a better future. In 2011–12, 28,000 Australian primary, secondary and student teachers were trained in global education through our program.

2.2.14 Under the AusAID-NGO Cooperation Program (ANCP), NGOs may use up to 10 per cent of funding received from the Australian Government to raise awareness of development issues within Australia. Projects that promote transparency in the use of public funds, enhance development effectiveness and increase public understanding of development issues are encouraged. In 2011–12, 22 Australian NGOs opted to use ANCP funding to engage in development awareness raising activities.

## 2.3 Engaging in partner countries

***- Coordinated government approach at partner country level***

2.3.1. At a partner country level, AusAID coordinates closely with other Australian government agencies. AusAID has invested in ensuring it has senior staff in all key posts to provide a strong voice in whole of government policy development and implementation.

2.3.2. In the Philippines, for instance, peace and conflict challenges in Mindanao have broad relevance to foreign and security polices as well as poverty reduction and development. AusAID has worked closely with Australian agencies represented at post in developing our approach to aid to Mindanao. This incorporates major education components as well as peacebuilding

activities. The growing climate change agenda in the Philippines also has strong inter-agency coordination. A government-to-government climate change dialogue was initiated by the Australian Embassy in Manila to bring together aid-related climate change work and issues relevant to multilateral negotiations. Reducing vulnerability arising from climate change and conflict is one of the two principal objectives of the Philippines aid program.

2.3.3. In Papua New Guinea, issues relating to the Autonomous Region of Bougainville are a further example of a strong coordinated whole of government approach. The success of autonomy arrangements in Bougainville and the future of the autonomous region is a priority for Australia – both in terms of strategic and development policy. Australian government agencies coordinate on Bougainville issues through a Canberra-based Bougainville Working Group, which includes DFAT and AusAID representatives from post and Canberra. In Port Moresby, the High Commission holds a whole of post Bougainville coordination meeting on a monthly basis. AusAID contributes to this dialogue, especially on issues of peace building, policing, and the workings of autonomy, and plays a leading role in Australian policy making with regard to Bougainville.

## 2.4 Financing for development

***- Member engages in development finance in addition to ODA***

2.4.1. Australia recognises the development role of the private sector as an engine of economic growth and job creation and is working to strengthen linkages between development and private financing. As committed under *Effective Aid,* AusAID held its first consultative forum with business in August 2012. At this forum, AusAID released the *Private Sector Development Strategy*. Together these initiatives will improve the way the aid program engages with the Australian business community and encourages private sector-led growth in partner countries (refer Chapter 5.2).

2.4.2. In partner countries, Australian aid facilitates greater foreign and domestic investment. This includes funding for trade-related infrastructure (such as roads, ports and wharfs) to reduce the cost of doing business, investing in human resource development through vocational and skills and training initiatives, and improving the business, trade and regulatory environment.

2.4.3. Australia considers support for pull mechanisms such as Advance Market Commitments (AMCs) on a case-by-case basis. Under an AMC, companies compete to produce products with the 'prize' being a guaranteed purchase of the product for distribution through aid systems. For example, the G20 Development Working Group is investigating use of pull mechanisms in agriculture. At Mexico's G20 Summit in Los Cabos on 19 June 2012, Australian Prime Minister Julia Gillard joined Canadian Prime Minister Stephen Harper and British Prime Minister David Cameron to launch AgResults, a new initiative to bring cutting-edge technology to the world's poorest small holder farmers. Australia has coordinated an international concept note for the initiative, which works by offering results-based financial incentives to reward successful delivery of new technologies to the world's poorest smallholders.

2.4.4. In its first stages, AgResults will help to improve crop storage, fight crop disease and produce more nutritious food. Future work will concentrate on achieving game-changing advances in green fertiliser and animal vaccines. Australia will be providing $20 million towards a fund for the initiative over three years. Canada, the United Kingdom, the United States, Italy and the Gates Foundation have also announced contributions to the fund.

2.4.5. AusAID is responsible for collecting information on resource flows to developing countries from other Australian official sector agencies through the biannual Other Government Departments (OGDs) Survey. Based on the information provided in the OGDs Survey, AusAID classifies the expenditure as either ODA or Other Official Flows. In the OGDs Survey, resource flows include expenditures on activities for the benefit of developing countries, including projects and programmes, cash transfers, deliveries of goods, training courses, research projects, debt relief operations and contributions to NGOs.

2.4.6. The OGDs Survey requests information on all activities to developing countries, including:

- activities carried out in a developing country for the direct benefit of that developing country or a region;
- activities carried out in Australia for the direct benefit of developing countries, for example, training in Australia, or research to address a specific developing country need; and
- payments made to multilateral organisations to support the economic or social benefit of developing countries. This includes all payments to organisations that have a specific development mandate, such as parts of the UN system. It also includes any payments to any multilateral organisation to fund a particular activity which is targeted to benefit developing countries.

# Chapter 3: Aid allocations & development finance

## 3.1 Official development assistance volume

***- Member makes every effort to meet ODA domestic and international targets***

3.1.1 The Government is committed to increasing aid spending to 0.5 per cent of Gross National Income (GNI) on development assistance, and to playing its part in achieving the MDGs.

3.1.2 Despite challenging budgetary circumstances, the Australian Government has increased the aid budget in 2012–13, to $5.2 billion (or 0.35 per cent of GNI), up from $4.8 billion in 2011–12. The aid budget is expected to increase steadily to around 0.37 per cent of GNI in 2013–14, 0.41 per cent in 2014–15 and 0.45 per cent in 2015–16, with Australia on track to reach $7.7 billion by 2015–16, becoming the sixth largest donor in the OECD in volume terms (we are currently tenth). In 2012-13 the Government deferred the achievement of providing 0.5 per cent of GNI in overseas aid by one year to 2016–17. This deferral will slow the growth of the aid program but has not cut current aid levels or reduced Australian aid to any major region.

3.1.3 The CAPF will guide growth in the aid budget, covering expenditure of all government agencies involved in delivering Australian aid overseas. The framework has informed the 2012–13 aid budget and will inform future budgets to 2015–16. Australia is one of a small number of donors in the world to have developed such a level of transparency and predictability in its medium-term aid allocations.

## 3.2 Official development assistance allocations

***- aid is allocated to the statement of intent and international commitments***

3.2.1. *Effective Aid* and the CAPF establish clear and transparent parameters for Australia's aid allocations, promoting greater accountability to our stakeholders for decision-making and the results we achieve. As outlined in *Effective Aid*, Australia allocates aid based on four criteria.

i. assessment of poverty – countries and regions where there are large numbers of people living in poverty;

ii. national interest – countries and regions that are important to Australia for economic and security reasons;

iii. capacity to make a difference – countries where Australia has recognised experience, expertise and a good working relationship with partner governments; and

iv. current scale and effectiveness – countries where Australia's aid program is highly effective in improving the lives of poor people and where there are opportunities to do more.

3.2.2. Australia's four-year budget strategy under the CAPF was developed under the direction of the Development Effectiveness Steering Committee (DESC) with input from across the Australian Government. The methodology was based on a comparative analysis covering the criteria listed above. In addition to Australia's own evaluative data, this analysis also drew on international statistics and qualitative assessments to determine high priority regional groups (and a small number of individual countries).

3.2.3. The breakdown of ODA by strategic goal is presented in Figure 2.

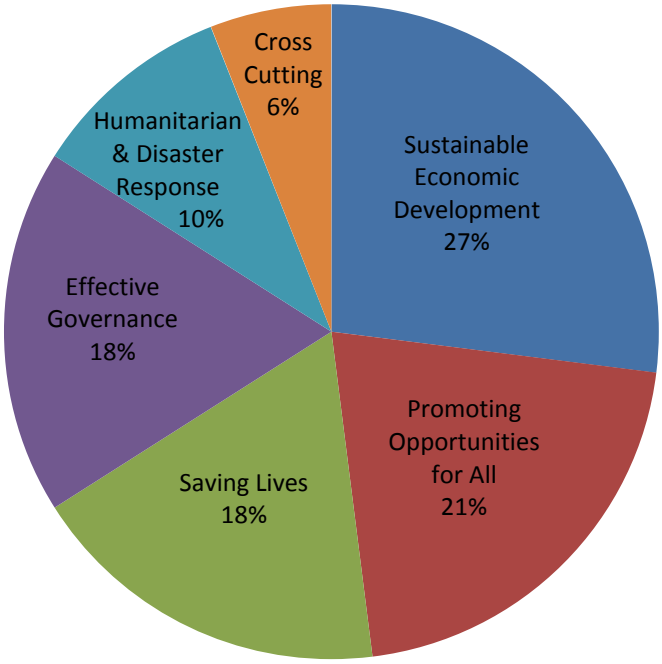


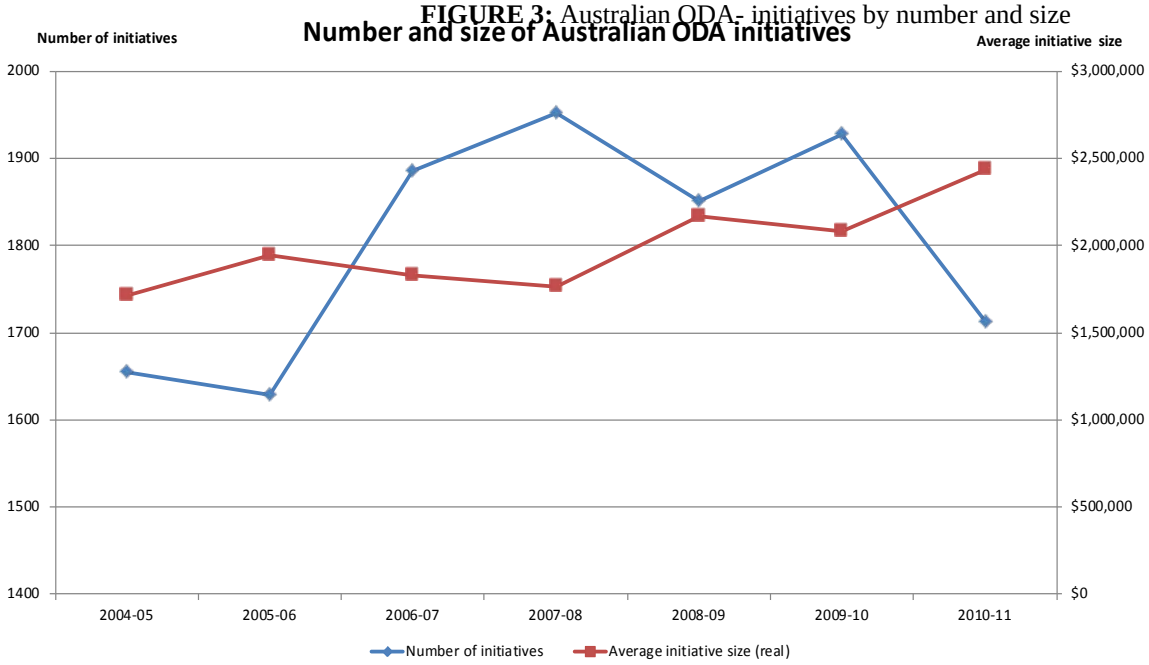

**FIGURE 2**: Estimated ODA by Strategic Goal in 2012–13 (Source: Budget 2012–13)

3.2.4. In 2012–13, Australia will provide bilateral aid to 35 countries. Of our bilateral aid, 45.5 per cent will go to Australia's top 12 partners, all of which are in the Asia-Pacific. In line with Australia's aid allocation criteria, the aid program will remain focused on the Asia-Pacific region, and especially on Australia's nearest neighbours, Indonesia, Papua New Guinea, Solomon Islands and East Timor. Australia is increasing assistance to South Asia and Africa, mainly by working with effective multilateral partners and NGOs. In response to the concerns of the global community, Australia is also increasing support to Pakistan and Afghanistan. Australia is maintaining aid to Latin America and the Caribbean, with any increases to be modest and delivered, where possible, through regional and global programs. Australia is phasing out bilateral programs to India and China, but is continuing to provide assistance through regional and global programs.

3.2.5. The Revised Strategic Program Development policy and guidance, released in May 2012, ensures new program strategies are framed by the aid allocation criteria set by *Effective Aid* and implemented through the CAPF. It emphasises program strategies focused on fewer sectors and aid delivered via fewer, larger investments (see Figure 3). Australia has consolidated its largest programs in

Indonesia, Papua New Guinea, East Timor, and the Pacific around key sectors aligned with these countries' national development priorities.

**FIGURE 3:** Australian ODA- initiatives by number and size




3.2.6. Within country programs, aid allocation decisions focus on a small number of sectors to maximise the impact of Australia's aid. Where Australia is a major donor, and particularly where aid represents a large proportion of partner government revenues (for example, in the Pacific), Australia pursues results across a broad range of sectors. However, selectivity here is still important. For example, the Pacific Partnerships for Development focus support on a defined number of mutually-agreed sectors.

## 3.3 Official development assistance channels

***- member uses bilateral and multilateral aid channels effectively***

3.3.1 The focus of Australia's aid will remain in the Asia-Pacific region. In order to contribute to development on a broader scale and in regions where Australia has a smaller presence, Australia works with multilateral organisations to complement our bilateral and regional aid programs. This approach allows greater coordination with other donors, decreases fragmentation of international efforts and reduces administrative burdens on all development partners, particularly recipient countries.

3.3.2 *Effective Aid* commits the Australian Government to increasing funding to effective multilateral organisations. Since 2007, AusAID has increased its core payments to multilateral organisations by more than 50 per cent, totalling $662.7 million in 2010-11 (or 15.3% of total ODA). This includes core payments to the development banks, UN and other global organisations, such as the Global Partnership for Education, GAVI Alliance and the Global Fund. Increasing core funding to effective global partners will broaden Australia's development efforts and increase our influence in multilateral organisations, as well as producing important results. For example, Australia will provide $270 million (between 2011 and 2015) to the Global Partnership for Education,

which will enable 2 million more children to go to school and receive good quality education.

3.3.3 The Government needs to be confident that multilateral funds are used effectively and that decision-making on future allocations is performance-based. In March 2012, the Government published the Australian Multilateral Assessment (AMA) which assessed the effectiveness of key multilateral partners and their relevance to Australia's interests. The AMA found that more than 90 per cent of Australia's multilateral funding provided in 2010–11 was delivered through the 29 organisations rated as most effective; i.e. that are delivering results and represent value for money.

3.3.4 The AMA has set priorities for Australia's engagement with multilateral organisations, including greater coordination, stronger focus on costs and value for money, and better results measurement and reporting. The Australian Government has committed to undertake comprehensive assessment of Australia's multilateral partners every five years. A scorecard for each of Australia's major multilateral partners will also be produced annually to report on results, effectiveness and engagement.

3.3.5 Australia has established formal Partnership Frameworks with 11 UN agencies, the World Bank and the Asian Development Bank (ADB). These frameworks foster a stronger, more robust partnership with a strategic focus that delivers practical outcomes. While each framework is different, they generally set out common objectives, principles, priorities and implementation arrangements. Many also outline multi-year core funding commitments from Australia.

3.3.6 Australia contributes to the current international work on improving multilateral effectiveness through its membership in the Multilateral Organisation Performance Assessment Network (MOPAN) and the DAC Evaluation Network. Australia will take up the role of MOPAN Chair in 2013, working closely with members to implement a joint program of multilateral assessment, promote dialogue to improve multilateral effectiveness, and use the MOPAN evaluation findings as a basis for strengthening and reform of the Network.

3.3.7 Australia works collaboratively with other donors on multilateral effectiveness issues such as cost effectiveness and results management. Initiatives include establishing the Virtual Working Group with the United Kingdom's Department for International Development and the Canadian International Development Agency and joining the multi-donor Informal Working Group on UN results established by Sweden and the United Kingdom.

3.3.8 Australia is a strong supporter of the UN Delivering as One initiative, which aims to accelerate progress towards the MDGs by improving the cohesion and coordination of UN development operations at the country level. Australia is advocating in UN intergovernmental processes for reforms to ensure the UN implements joint programming, joint action plans and common budgetary frameworks in those countries that adopt the Delivering as One approach. In 2011, AusAID contributed $500,000 to support the work of the Delivering As One independent evaluation team.

# Chapter 4: Organisation fit for delivering quality development cooperation programme

## 4.1 Institutional systems, innovation and behaviour change

***- the institutional structure is conducive to consistent, quality development cooperation, and supports innovation while managing risks associated with change***

4.1.1 Since the last peer review AusAID has been through a period of innovation, change and reform in the management of development assistance (refer Annex 4).

4.1.2 In 2009, the Australian National Audit Office (ANAO) conducted a performance audit of AusAID. The ANAO report, *AusAID's Management of the Expanding Australian Aid Program*, concluded that since 2005, AusAID had managed the expansion of the aid program in a way that supported delivery of effective aid. The report also recognised that management of a growing aid program was a complex undertaking, requiring engagement in multiple countries and sectors to help address difficult development challenges. The ANAO identified a number of management challenges for AusAID in further expanding the aid program to 0.5 per cent of GNI, including staff concerns about workloads and stress levels; a shortfall of expertise in some areas; and a proliferation of aid activities.

4.1.3 The ANAO's recommendations to improve AusAID's management of the aid program included: reducing the high level of staff turnover; further increasing management responsibilities of locally engaged staff; and continuing to progress workforce planning and development. Each of these areas has been a focus of AusAID corporate reform efforts since 2009 (refer Chapter 4.3).

4.1.4 In July 2010, AusAID was established as an Executive Agency by order of the Governor-General, on the advice of the Prime Minister. The order specified the agency's roles and functions and formalised its autonomy within the foreign affairs and trade portfolio. As an executive agency, AusAID no longer draws human resource powers under a delegation from the Secretary of DFAT. The agency now assumes a standing with other departments and agencies involved in development, foreign policy and national security. AusAID's formal autonomy is part of a number of ongoing reforms to ensure efficient and well-managed delivery of the Government's aid objectives.

4.1.5 A consequence of executive agency status is a stronger structure at the Executive level to manage increasing complexity and lead improved aid effectiveness. AusAID started a systematic organisational restructure over a three-year period, moving from a five to 10 division structure and introducing a new Executive level of senior management (Deputy Director Generals). Each restructure has been considered and deliberate to ensure the agency is fit-for-purpose to deliver outcomes, manage risk and provide strategic policy advice to the Minister (refer to Annex 2 for Senior Executive classifications in Canberra and at post).

4.1.6 In February 2011, the agency moved to a structure based on two groups headed by Deputy Directors General (Senior Executive Service (SES) Band 3)

reporting to the Director General. The Program Effectiveness and Performance Division was established to strengthen the agency's contracting and procurement systems, while the establishment of a Finance and Budget Division increased the agency's ability to manage a complex and growing budget. The Chief Financial Officer role was upgraded to SES Band 2, a dedicated SES Band 1 was appointed for strategic budget oversight and a Chief Auditor position was established to head a new Audit Branch. Two new SES Band 1 positions covering legal, contract management, quality assurance, and performance evaluation issues were also created.

4.1.7 In March 2012, AusAID moved to its current organisational structure. AusAID established a separate Economics Branch under the leadership of a Chief Economist. New Country Programs, Humanitarian and International and Corporate groups were established, the latter led by a Chief Operating Officer. The changes further strengthen senior oversight of AusAID's functions.

4.1.8 AusAID has improved the program's access to sectoral expertise by developing sector cadres and investing in skills development. These cadres or 'sector streams' will enhance the agency's technical capability so that staff can implement effective, evidence based policy and drive improvements in quality. Sector streams comprise practitioners and specialists who work in Canberra in the program and policy divisions, and at posts managing or advising on major investments. Each sector is (or will be) led by Principal Sector Specialists (PSSs), mainly based in the Policy and Sector Division, covering: education, health, economics, rural development, gender, performance management and results, governance, infrastructure, climate change and environment.

4.1.9 In addition, AusAID has increased the seniority of its representation overseas through establishing Minister positions in Port Moresby and Jakarta, to manage our largest bilateral programs, and Minister-Counsellor positions in Washington and New York.

4.1.10 AusAID's governance and accountability structures have been substantially strengthened in recent years to reflect the growing size and complexity of the aid program. In September 2012, AusAID released a new *Accountability and Governance Policy* that clarified work-level and functional accountabilities across the agency and established a new governance committee structure to enhance oversight of corporate operations and policy and program development.

4.1.11 AusAID's governance committee structure is headed by an Executive Committee, chaired by the Director General and including the Deputy Directors General and Chief Financial Officer, as well as one First Assistant Director General and one Assistant Director General who serve on the committee on a six-monthly rotational basis. The Executive Committee meets weekly and considers strategic issues facing the agency, as well as tracking program-level performance.

4.1.12 The Executive Committee is supported by four Executive sub-committees, each chaired by a Deputy Director General. The Strategic Reform Committee (SRC) was established in August 2011 to direct and coordinate AusAID's

change agenda, and to oversee the implementation of *Effective Aid*. The SRC has responsibility for corporate reforms such as procurement and business processes. An important part of its role has also been communication and consultation with staff to ensure effective management of the change process.

4.1.13 In November 2011, the Strategic Programming Committee (SPC) was established to strengthen corporate oversight of key investment decisions. The involvement of the Committee in oversighting investment decisions is based on the principle of **proportionality**, which was adopted in 2012 as a guiding principle for AusAID program development and quality assurance. A proportional approach to investment development (or design) means that the risk profile and monetary value of a potential investment determines its design and quality assurance pathway.

4.1.14 The September 2012 Accountability and Governance Policy saw the establishment of two new Executive sub-committees to complement the SPC and SRC: a People and Leadership Committee designed to bring more focussed attention to human resource issues, including learning and development; and a Development Policy Committee focussed on the quality of the agency's sectoral and thematic policy output and facilitating debate and consideration of global development issues. All four sub-committees report to the Executive Committee regularly, and have the capacity to elevate issues as required.

4.1.15 In April 2012 AusAID released a *Mission and Values Statement: Our Mission, Our Values*. The Statement defines the agency's purpose, mission and role; describes our people and how we work; and sets out the agency values, identified and agreed by staff – valuing people; teamwork; excellence; accountability; and integrity. It is focused on AusAID staff, the agency culture and the values, policies, systems and processes that support them to administer an effective aid program. By putting the values into practice the agency aims to develop an agency culture strongly focused on values, and supporting measures to increase productivity and deliver results. This in turn will help AusAID attract people committed to making a difference; be an employer of choice; retain good staff; and offer staff rewarding personal and professional development opportunities.

**Strengthening a decentralised system for effective aid delivery**

4.1.16 AusAID recognises the value of decentralised aid management approaches in ensuring our growing aid program is built on strong country knowledge and partnerships. Over the last decade, AusAID has systematically expanded the role of overseas offices, giving them more responsibility and accountability for implementation of Australia's development strategy in-country. This has included the devolution of most activity management from Canberra and a greater role for country offices in policy engagement with partner governments and other donors. The expanded role for country offices has resulted in a changing staff profile for the agency with increased number of staff located overseas, including a large cadre of skilled locally engaged staff.

4.1.17 In the ANAO report *AusAID's Management of the Expanding Australian Aid Program (2009)*, it was observed that under devolution, AusAID's country office staff members were developing greater country knowledge and stronger

relationships with partner government personnel. Consistent with these observations, over 67 per cent of respondents to the ANAO's survey of AusAID staff agreed that devolution had improved country program effectiveness. Most country programs are now fully devolved, including Indonesia, East Timor, Papua New Guinea, Solomon Islands, and the Philippines; and some smaller country posts can use their respective regional hubs of Suva, Hanoi, Pretoria and Nairobi for support. This means that more decision making takes place in-country with greater consultation of partner country governments. Locally-recruited officers - Overseas-based (O-based) - are taking on increasing levels of program management responsibility, consistent with the recommendations of the 2009 ANAO report. A range of corporate services is available at posts rather than relying solely on support from headquarters.

4.1.18 In the Philippines, for example, the head of post is accountable for program decision-making, while supporting a whole of agency approach. Post is responsible for the program's budget allocation and disbursement. It takes the lead on program development and delivery, and has built up in-house sector expertise. The Canberra-based Philippines Section assists and supports post on strategic development, policy, design and evaluation of programs. The devolution of the Philippines program to post has saved time, increased efficiencies in communications and enabled a more targeted approach to program design and delivery.

4.1.19 The Pacific Regional Hub in Suva provides senior AusAID presence in the Pacific. It strengthens the coherence between the bilateral and regional strategies and programs and ensures consistent management of Pacific programs. Pretoria and Nairobi are being strengthened as regional hubs in Africa with additional staff also placed in Accra, Addis Ababa and Harare. While the Africa program is not fully devolved and many programs are managed jointly with Canberra, the African regional hubs are responsible for providing management, corporate and program scale-up support to African posts. Leadership for in-country operations comes from the Pretoria post, where we have placed a Minister-Counsellor to oversight the program.

4.1.20 The regional hub in Hanoi supports country bilateral programs, undertakes regional programming, liaises with regional bodies and, through the creation of a Minister-Counsellor position, is able to engage at a high-level with regional governments. AusAID is also considering establishing a South Asia regional hub.

4.1.21 The role of O-based staff is central to delivering results in our partner countries. The agency engages more than 590 O-based staff in 40 overseas locations, representing almost 30 per cent of AusAID's total workforce, and over 70 per cent of the agency's staff based at post.

4.1.22 AusAID is continuing to review and develop the capacity of posts and regional hubs. We have created new connections between headquarters and post to improve corporate performance, for example with the establishment of a dedicated performance and quality unit at Jakarta with direct links to headquarters. In addition, a Performance and Quality Network was set up to bring together staff from across AusAID (including thematic groups and program areas, in Canberra and at posts) who are interested in and responsible

for the quality, performance management and assessment of AusAID's work. The Network is used to test new ideas, disseminate new policy and guidance, and gather feedback on the practical application of performance and quality systems.

**Whole of government approach**

4.1.23 AusAID continues to take the lead role in coordinating the Australian Government's delivery of ODA. AusAID's status as an Executive Agency formally mandated our responsibility for provision of development policy advice, planning and management of poverty reduction activities, leadership on responses to humanitarian and disaster crises, and representation of Australia in international development fora.

4.1.24 In March 2012 the agency established a Whole of Government Branch. In addition, a Whole of Government Strategic Guidance Committee has been created to oversee the Australian Civilian Corps and AusAID is working closely with government partners, in particular the Australian Defence Force (ADF) and Australian Federal Police (AFP), on operational planning, joint training and programming of ODA in complex operating environments.

4.1.25 The DESC[4], established in 2006, is responsible for providing strategic advice to the government on Australia's aid program. Over the past twelve months, the Australian Government has strengthened the role of the DESC in overseeing whole of government coordination and coherence of Australian aid. The DESC meets approximately six times each year and helps determine aid budget priorities and approves program strategies. The DESC also monitors the results of Australian aid through oversight of the Annual Review of Aid Effectiveness and the Independent Evaluation Committee (IEC) (refer Chapter 6).

4.1.26 As outlined in *Effective Aid*, Australia is also strengthening its whole of government approach by developing and applying uniform standards for planning, delivery, monitoring and reporting of Australian aid. These standards will take effect progressively throughout 2012–13.

4.1.27 To further promote coordination on matters of policy and implementation, AusAID has signed Strategic Partnership Agreements with 13 Australian Government agencies with interests in the aid program. These agreements set out shared strategic goals, acknowledge respective agency strengths and establish partnership principles to govern the relationship.[5] Regular meetings are held between senior executives from AusAID and other government agencies to review the strategic partnership and set priorities for cooperation and joint work. The CAPF also, for the first time, brings together ODA

[4] The DESC is chaired by AusAID's Director General, and is composed of deputy secretaries of the Department of the Prime Minister and Cabinet, the Treasury, DFAT, and the Department of Finance and Deregulation, and the AusAID Deputy Director General responsible for the ODA budget.

[5] Strategic Partnership Agreements are in place with the Attorney-General's Department, Australian Broadcasting Commission, Australian Electoral Commission, AFP, ANAO, Australian Public Service Commission, CSIRO, the Treasury, DCCEE, DSEWPaC, and the Departments of Defence, Finance and Deregulation, and Health and Aging.

spending of all Commonwealth agencies under a single, integrated strategy for the next four years.

4.1.28 AusAID has staff seconded to or acting as liaison officers with other Australian Government departments, including the Headquarters Joint Operations Command[6], the Office of National Assessments[7], AFP and the Australian Civil-Military Centre[8]. AusAID reciprocates by hosting a number of seconded and liaison officers from the ADF, AFP and Attorney-General's Department.

### Organisational approach to fraud

4.1.29 AusAID has a zero tolerance attitude towards fraud and has increased the energy and resources devoted to the management of risk and fraud over the past three years. The *Independent Review of Aid Effectiveness* found that AusAID had a serious and systematic approach to fraud and that the levels of fraud in the aid program were low, despite AusAID operating in some of the most difficult environments in the world. In 2011–12, 124 cases of alleged, suspected or detected fraud were reported to AusAID. Of these, around 10 per cent were subsequently found not to have involved fraud or not to have involved AusAID funds. AusAID estimates that the amount of potential loss involved in the 2011–12 cases is approximately $1,395,366. Of this amount, $812,295 has been recovered or prevented, leaving an estimated potential net loss to AusAID of $583,071. This represents 0.012 per cent of the $4.864 billion in Australian ODA in 2011–12, less than half of the ratio in the previous year.

4.1.30 In February 2011 a Chief Auditor position was established and the Audit Section expanded to a branch with responsibility for audit, fraud control and risk management. In March 2012, a separate Risk Management and Fraud Control Branch was established and dedicated risk management and fraud control positions have been created in countries with the highest vulnerability to fraud: Papua New Guinea; Indonesia; Solomon Islands; and the Philippines.

## 4.2 Human Resources

***- member manages human resources effectively to respond to field imperatives***

### Strengthening workforce planning

4.2.1 Responding to the challenges identified in the 2009 ANAO audit report *AusAID's Management of the Expanding Australian Aid Program* (refer section 4.1), AusAID is strengthening the workforce in Canberra and at

[6] The Australian Headquarters Joint Operations Command is the Australian Defence Force's operational level headquarters responsible for the command and control of joint and combined Defence operations.

[7] ONA is an independent body directly accountable to the Prime Minister which assesses and analyses international political, strategic and economic developments for the Prime Minister and senior ministers in the National Security Committee of Cabinet.

[8] Whole of government initiative aimed at improving Australia's civil-military collaboration for conflict and disaster management overseas.

overseas posts to ensure the agency has the skills and expertise to manage an expanding aid program.

4.2.2 Phase One of the Workforce Plan (launched in May 2011) set out a vision for AusAID's people as high performing public servants and development professionals, with specialist technical skills in priority areas. Commitments were made to address immediate staffing priorities such as reducing vacancies and the frequency of staff movements. AusAID's workforce comprised 2,124 Australian Public Service (APS) and O-based employees as at June 2012. This represents an increase of 19.9 per cent since July 2011, and a 66 per cent increase since 2008. Improvements in recruitment processes have seen a rapid drop in AusAID's vacancy rate from over 10 per cent in 2011 to 2.5 per cent by June 2012. Recruitment is increasingly targeted to specific roles rather than bulk public sector processes. This leads to a better fit between candidates and positions.

4.2.3 The 2009 ANAO Audit Report found that a high level of lateral transfers of staff posed challenges to continuity and knowledge management. Changes to human resource policies since 2009 have reduced internal movement of staff. In Canberra staff are now required to remain within a branch for a minimum of two years, and this has led to greater stability even through the period of rapid growth in the agency. Staff movement has dropped from 417 moves in 2009–10 to 361 in 2011-12. The 2011–2013 Enterprise Agreement extended the standard duration of overseas postings to three years, subject to operational requirements and specific conditions at individual posts.

4.2.4 AusAID's graduate program has been expanded and extended to two years, and includes targeted recruitment across three occupational streams – policy and program, sectoral and corporate. From the 2012 intake, graduates will undertake an overseas rotation in their second year, providing junior staff with exposure to work at overseas posts.

4.2.5 AusAID's efforts to strengthen its workforce in Canberra and at our overseas posts remain a work in progress. AusAID has a young workforce with relatively low agency tenure – 30 per cent of the APS workforce has been with AusAID for one year or less. High workloads, including at posts, continue to be an issue. The agency recognises that more work is needed to ensure the agency develops the specialist expertise needed to deliver a higher quality aid program.

4.2.6 To this end, Phase Two of the Workforce Plan (finalised in July and due for release in September 2012) focuses on building agency capabilities and consolidating efforts to achieve results and efficiencies. The Plan has four themes: building a professional and high performing workforce; establishing clear career streams; ensuring the right people in the right roles; and supporting a diverse and unified workforce. It includes both immediate priorities (such as improving the skills and preparation for staff serving at our overseas posts) and longer-term plans to deliver on the four themes.

4.2.7 A key element of the Plan is the formal establishment of career streams within AusAID's future workforce, which will be arranged into three broad occupational groups: policy and program; sector or discipline; and corporate and operations. Within these occupational groups, formal career streams will

be developed with specialist positions within some of these streams. This will allow the agency to develop the in-depth expertise it needs to deliver a higher quality aid program, and will also support the career aspirations of staff, be it to specialise within a stream or to have a career across streams or occupational groups.

4.2.8 As noted in 4.1.8, in 2012 the agency is focusing on establishing career streams in the Sector occupational group, under the leadership of heads of profession or PSSs in Education, Economics, Health and Rural Development. Following a review of progress of career streams in early 2013, additional streams will be developed in governance, gender, performance management and results, climate change, humanitarian/fragility and conflict, and corporate and operations.

**Investing in staff development**

4.2.9 AusAID has released a Learning and Development Strategy 2011–2015, based on broad consultation with AusAID employees in Canberra and at posts. While developed ahead of the second phase of the Workforce Plan, the strategy and the agency's learning and development programs will support the objectives in the Plan. Priorities include building staff capabilities in leadership, public policy and key sectors and disciplines such as health, economics and rural development.

4.2.10 AusAID's learning and development programs encompass a range of formal training opportunities including comprehensive induction/new starter training; a dedicated graduate program; preparation for overseas posting, including language training; development of public sector skills; leadership and management; and training for O-based staff. An area of investment in 2011–12 was change management leadership training. In 2012–13 the learning and development program will support the development of the career streams and capabilities that will underpin the delivery of the Workforce Plan.

4.2.11 To support the delivery of the Workforce Plan, AusAID has developed the Aid Management Pathway, a professional development program to build staff capacity in the development, delivery and management of the aid program. The growth in new agency staff (460 new staff were recruited in 2011–12), coupled with new approaches in the delivery of aid creates challenges in meeting the demand for learning and development.

4.2.12 AusAID promotes a 70-20-10 approach to learning and development. Seventy per cent of learning is from real life and on-the-job experiences, tasks and problem solving; twenty per cent comes from feedback, observation and working with mentors/role models; and 10 per cent comes from off-the-job experiences such as formal training. Embedding this approach in the agency is a priority for 2012–13.

**Adapting staff skills for fragile contexts**

4.2.13 AusAID's Fragility and Conflict Section provides training to AusAID and whole of government staff, including AusAID and ADF deployees to Afghanistan, on safe and effective development in conflict and fragile contexts. The course is adapted from the World Bank's Core Operations Course on Fragility and Conflict. The training aims to increase participants'

ability to recognise and address the causes of instability and conflict, and to promote conflict-sensitive development across the range of activities in which participants are involved. The overarching objective is improved aid effectiveness in conflict-prone and fragile environments. In 2011–12 more than 330 AusAID and whole of government officials were trained in how to work in situations of conflict and fragility, including case studies on the role of women in negotiating and building peace. Staff trained included those being posted or deployed to Afghanistan, Zimbabwe, Sri Lanka, Solomon Islands, the Philippines, Papua New Guinea, and Pakistan.

# Chapter 5: Delivery modalities and partnerships help deliver quality aid

## 5.1. Budgeting and programming processes

***- processes support quality aid as defined in Busan***

5.1.1 *Effective Aid* requires that all country or regional aid programs are based on a clear strategy that is selective and focused, represents whole of government interests, and facilitates effective management of the aid program. The revised Strategic Program Development Policy and guidance (May 2012), ensures that the strategic priorities, development objectives and aid allocation criteria set by *Effective Aid* and the CAPF frame all strategic program development. The policy emphasises greater strategic focus and consolidation in aid programming, driving more effective engagement in fewer sectors through fewer, larger investments. It links strategic programming processes to the budget cycle and results framework set by the CAPF, and to the commitment to transparency in the aid program. The policy also facilitates better management for aid results.

5.1.2 For each priority outcome identified by a regional/country program strategy AusAID has begun to introduce an associated delivery strategy. Delivery strategies are based on a clear analysis of the change needed and the consequent program logic for the contribution of Australia's aid to that outcome. They determine the mix of approaches and types of aid appropriate to the development context and focus on effective and efficient management of the portfolio of investments. Each program strategy and underlying delivery strategy has a *Performance Assessment Framework* (PAF) outlining how program performance is to be captured, assessed and used for management and decision-making. It is intended that delivery strategies will guide more detailed investment designs. The introduction of both delivery strategies and PAFs is at an early stage. It will take time to review the experience of implementing these new approaches, refining them and extending them across the program.

**Use of advisers**

5.1.3 Direct country-to-country delivery remains our primary vehicle of assistance in East Asia and the Pacific, where Australia is a major donor and where we have a well-established field presence. Consistent with Effective Aid we continue to use private sector contractors where they represent the most reasonable and cost-effective choice.

5.1.4 Historically, although a large part of Australia's aid program had been delivered through advisers, this approach had not been based on clear evidence of its effectiveness, nor underpinned by robust management systems to ensure advisers met agreed development needs and priorities and represented value for money. During 2010 and 2011 AusAID implemented a series of reforms which resulted, for the first time, in a comprehensive and rigorous approach guiding the aid program's use and remuneration of advisers. These reforms included:

- a review conducted jointly with partner governments which assessed 952 long term adviser positions across 20 country programs and resulted in agreement to phase out 257 positions that were identified as low priority;
- the introduction of an Adviser Remuneration Framework (ARF) covering all commercially engaged advisers, which has reduced the average daily rate for short-term advisers by 41 per cent and the average monthly remuneration package for long-term advisers by 34 per cent;
- the introduction of a clear policy setting out the minimum standards for the engagement of advisers; and
- the establishment of a system for regular monitoring and reporting of adviser use and remuneration.

5.1.5 These reforms are intended to ensure that, where used, advisers offer the aid program value for money as well as the basis for effective aid delivery. AusAID estimates that collectively these reforms will result in savings of approximately $90 million from February 2011 to February 2013; the initial phasing out of 257 adviser positions represented a reduction in expenditure on advisers of up to $62 million, while it is estimated that the application of the ARF will lead to an additional $30 million in savings by February 2013. These savings are being reinvested back into programs.

5.1.6 Together, these reforms ensure there is a comprehensive and rigorous approach guiding the aid program's use and remuneration of advisers. They support AusAID's aim to make greater use of other forms of technical assistance (such as scholarships, volunteers, leadership awards, and twinning arrangements), and to only use advisers when they are considered the most effective response to agreed development needs.

**Predictability**

5.1.7 The CAPF represents a high standard in budget forecasting and aid predictability for Australia and its development partners. It provides a sound basis for AusAID and its partners to plan, develop and design programs and will guide the aid program as it grows to 2015–16.

5.1.8 Many of Australia's partners are small Pacific island states, and Australia provides around half of all ODA to the region. The Pacific Partnerships for Development, introduced in 2008, provide an enhanced approach to development cooperation, based on mutual accountability and enhanced predictability. The Partnerships establish a small number of agreed priority areas for development and specify the results to be achieved (often by a 2015 timeframe) consistent with the MDGs and partner government plans. They focus development efforts on service delivery, commit minimum levels of funding from both governments to support priority outcomes, and identify and assist us to discuss funding gaps.

**Working in partner systems**

5.1.9 The 2009 ANAO Audit Report AusAID's Management of the Expanding Australian Aid Program recommended AusAID develop a policy articulating its approach to use of partner government systems to deliver aid, facilitating increased use of these systems.

5.1.10 Australia is increasing the proportion of aid delivered through partner systems, subject to comprehensive and context-specific assessment of associated risks and benefits. This aims to reduce the administrative burden upon partner governments, enables greater ownership by partner countries, leverages national resources and facilitates alignment with partner government priorities. As a proportion of aid managed by AusAID across all country and regional programs, aid delivered through partner systems grew from 12.4 per cent of expenditures in financial year 2007-08 to 15.4 per cent of expenditures in financial year 2011-12.[9]

5.1.11 Through the CAPF, the Government has committed to provide a 30 per cent increase on current levels of funds through partner systems by the end of 2014. This builds on Australia's track record of progressive engagement in several countries, notably in the Pacific. In Samoa, for example, where policy and institutional capacity is considered strong, Australia expended 69 per cent of programmable aid through partner systems in 2011-12. In Vanuatu, which is considered to have lower capacity, 43 per cent of programmable aid expenditures were through partner systems in 2011-12.

5.1.12 Australia supports partner governments to strengthen their public financial management systems and to improve transparency and accountability. In coordination with other development partners wherever feasible, Australia supports partner governments to develop and implement public financial management reform programs that address areas of weakness, improving that country's capacity to deliver better development outcomes and enable greater use of partner systems in future.

5.1.13 The Portfolio Planning and Development Section and the Working in Partner Systems (WIPS) Section support program areas to develop delivery strategies and major programs that involve working in or through partner government systems. In February 2011, a guideline on assessing and using partner government systems for public financial management and procurement was released by AusAID's WIPS section. The guideline and the linked instruction and tools support AusAID staff to operationalise the commitments to work with partner governments as part of the Paris/Accra/Busan agenda. Specialised working in partner systems training is being developed for AusAID staff, and guidelines are regularly updated.

5.1.14 Australia has made commitments to increase use of partner systems in a number of countries. In 2009 AusAID developed a Roadmap for Working in Partner Government Systems, which sets out Australia's approach for working through Indonesian Government systems. Australia showed its support for the Indonesian Government's efforts to progress aid effectiveness by signing the Jakarta Commitment, their own roadmap for implementing the Paris and Accra agendas. Australia has also provided support to the Indonesian Government's Aid for Development Effectiveness Secretariat, established to

[9] Figures are generated from *AidWorks* via the same methodology as the figures used for the CAPF. The methodology is somewhat different from Paris Declaration figures and varies when considering individual countries. It excludes global programs and humanitarian expenditures that cannot by their nature be programmed so is close to the ODA concept of 'country programmable aid', though it is not identical with it.

implement the Commitment. Pacific Partnerships for Development include commitments to increasingly align Australia's aid with partner government decision-making, finance and procurement systems, as well as to provide support for monitoring and strengthening systems over time.

5.1.15 While lack of partner government leadership and capacity constraints in many fragile and conflict-affected states may mean that general budget support and sectoral budget support is not appropriate, AusAID also recognises that donors have agreed to avoid imposing parallel systems and processes which can create a burden on strained partner government capacity. For instance, while working through a multi-donor trust fund to strengthen East Timor's public finance management, AusAID has provided financing using the country's own systems, to support its major capital investment decisions.

**Managing risk**

5.1.16 Managing risk is central to all facets of the aid program. AusAID operates in complex and challenging environments, which requires professional and robust management of risk. AusAID has recently released a new risk management framework, policy and a new enterprise (or strategic) risk management plan. This plan is supported by a comprehensive treatment plan that underpins the management of identified risks and reports on their management are provided to the Executive on a regular basis.

5.1.17 This policy and the associated risk management framework do not aim to eliminate risk; the intent is to ensure that we are able to identify risks early and make sound decisions on how to manage these risks. Our approach incorporates the principles of identifying risks against clearly stated business objectives and actively assessing risks as measured against the benefits of the activity; rather than simply choosing the lowest risk option. AusAID is embedding an integrated approach to risk management where risks are formally managed in a cascading manner from the bottom up and the top down, and everyone is expected to use a common language and documents their risks using a consistent approach.

5.1.18 AusAID recently instituted a risk value tool at the concept design stage for all new investment proposals. This is an important risk-based approached to streamlining the concept approval process (refer Chapter 4.1). Each AusAID post is required to have and maintain a post risk management and fraud control plan. This document is an articulation of the risk profile at each post and identifies controls and treatments that each post has in place for the management of risks. The risk management team supports posts in the development and management of these plans through training and site visits.

5.1.19 Risk training is mandatory for all staff and those who are about to embark on an overseas posting are required to have refresher training.

**Untying aid**

5.1.20 Since 2006, Australian aid has been fully untied. Australia strongly supports the untying of aid on the basis that it helps to support local capacity, inject money into local economies, establish diverse and productive partnerships, and improve value for money and efficiency of aid expenditure. Untying

Australian aid is consistent with the Government's longstanding commitment to openness in trade and competition.

5.1.21 A condition of untied aid is that all large value open tenders are advertised on AusTender (the Australian Government's procurement information system), the OECD DAC and UN Development Business websites without eligibility restrictions. Untying Australia aid has increased the number of international firms that are competing for AusAID contracts, either in their own right or in conjunction with Australian contractors. A number of sub-contracts have also been awarded to firms in developing countries.

**Performance-linked aid**

5.1.22 Australia provides assistance to some partner countries in the Asia-Pacific region through partnership agreements which are conditional on performance on priority development issues. Performance-Linked Aid (PLA) is a two-step process where reform is first identified and milestones are agreed upon. The second step is an assessment of where and how PLA payments can be directed if partner governments achieve the agreed milestones. For example, under the Pacific Partnership with Papua New Guinea, Australian and Papua New Guinean Prime Ministers agreed in 2008 to increase the enrolment rate of 6–14 year olds from 53 per cent in 2007 to 70 per cent in 2015. The Papua New Guinean Government allocated additional money (over $75 million) to direct school transfers as a result of Australia and Papua New Guinea agreeing that this was a priority. This money is buying school books and supplies that will directly improve learning outcomes. The 2015 target has already been exceeded, so we have revised our ambitions upwards, while maintaining the growth in expenditure of both governments on basic education in Papua New Guinea.

5.1.23 Australian PLA also supported a Solomon Islands Government initiative to remove school fees for primary students. This contributed to over 112,000 young children receiving education, and early indications suggest an increase in enrolments of up to 15 per cent since the abolition of school fees.

5.1.24 Until recently donors were providing budget support and support for economic reforms in Tonga in an uncoordinated fashion. In 2012, the Australian Government began providing parallel financing to Tonga, alongside a World Bank policy-based budget support program, the Tonga Economic Recovery Operation. This program links budget support from Tonga's major donors to a single, agreed set of policy reform actions by Tonga (a joint policy matrix). This is an incentive-based form of aid that provides additional aid funding in recognition of progress and achievements by partner governments in identified policy or administrative reforms and/or improvements in specific development outcomes.

5.1.25 AusAID continues to review our approaches to PLA and is seeking to learn lessons from our experience in what is a relatively new area for Australia.

## 5.2 Partnerships
***- coordination arrangements, strategic partnerships, enhanced mutual accountability***

5.2.1 *Effective Aid* outlines the Government's commitment to making greater use of partnerships with other donors, multilaterals, civil society and Australian non-government organisations to deliver Australian assistance, particularly in regions where they have a greater capacity to deliver results. AusAID is devoting greater senior management resources to developing and managing relationships with key partners.

5.2.2 Australia has 13 partnership framework agreements with multilateral partners including the Asian Development Bank, World Bank and 11 UN agencies. These agreements set out agreed principles for cooperation and identify areas for collaboration.

5.2.3 To support Australia's effectiveness agenda, Australia started a new due diligence assessment process in May 2012 to improve the rigour of our partner selection. While Australia is in the process of developing a broad due diligence framework, it has elected to start with a rolling program which will initially assess multilateral partners against six issues identified as critical risk factors and key AusAID policy positions. These are counter terrorism, child protection, fraud, anti-corruption, transparency and branding.

5.2.4 Along with the Multilateral Engagement Strategy, AusAID is developing individual engagement strategies with some of its multilateral partners. This will help AusAID staff select the correct multilateral partner on the basis of their particular skills and expertise and will ensure consistent messages are communicated by AusAID when interacting with those multilateral organisations. Individual strategies will in turn inform the review and future development of partnership framework agreements.

5.2.5 Australia is committed to improving coordination and collaboration between donors to help strengthen the efficiency and effectiveness of development activities, making the best use of limited resources, avoiding duplication and making liaison easier for the partner government. This includes the strategic use of delegated cooperation with key partners to reduce transaction costs and draw on comparative advantages and experience. For example, Australia has delegated cooperation to Germany (valued at $23 million) to help Vietnam manage and protect its coastal ecosystems and respond to the impacts of climate change across five vulnerable provinces in the Mekong Delta.

5.2.6 AusAID's Guidelines for Planning and Managing Delegated Cooperation Arrangements directly identify DAC's guiding principles, "good practices" and recommendations relating to delegated cooperation arrangements. As far as possible, DAC's recommendations are incorporated into AusAID's template for delegated cooperation arrangements, which closely follows the template developed by the Nordic Plus Group.

5.2.7 Australia has signed formal partnership agreements on development cooperation with six donor partners (the United States, the United Kingdom, Germany, Canada, Japan and the Republic of Korea). Development cooperation with the European Union (EU) will be covered by an overarching treaty, the Australia-EU Framework Agreement. Partnership documents,

which are reviewed annually, outline the principles for cooperation, identify shared areas of priority and establish a basis for ongoing dialogue and cooperation.

5.2.8 Triangular cooperation arrangements also allow Australia to deliver more effective assistance which draws on the strengths and relationships of emerging economy partners, complemented by our own resources, expertise and ideas. Australia is expanding partnerships with emerging donors, including Indonesia, Malaysia, China, Brazil, and India, through triangular cooperation and other support for south-south cooperation. For example, AusAID's Indonesia program is prioritising support for practical south-south activities such as helping Indonesia showcase its globally recognised social protection system to other developing countries. Australia is also working with Malaysia on a professional development training program for teachers in Afghanistan. Malaysia's education system has provided a useful model for Afghanistan, with the program training 90 Afghan Master Teacher Trainers who have in turn trained 488 teachers in 33 of Afghanistan's 34 provinces.

5.2.9 AusAID is developing a Donor Engagement Strategy, for release in late 2012. The Strategy will support AusAID's efforts to improve the effectiveness of its donor relationships with traditional and emerging donors. The Strategy is part of an overarching framework which guides AusAID's choice of partners, ensures consistency in how relationships are managed, and evaluates the performance of each partnership.

5.2.10 Australia also supports regional initiatives which improve coordination and accountability. Australia initiated the Cairns Compact agreed by Pacific Leaders at the 2009 Pacific Islands Forum (more recently known as the Forum Compact) and is a strong supporter of its implementation. Under the Compact Australia works with Pacific Island countries and other development partners to improve the coordination and use of development resources in the Pacific, accelerate progress against the MDGs and promote shared accountability for progress against regional and national objectives. The Compact commits Forum members to a number of actions, including country peer reviews and country reporting on national development plans.

**Civil society**

5.2.11 Partnering with civil society organisations enables Australia to benefit from their networks, areas of specialisation and presence on the ground. Australia also recognises that civil society plays a key role in ensuring transparency and accountability of government service delivery. In 2012, ODE released an evaluation of AusAID's engagement with civil society in Papua New Guinea, Vanuatu and the Philippines which found innovative and strategic models for working with civil society.

5.2.12 Australia is further improving its engagement with a broad range of civil society partners and launched a new *Civil Society Engagement Framework* on 20 June 2012. The Framework provides a structure for Australia's engagement with civil society, in Australia and overseas, and links increased funding to civil society organisations (CSOs) to their effectiveness, capacity, and relevance to Australia's development interests. The framework sets out how Australia will work more effectively with CSOs to increase the impact of aid

on the world's poorest. The framework was developed in consultation with the Australian Council for International Development (ACFID) and draws on the Australian National Compact, Busan outcomes and the DAC guidelines for working with civil society.

5.2.13 AusAID works with a wide range of CSOs through grant arrangements and policy dialogue to help define development priorities and identify solutions, respond to humanitarian crises, deliver services to communities and build capacity of local systems. The Australian Government seeks to improve development impact by linking increased funding to CSO effectiveness, capacity and relevance to Australia's aid objectives, by consistently tracking and reporting results, and by promoting better practice approaches.

5.2.14 The AusAID—NGO Cooperation Program (ANCP) supports more than 40 accredited Australian NGOs to undertake community-based development work (refer focus box below). The Australian Government will double funding to the ANCP, increasing from $69 million in 2010–11 to at least $150 million by 2014–15.

**Focus on: AusAID-NGO Partnership Agreements**

Through ANCP partnerships, AusAID has forged closer links with Australian NGOs. A mid-term review of the ANCP partnerships in the first half of 2012 highlighted benefits of this approach including multi-year funding certainty and greater strategic dialogue between AusAID and our CSO partners.

The partnerships build on previous cooperation to take the relationships beyond the conventional 'donor–supplier' relationship. NGOs are given the opportunity to provide input into AusAID's planning and decision–making processes through regular high–level and working–level meetings. AusAID and ANCP partners are also harmonising monitoring and evaluation processes to generate more useful and relevant information for better program management. The partners have also formed cross–agency working groups.

A major feature of the partnerships is the way that they allow each organisation's strengths to influence the delivery of the Australian government aid program. For example, Plan Australia is particularly experienced at child–centred community development so it is working with other child–focused partners, including ChildFund and AusAID, to help achieve MDG 2, universal primary education. Under their ANCP partnership, Plan Australia is expanding its early childhood care and development program into South and East Africa and the Mekong. The program will help children aged up to eight in these regions regularly attend good quality schools.

In 2011–12, $98 million in grants was provided under ANCP to 43 Australian NGOs working in almost 50 countries across Asia, the Pacific, Africa, the Middle East, and Latin America. Of this, $63 million was provided to eight of Australia's largest NGOs – World Vision Australia, Oxfam Australia, CARE Australia, Caritas Australia, Plan International Australia, Child Fund Australia, TEAR Australia and CBM Australia – who have entered into high-level strategic partnerships with the Australian Government, working jointly to improve the lives of millions of people in developing countries. In 2012–13, ANCP funding will increase to $110 million.

**Private sector**

5.2.15 In *Effective Aid* the Government agreed to Recommendation 10 of the *Independent Review of Aid Effectiveness*, which called for increased emphasis on harnessing the power of business. Many Australian companies have an established and growing presence in developing countries providing opportunities for business and AusAID to learn from each other's experiences in developing countries and identify practical areas for collaboration.

5.2.16 To help frame AusAID's initial engagement with the business sector the agency has established a Business Engagement Steering Committee with representatives from the peak business bodies including the Business Council of Australia, the Australian Industry Group and the Australian Chamber of Commerce and Industry. AusAID has also established a Business Engagement Unit to provide a 'single point of entry' for business. AusAID continues to harness Australian business strengths and expertise through initiatives such as our business volunteers.

5.2.17 At the August 2012 Consultative Forum with Business, AusAID launched its *Private Sector Development Strategy* which outlines how the Australian aid program will support the development of the private sector in partner countries. AusAID will strengthen dialogue with the Australian business sector to learn from their experiences in developing countries and ensure business is better informed about the aid program, and AusAID's private sector development activities in developing countries. We will also seek input from business on relevant AusAID policy development and program design, including through consultations with bilateral business councils.

**Statebuilding – effective governance**

5.2.18 AusAID's thematic strategy *Effective Governance* (released in 2011) guides Australia's governance assistance for supporting effective, accountable and responsive partner government institutions, improving security and justice, and enhancing human rights. Australia is increasingly adopting approaches to support state-building that aim to move beyond the 'supply/demand' approach, and include broad-based coalitions and the political dimensions of change. For example in the Philippines AusAID is establishing the Coalitions for Change program to facilitate the formation of multi-sectoral coalitions comprising civil society, Philippine government partners and the private sector, focused on strengthening and accelerating public policy making and implementation.

## 5.3. Fragile states

***- delivery modalities and partnerships help deliver quality***

5.3.1 In 2012–13 approximately 56 per cent of Australia's bilateral and regional development assistance spending on partner countries will go to fragile and conflict affected states, where governance is likely to be weak and the risk of conflict is high. This is a modest increase from approximately 53 per cent in 2011–12 and represents the Australian Government's strong and continuing commitment to promoting prosperity and stability in the Asia-Pacific, including in some of the most challenging and complex environments (like Afghanistan).

5.3.2 In December 2011, Australia released a *Framework for working in fragile and conflict-affected states* which emphasises three themes for action: building states that are more responsive to the needs of citizens; preventing violent conflict; and building the resilience of communities. Drawing on Australia's own experience as well as internationally recognised leadership such as the 2011 World Development Report, *Conflict, Security, and Development* (supported by AusAID), and the policy guidance of the DAC International Network on Conflict and Fragility, the Framework sets out the ways in which AusAID programs can continue to improve the effectiveness of our engagement in these most difficult contexts. A strategy to put the Framework into action is now in preparation. Training to familiarise AusAID and whole of government partners with Framework approaches is being rolled out, and an anticipated 160 staff and whole of government partners, including at posts, are expected to be trained by December 2012.

**Working with partner countries to implement the New Deal**

5.3.3 Enhanced multilateral engagement is a key pillar of the Australian Government's foreign policy. Australia had a seat on the UN Peacebuilding Commission in 2010, is on the Steering Committee for the International Dialogue on Peacebuilding and State building and is an active participant in the DAC INCAF. The Dialogue brings together international donors and the g7+ group of fragile states to identify priorities for peacebuilding and statebuilding in fragile and conflict-affected states. Australia has been a strong supporter of the g7+, inaugurating the Friends of the g7+ at the Dili Dialogue in 2010, and by providing financial support for its secretariat and participation of members in international forums. Australia played a lead role in presenting the New Deal at HLF-4 in Busan and with Afghanistan, is co-chairing the International Dialogue Working Group on New Deal Implementation.

5.3.4 Putting that commitment to practical effect, Australia and East Timor signed a ground-breaking compact in Busan to pilot the New Deal. The partnership explicitly commits Australia to aligning its assistance with East Timor's own Strategic Development Plan, contributing to shared objectives and providing long-term predictable financing.

5.3.5 Australia is also taking steps in line with the New Deal and previous aid effectiveness commitments in other fragile states. In Afghanistan, for example, Australia is committed to strengthening Afghan Government leadership and capacity and for the first time in 2011–12, AusAID delivered over 50 per cent of its assistance through Afghan Government systems[10], a growth of almost 20 percentage points in two years.

[10] Funds are delivered through the World Bank managed Afghanistan Reconstruction Trust Fund (ARTF). The ARTF is Afghanistan's primary multi-donor mechanism for non-security on-budget assistance. It is an important vehicle for donors to channel funding into the country and to meet international commitments on donor coherence and the use of country systems.

# Chapter 6: Results, learning, transparency and accountability

## 6.1 Policies, strategies, plans, monitoring and reporting
### *- results-based management based on priorities, objectives and systems of partner countries*

6.1.1. Managing for improved effectiveness and results is a priority for Australia. *Effective Aid* and the CAPF cover all aspects of the agency's work: the results we are achieving in developing countries; the improvements we are making to the way we program and deliver aid; and the internal reforms that are underway to ensure AusAID's workforce and systems are 'fit for purpose' and ready to support a major scale up in aid (refer focus box below on the results framework).

6.1.2. To support the transition from a performance-based to a results-focused organisation, AusAID has established the Development Results Section within the Quality, Performance and Results Branch (QPR) in 2012. QPR provides strategic direction, technical assistance and advice on program monitoring and evaluation, and reporting on performance and results. QPR also oversees AusAID's *Performance Management and Evaluation Policy* (PMEP), the Quality Reporting System (QRS), and directs the development of AidWorks, AusAID's aid management system.

6.1.3. The PMEP outlines AusAID's requirements for performance management and evaluation of aid, prescribes standard performance management principles, tools and criteria, and provides a structured approach to performance management at initiative, program and agency level. It guides assessment of effectiveness and performance management at these three levels across the aid management cycle.

6.1.4. The QRS is a well-established performance and quality system based on annual self-assessment at initiative and country/regional program levels and independent evaluation.

6.1.5. The performance of the entire Australian aid program (including ODA delivered by agencies other than AusAID) against the CAPF will be reported to Government in the new Annual Review of Aid Effectiveness. The Annual Review includes: a strategic update; a description of performance against the Results Framework, as contained in the CAPF; and recommendations on changes to the budget strategy. To ensure better planning and design, budget allocations and the results targets will be updated annually based on performance information. Information on performance is sourced from the QRS and new reporting processes designed specifically for this purpose. These sources include the Annual Program Performance Reports (APPRs), annual multilateral scorecards, thematic synthesis reports and operational reporting.[11]

[11] The Agency Operations report is a new internal operational report prepared twice annually for the AusAID Executive. It reports on strategic and operational trends under: *Programming Choices and Portfolio Planning*, *Program Manageability*, *Program Quality* and *Data Quality*, and analyses the potential impact of these on program quality and effectiveness.

6.1.6. The APPR is the cornerstone of AusAID's performance reporting at the country/regional program level. It is a management tool to improve the effectiveness of Australia's aid by providing a frank assessment of how the program has performed against objectives set out in the strategy which guides the delivery of Australian ODA in that country/region. The APPR assesses the effectiveness of the program and includes results achieved by the program over the reporting period.

6.1.7. In 2012 the APPR was adapted to include reporting against the CAPF headline results indicators. AusAID's thematic groups have prepared technical notes for each indicator, giving specific guidance on definitions and issues to consider in calculating a result against that indicator. These technical notes help programs understand and report against these indicators. Information is drawn from the APPRs to include in the new thematic synthesis reports, which provide an annual assessment of the performance of the Australian aid program in each sector and for key cross-cutting themes (such as gender, climate change and disability), and the new annual multilateral scorecards (refer Chapter 3).

6.1.8. The primary information source for the APPR is the annual initiative/ activity-level Quality at Implementation Report (QAI). QAI assessment and reporting is a key component of AusAID's system for monitoring and improving the quality of Australian aid. QAI reports are required for all monitored initiatives.[12] QAI reports summarise and rate the performance of aid initiatives against six quality criteria for Australian aid. The six criteria are based on the DAC's aid effectiveness criteria and AusAID's experience managing aid. Through this process managers review how well aid initiatives are performing against the quality criteria for Australian aid, drawing on performance information. QAIs are the first level at which information on results are gathered.

6.1.9. The APPR and QAI documents and reporting processes have been in use for several years and have evolved over time to adapt to different policy and management drivers. The most recent set of changes, introduced to support the implementation of the CAPF Results Framework, is likely to be refined based on the experience of measuring and reporting results in 2012.

[12] A 'monitored' initiative is where: the expected Australian Government funding over the life of the initiative is greater than $3 million; *or* the value is less than $3 million, but the initiative is significant to country or corporate strategies or key relationships with other development partners including other government agencies.

**Focus on: CAPF and the Results Framework**

***Effective Aid*** is implemented through the **CAPF** which includes a rolling four-year budget and three-tier **Results Framework**, providing a structure to systematically plan and measure the results Australia is aiming for. The three tiers of the CAPF Results Framework track:

1. global progress against development goals, especially in countries where the Australian aid program operates;
2. the contribution of Australian aid towards Australia's five strategic development goals; and
3. how we work: operational and organisational effectiveness.

The CAPF Results Framework sets targets for aid interventions that will directly benefit the lives of poor people and sets standards for the effective delivery of aid. For example, Tier 2 identifies 30 'headline results' targets to be achieved by 2015–16, committing Australia to targets such as vaccinating more than 10 million children, providing social protection to at least 4.2 million vulnerable people and increasing access to basic sanitation for more than 5 million people between 2012–13 and 2015–16.

These results are aggregated from across the aid program and they represent key achievements that will directly benefit the lives of poor people and set standards for the effective delivery of aid. While these headline results do not reflect the entire work of the Australian aid program, they are an important way to demonstrate and communicate the contribution of the Australian aid program to development. Following the introduction of the CAPF Results Framework, AusAID began the development of a broader Results Framework which will capture a more comprehensive range of results from across the countries and sectors in which Australia works.

## 6.2 Evaluation and institutional learning

***- evaluation system in line with DAC evaluation principles***

6.2.1. Evaluation occurs at several levels within the Australian aid program. Evaluations at the program and initiative levels are commissioned by the program managers and improve management, enhance learning and ensure accountability. Cross-cutting, thematic and larger evaluations are commissioned by the ODE.

6.2.2. The *Independent Review of Aid Effectiveness* expressed concerns about the overall management and coordination of evaluation in AusAID. In response, evaluation requirements were streamlined as part of revision of the PMEP in 2012. While each monitored initiative is still required to undertake an independent evaluation or review at least once over its life, this can now be at the best time for program purposes, at a scale proportional to its risk/value profile, and as part of a broader evaluation of several initiatives. All country/regional program and thematic areas will be required to develop a rolling and coordinated work plan of evaluations to assess performance at the program, thematic and delivery strategy levels. These evaluations may cluster initiatives together to assess aid themes, modalities or particular evaluation questions and may include evaluations undertaken by other donors, partner

governments, or other parts of AusAID (such as ODE). The majority of evaluations conducted in any given year are at the initiative or program level. Although these evaluations are made publicly available, they are less well-known than the evaluation work of ODE.

6.2.3. As an independent unit separate from program management within AusAID, ODE is well placed to assess performance across the Australian aid program and bring international best practice to bear in identifying new and better ways of working. In conducting these evaluations, ODE is guided by relevant professional standards including the Australasian Evaluation Society's guidelines for the ethical conduct of evaluations, and DAC quality standards for development evaluation. ODE also works closely with AusAID's Program Effectiveness and Performance Division to improve systems for performance management and assessment of the aid program.

6.2.4. Between 2006 and 2008, ODE published three Annual Reviews of Development Effectiveness (ARDE), which drew on evaluation findings and analysis of data from AusAID's reporting and performance management systems. With the establishment of the new CAPF reporting arrangements and the Annual Review of Aid Effectiveness, the ARDE has been discontinued. The Annual Review will report to Cabinet on the performance of the aid program. The Annual Review will encompass the aid spending of all government agencies and also recommend changes to the budget strategy as a result of performance and/or changing circumstances. The first Annual Review is due to Cabinet by the end of October 2012.

6.2.5. In May 2012, AusAID established the Independent Evaluation Committee (IEC) to further strengthen the credibility of the work of ODE. The IEC oversees the ODE's work in commissioning, managing and publishing independent evaluations of major strategic issues, development themes and programs to increase the effectiveness of the aid program. The IEC is an independent advisory body with a whole of government mandate[13]. The IEC will meet four times a year and reports directly to the DESC (refer Chapter 2.2).

**The future role of ODE**

6.2.6. ODE will serve as the secretariat to the IEC and, in 2012–13, will finalise an evaluation policy and a three-year rolling work program of independent evaluations. Both ODE's evaluation policy and the work program will be published.

6.2.7. From 2013, ODE will produce an annual synthesis of evaluation findings and a quality assurance report, which will feed into the Annual Review. ODE will continue to draw on international thinking and best practice on aid effectiveness. ODE represents AusAID in the DAC Evaluation Network and provides core funding to 3ie (The International Initiative for Impact Evaluation). ODE's partnership with the World Bank's Regional Centers for Learning on Evaluation and Results supports efforts by the Australian aid

[13] The IEC includes three external members (including the chair) and one senior AusAID representative.

program to build local capacity in developing countries in evaluation and results-based management.

## 6.3 Communication, accountability, and development awareness
***- member communicates development results transparently and honestly***

6.3.1. *Effective Aid* commits the Australian Government to improving the transparency of the Australian aid program, recognising the rights of the Australian public and the recipients of Australian aid to know that Australian aid funds are spent effectively, achieve real results and help people to overcome poverty. In November 2011, AusAID released a Transparency Charter that commits AusAID to provide clear, accessible and timely reporting on all its aid activities. Transparency and results benchmarks have also been included in Tier 3 of the CAPF.

6.3.2. In recognition of the importance of fostering more informed public debate and more community engagement with the aid program, AusAID has improved its website to ensure greater transparency and use of social media. Since the Charter's launch, more than 2,500 new documents have been published on the AusAID website. Seventeen country web pages have been published along with three thematic web pages. All country, thematic and multilateral program pages will be completed by the end of 2012. In addition there are 32 countries being translated into local languages and two whole of government websites being piloted by the end of 2012.

6.3.3. AusAID is finalising its Communication Framework which will guide its domestic and international communications for the next two years. Strategies for domestic, international, online and internal communications fall under this framework. Included in these strategies are activities such as:

- funding of $317,200 to World Vision Australia in 2011–12 to conduct 'One Just World' public discussion forums in cities around Australia involving well-known Australian and international speakers. These forums aim to build a well-informed and engaged community which is responsive and supportive of development initiatives by the Australian and partner governments, NGOs and communities across the region;
- funding to the World Bank to conduct a discussion series on development issues which is broadcast throughout the Pacific region; and
- making more information on the aid program available to the public through a range of printed publications, the website, the public photo library and YouTube.

6.3.4. Australia is a founding member of the International Aid Transparency Initiative (IATI) and in 2011 was the third major donor, after the United Kingdom and the World Bank, to publish data on the IATI registry. Consistent with aid effectiveness commitments made at Busan in 2011, Australia is working with international partners on common standards for electronic publication of information on resources provided through development cooperation, which meet the needs of developing countries and non-state actors.

# Chapter 7: Humanitarian assistance

## 7.1 Strategic framework

***- clear political directives and strategies for resilience, response and recovery***

7.1.1 With the science and trends showing that the number and severity of disaster events is increasing (the number of disasters globally has doubled since 1980), and intra-state conflict is long-lasting and often recurring, the numbers of people in developing countries vulnerable to disasters and crises is growing. Under *Effective Aid* Australia committed to enhance disaster preparedness and deliver faster, more effective responses to humanitarian crises. This is a priority for the Australian aid program since a disproportionate number of global disaster events – 45 per cent– occur in the Asia-Pacific region, where more than 2 billion people live on low-lying and coastal land vulnerable to storms, tidal surges and flooding. In Australia's view, the international community under-invests in disaster preparedness and disaster response in Asia given the absolute needs (numbers of vulnerable people, looming economic shocks and potentially large fatalities) and Asia's strategic, political, and economic importance globally.

7.1.2 In response, Australia has developed partnerships and stand-by arrangements with UN, NGO and commercial partners. Australia is expected to be a major and often leading actor in assisting Asia-Pacific partners and this guides our preparations and responses. We work closely with Australian government, commercial and NGO capabilities to secure the depth and flexibility of options to meet Asia-Pacific and global humanitarian needs.

7.1.3 In December 2011 AusAID released a revised *Humanitarian Action Policy*. This is a strategic‑level framework that guides the Australian Government's commitment to deliver effective and appropriate humanitarian action as part of the aid program. The policy is grounded in the Good Humanitarian Donorship (GHD) Principles, endorsed by Australia in 2003. It focuses on preparation for, response to and recovery from humanitarian crises and complements the prevention and mitigation policies outlined in *Investing in a Safer Future: A Disaster Risk Reduction Policy for the Australian aid program* (*2009)* and AusAID's *Framework for Working in Fragile and Conflict-Affected States (2011)* (refer Chapter 5.3).

7.1.4 Our approach is three-fold: we work to build the ability of crisis-affected countries and communities to self-manage preparedness and response; we support UN, international, regional and NGO humanitarian partners to prepare for and respond to crises; and we maintain and are expanding an Australian government, commercial and NGO capability to respond to formal requests for assistance. To help achieve our humanitarian objectives, the Australian aid program expects to spend approximately 10 per cent of total ODA (around $493 million) on humanitarian assistance in 2012–13. This includes assistance provided through AusAID's global humanitarian program, capacity building and DRR initiatives through country programs, and humanitarian programs of other agencies such as the Department of Immigration and Citizenship's assistance to refugees.

**Ensuring early recovery and longer-term development**

7.1.5 Australia takes a comprehensive approach that integrates recovery and building resilience into humanitarian action strategies to support longer term development. In situations of protracted crisis AusAID recognises that humanitarian assistance must go beyond emergency relief. In 2009, Australia was one of the first donors to provide 'humanitarian plus' assistance to help restore basic services in Zimbabwe. Where possible, Australia also focuses on working through and supporting national governments and national capacities.

7.1.6 To further strengthen this approach, Australia established the Australian Civilian Corps (ACC) in late 2009. The ACC provides a mechanism for the rapid deployment of civilian specialists to countries experiencing or emerging from natural disasters or conflict where capacity is weak. ACC members act as a bridge between emergency humanitarian response measures and longer-term development programs. The ACC initiative became operational in 2011 and there are currently 311 specialists on ACC register, with 38 ACC specialists deployed to assist countries experiencing or emerging from natural disaster or conflict.

7.1.7 In 2012-13, AusAID will continue to build the ACC register towards a target of 500 ACC specialists by 2014.

**Disaster preparedness and risk reduction**

7.1.8 Australia's DRR policy, *Investing in a Safer Future: A Disaster Risk Reduction Policy for the Australian aid program (2009)* commits AusAID to the integration of DRR principles into its development and humanitarian programs. It also reflects Australia's strong support for, and role in, the international community's efforts to implement the global blueprint for DRR, the Hyogo Framework for Action 2005–2015. Since the Policy's introduction, expenditure on DRR has risen from $59 million in 2009–10 to over $102 million in 2010–11, representing 2.4 per cent of the total Australian budget for ODA for that year.[14]

7.1.9 The first implementation plan for the policy covered the period July 2009 to June 2010 and subsequent plans have been developed every 18 months. Progress reports have assessed achievements against the outcomes of the policy and action taken to follow up the recommendations of preceding reports.

7.1.10 The large growth in AusAID funding to DRR has taken place primarily within bilateral programs, demonstrating the increased commitment and capacity of the agency to engage with in-country counterparts on DRR. In places such as Indonesia, Bangladesh, Vietnam and the Pacific, we are supporting governments to build community resilience to natural hazards through awareness, infrastructure and livelihoods programs. In the Philippines, for example, since 2006 over 5,500 community representatives have been trained in community-based disaster risk management and more than six million people have benefitted from community-based disaster preparedness activities.

[14] This figure exceeds the target of 1 per cent of ODA spending recommended by the UN International Strategy for Disaster Reduction at the 2009 Global Platform for DRR.

7.1.11 AusAID is also building applied geo-science capacity among partner countries. In Indonesia we have worked with local agencies and the World Bank to develop a comprehensive, open source software package that produces realistic disaster scenarios for better risk planning and reduction. In the Philippines, AusAID is supporting the authorities to create multi-hazard maps for 27 high-risk provinces and the development of state-of-the-art risk and impact analysis maps for Greater Metro Manila. This will inform building codes and land use planning regulations.

7.1.12 In 2010 AusAID released *Integration in Practice: Integrating disaster risk reduction, climate change and environmental considerations in AusAID programs.* This publication responded to calls from AusAID staff for simple, practical guidance on the relevance of integration of DRR, climate change and the environment and what this means for the sustainability of their programs. Tools and training on integration have been developed and training has been delivered to some 500 AusAID staff and others in Canberra, the Mekong, Indonesia and the Philippines. In mid-2012, AusAID conducted a workshop in Bangladesh for South Asian posts on practical steps to integrate environment, climate change and DRR through action plans across existing development programming.

## 7.2 Effective program targeting

***- programs target highest risk to life and livelihood***

7.2.1. The CAPF provides predictable and multi-year funding for effective humanitarian partners, regularly assesses their performance and records achievements through annual reporting on headline results, including the number of persons provided with life-saving assistance annually, the number of events responded to within 48 hours of an official request and the number of training and exercises provided to AusAID and stand-by partners' staff.

7.2.2. Australia determines its response to humanitarian crises based on criteria outlined in the 2011 *Humanitarian Action Policy*. Australia considers:

- the needs of the affected population;
- the scale of the disaster and affected government response capacities, circumstances and preferences, including whether a request for assistance has been made;
- funding and plans of other donors;
- the capacity and activities of humanitarian partners on the ground;
- Australia's national interest, including where our resources will be most efficient and effective;
- geographic location – Australia is committed to supporting our near neighbours, while continuing to be responsive to humanitarian requests globally; and
- GHD principles, including through predictable, flexible, diversified and longer-term funding arrangements with limited earmarking.

7.2.3. AusAID contributes to early warning by improving the capacity of partner countries to develop early warning systems for sudden onset crises. We also

take heed of international early warning systems to respond in a timely manner to slow onset crises, such as the current crisis in the Sahel.

7.2.4. Also outlined in the *Humanitarian Action Policy* is Australia's support for the involvement of affected people in the design, implementation, monitoring and evaluation of humanitarian action, together with a commitment to provide funding appropriate to crises; contribute responsibly to well-managed joint funds; fund slow-onset crises early; and support multi-year funding to protracted crises. We are working with partners to implement these policy commitments.

## 7.3 Effective delivery, partnerships and instruments

***- delivery modalities and partnerships deliver quality assistance***

7.3.1. Australia has formal multi-year partnership agreements with the World Food Programme (WFP) and the UN Office for the Coordination of Humanitarian Affairs (OCHA) and is concluding agreements with the International Committee of the Red Cross (ICRC) and the UN High Commissioner for Refugees (UNHCR). These agreements set out four-year funding commitments and agreed priorities for engagement and for annual high-level dialogue. Funding for emergency responses is additional to the commitments set out in these agreements.

7.3.2. Australia is committed to providing flexible, predictable and coordinated funding to trusted partners (refer focus box on Horn of Africa crisis). Australia responds to rapid-onset, slow-onset and protracted crises through a range of global humanitarian programs and appropriate funding mechanisms for different crises. AusAID recognises the need to fund slow-onset crises early to mitigate the worst impact of the disaster, and to provide multi-year funding to protracted crises. Australia has streamlined practices for supporting multilateral organisations in an emergency, including UN humanitarian agencies and the ICRC. Australia is increasing its influence over policy and program directions of multilateral organisations, underpinned by the Multilateral Engagement Strategy and individual engagement strategies with relevant organisations (refer Chapter 3).

**Streamlining funding through non-governmental organisations**

7.3.3. To ensure Australia's response is timely, AusAID maintains standing agreements – Humanitarian Partnership Agreements (2011–2014) – with six Australian NGOs and the Australian Red Cross. This ensures the quick release of humanitarian funding in a rapid onset emergency. These agreements reflect shared values and proven ability to deliver humanitarian action in line with the 2011 *Humanitarian Action Policy*. This pre-approval process enables funding to be disbursed quickly and gives Australia confidence that funds will be well managed to deliver effective and appropriate humanitarian action.

**Focus on: The Horn of Africa Crisis**

Australia responded substantially and comprehensively to the humanitarian crisis in the Horn of Africa in 2011, providing more than $112 million. This response built on Australia's existing resilience and food security investment in the region; and was facilitated by strong engagement of the responsible Minister who visited affected areas to gauge the scale of the crisis; a dedicated in-country humanitarian team working with the key humanitarian actors; and the existence of flexible funding mechanisms for humanitarian response in AusAID.

For example, as part of the Australian response, Australian NGOs provided humanitarian assistance to people affected by the famine with funds obtained from the Government's Dollar-for-Dollar Initiative, where the Government matched public fund raising efforts.

Australia is also responding to the food and nutrition crisis in the Sahel by providing food assistance and through building the region's disaster preparedness capacities and helping to protect the agricultural livelihoods of vulnerable populations.

**Strategic partnerships with multilateral organisations**

7.3.4. In 2009 Australia entered into a Strategic Partnership Agreement with the WFP, providing $180 million over four years, including $140 million in un-earmarked funding and $40 million targeting school feeding. Australia also funds WFP emergency operations on a case-by-case basis and supports WFP to build regional emergency response capacity in Africa and the Asia-Pacific. In 2011 AusAID provided an additional $10.9 million for WFP disaster preparedness activities in these regions, including conducting emergency response training with national government partners and pre-positioning humanitarian supplies.

7.3.5. In December 2009, Australia committed $60 million over four years to the UN's Central Emergency Response Fund. This brought Australia's total contributions to the Fund to approximately $94 million since it was established in 2005. The Fund provides more timely and reliable humanitarian action, rapidly disburses funds to sudden onset emergencies and 'forgotten crises,' and also balances humanitarian funding globally by allocating money to the most under-funded crises.

7.3.6. Australia supports disaster preparedness initiatives developed under the auspices of regional organisations such as the East Asia Summit, the Association of Southeast Asian Nations and the Secretariat of the Pacific Community. Australia also works through FRANZ, an arrangement between France, Australia and New Zealand supporting international response to natural disasters in the South Pacific.

## 7.4 Organisation fit for purpose

***- systems, structures, processes and people work together efficiently and effectively***

7.4.1 In January 2009 the Humanitarian and Emergencies Section was split into two sections – Humanitarian Policy and Partnerships Section and Humanitarian Preparedness and Response Section. Indonesia post also recruited a Disaster Management Advisor to provide guidance on AusAID's significant humanitarian program in Indonesia and other programs, as required, and to assist in regional humanitarian training for AusAID and other government agency staff.

7.4.2 In response to the 2008 DAC peer review recommendation to establish the position of humanitarian adviser, AusAID established a panel of humanitarian, fragility and conflict experts who could be drawn upon for specialist advice to the Branch and across the Agency. This approach met the majority of AusAID's needs at the time. With the establishment of the Humanitarian and Stabilisation Division in March 2012, and the finalisation of additional humanitarian funding announced in the 2012–13 budget ($435.6m over 2012–13 to 2015–16), a humanitarian adviser position will be created in 2012–13, along with new humanitarian, fragility and conflict panels for additional cross-agency policy support. This is consistent with efforts to increase sectoral expertise in AusAID.

7.4.3 Since February 2009 Australia has responded to the need for enhanced capacity to engage effectively on humanitarian policy debates through the creation of dedicated humanitarian positions in Geneva, New York and Rome.

7.4.4 AusAID is also building staff skills in working in conflict-affected situations, including through training on safe and effective development in conflict and fragile contexts (refer Chapter 4.3).

### Whole of government coherence

7.4.5 While AusAID leads the Australian Government response to humanitarian crises in developing countries, AusAID works closely on the operational aspects of emergency responses with whole of government partners, including the ADF and Emergency Management Australia (Attorney-General's Department), as well as with NGOs and commercial providers. AusAID plays an active role in the DFAT-led interdepartmental emergency taskforce that coordinates complex responses. Australian military and civil responses are guided by AusAssistPlan, which allows AusAID to draw on technical assistance and assets (including medical, emergency services, and logistics) from federal and state agencies.

### Civil-military coordination

7.4.6 When working with the military, Australia's response is informed by international guidelines on humanitarian civil-military interaction.[15] AusAID

[15] These include: *Guidelines on the Use of Foreign Military and Civil Defence Assets in Disaster Relief* (the Oslo Guidelines), November 2007 (revision 1.1), OCHA. The *Guidelines on the Use of Military and Civil Defence Assets to Support United Nations Humanitarian Activities in Complex Emergencies*

prioritises efforts to strengthen the understanding between civilian and military actors in humanitarian response, including through delivering lectures to a range of ADF training and education facilities, such as the ADF Command and Staff College and the Centre for Defence and Strategic Studies. AusAID also engages in disaster preparedness exercises that include military and civilian representatives, and where necessary, leads the participation of the Australian Government, including state and territory government agencies, in the delivery of humanitarian assistance (as seen below in relation to Pakistan).

7.4.7 In 2008, AusAID established a Liaison Officer position at the ADF Joint Operations Command, which has been highly effective in managing AusAID's engagement with the ADF. AusAID's broader collaboration with Defence was enhanced in 2009 when the two agencies signed a Strategic Partnership Agreement that identifies shared principles and goals for the interaction between security and development challenges.

7.4.8 AusAID also works closely with the ACMC – a whole of government initiative to improve Australia's effectiveness in civil-military collaboration for conflict and disaster management overseas. Established in 2008, the ACMC engages with, and supports, government departments and agencies, NGOs and international partners (including the UN) on civil-military issues to achieve focused outcomes for the region and globally. The ACMC draws staff from a number of Australian Government departments and agencies, the New Zealand Government, and the NGO sector. AusAID, for example, has one staff member seconded to the ACMC and funds an additional contracted position. Through this multi-agency approach, the ACMC supports the development of national civil-military capabilities to prevent, prepare for and respond more effectively to conflicts and disasters overseas.

7.4.9 The ACMC worked closely with the African Union and the UN (through the DPKO) to assist them in the development of their guidelines and training materials on protection of civilians during peacekeeping missions. In 2011, working with AusAID, DFAT and the UN Institute for Training and Research, the ACMC oversaw the production of a training documentary on protection of civilians, *Mandated to Protect*. The documentary is a collection of experiences and insights on the complexities involved in discharging protection mandates from UN mission planners, leaders, military commanders, police and civilian personnel, notable academics, and representatives from the ICRC, UN humanitarian agencies, African Union and NGOs. Launched by UN Secretary-General Ban Ki-moon, the documentary is now widely used in UN training programs.

**Focus on: Australia's whole of government approach in Pakistan**

In 2010 Pakistan's monsoonal rains caused widespread flooding in one of the worst humanitarian disasters in the past 50 years. The Australian Government sent a 180-strong civilian and military medical and emergency response team from AusAID, the ADF, and state and territory health agencies. This response team treated more than 11,000 patients, working in a temporary health centre in central Punjab province.

Australian families and businesses also gave $16 million to emergency appeals and the Australian Government gave $75 million to trusted partners working on the ground supplying food, shelter, clean water and sanitation.

## 7.5 Results, learning and accountability

***- results are measured and communicated, and lessons learnt***

7.5.1 AusAID evaluates its major humanitarian responses, assesses performance against formal policies and conducts lessons learned exercises following deployment of AusAID or Australian based staff. Periodic formal internal and external audits of performance are also conducted. Consistent with our commitment to transparency, the results of these are shared with affected partners and progressively published on the AusAID web site.

7.5.2 Going forward, the quality of Australia's humanitarian response to specific emergencies will be assessed through a humanitarian monitoring and evaluation framework, based on the PAF in the *Humanitarian Action Policy*. The PAF will establish a manageable minimum standard system to monitor and evaluate the policy. The PAF will support the user in generating quality and performance information, and feeding this performance information into relevant Agency-level reporting requirements. The framework is currently being developed and is due to be completed by the end of 2012.

7.5.3 In addition, the Humanitarian Action Policy commits AusAID to discuss the biennial summary report of Australia's humanitarian action with partners to inform improvement, and share lessons with humanitarian partners and other donors.

7.5.4 The Humanitarian Action Policy commits Australia to evaluate its humanitarian response jointly with other donors where possible. AusAID's key humanitarian multilateral partners hold annual joint monitoring missions which AusAID participates in where possible.

## Annex 1: Progress against 2008 DAC review recommendations

| 2008 PEER REVIEW RECOMMENDATIONS | AGENCY PROGRESS AGAINST RECOMMENDATIONS |
|---|---|
| **OVERALL FRAMEWORK FOR DEVELOPMENT COOPERATION** | |
| The DAC commends Australia for its reinforced strategic focus on poverty reduction and the Millennium Development Goals (MDGs) and its continuous engagement in states in fragile situations. Australia could benefit from including these commitments in a political statement clarifying its strategic development assistance framework over the medium to long-term. | • The Australian Government released a new aid policy, *An Effective Aid Program for Australia: Making a real difference – Delivering real results* in July 2011. It sets a clear strategic direction for Australia's aid program through to 2015–16 and establishes a new purpose for the aid program, which is to help people overcome poverty.<br>• Australia's aid policy reaffirms the Government's commitment to achieving the MDGs.<br>• In May 2012, meeting the commitment made in *Effective Aid*, the Government also released *Helping the World's Poor Through Effective Aid: Australia's Comprehensive Aid Policy Framework to 2015–16* (the CAPF). The two main features of the CAPF are:<br>- a four-year budget strategy which outlines where we will provide aid between 2012–13 and 2015–16 and why; and<br>- a three-tier Results Framework which shows results we will achieve through our aid investments by 2015–16. |
| The DAC appreciates Australia's extensive engagement in states in fragile situations and encourages it to continue to share with other members its particular experience in these contexts. | • Australia continues to engage extensively in fragile states and has sustained efforts to share its knowledge and experience with other donors. Australia is an active participant in the OECD-DAC International Network on Conflict and Fragility and strong supporter of the International Dialogue on Peacebuilding and Statebuilding.<br>• Australia also initiated the 'Friends of g7+' mechanism to support the g7+ grouping of fragile states to engage constructively with the international community ahead of the MDG Summit in New York in September 2010 and the Fourth High Level Forum on Aid Effectiveness (HLF-4) in Busan in November 2011. At HLF-4 Australia endorsed the *New Deal for Engagement in Fragile States* and is now working with partner countries to implement the New Deal.<br>• In December 2011, AusAID released a *Framework for working in fragile and conflict-affected states* which provides guidance for AusAID staff on approaches to working effectively in fragile and conflict-affected states. The Framework also informs Australia's whole of government, international and civil society partners of AusAID's approach and highlights the Australian Government's broad experience of working in fragile states.<br>• AusAID's Fragility and Conflict Branch delivers training on Fragility, Peace, Conflict and Development, and Do No Harm. In 2011–12 they trained over 330 AusAID and whole of government officials on how to work in situations of conflict and fragility. |
| Australia has made considerable efforts in integrating gender equality into its aid programme. It should continue to share its good | • Gender equality remains a critical cross-cutting theme of Australia's aid program. Three of the 10 development objectives of *Effective Aid* specifically address gender equality and the empowerment of women.<br>• In November 2011, AusAID released a *Gender Equality and Women's Empowerment Thematic Strategy* which |

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| practice with other donors.<br><br>At the same time, Australia is invited to build on its experience in this area to integrate environmental concerns as effectively throughout its programme. | sets out Australia's approach to maximising the impact of the aid program on gender equality and women's empowerment. Gender focal points have been strengthened across AusAID, ensuring that the achievement of gender equality remains a consideration throughout the work of the agency.<br>• Australia continues to share knowledge and promote good practice in support of gender equality as an active participant in the OECD-DAC's Network on Gender Equality. Australia is also working to increase awareness of gender issues internationally, including through the appointment of a Global Ambassador for Women and Girls in September 2011. Australia will continue this advocacy when it takes up a seat on the United Nations Women Executive Board from January 2013.<br>• Australia has made considerable efforts to integrate environment and climate change more effectively into the aid program. The 2003 Environmental Management Guidelines have been fully revised to incorporate changes to aid policy and programming and best practice approaches. The Guidelines were released in August 2012 and a range of implementation tools will be progressively released over the next two years.<br>• An environment focal point network has been established across the agency and at key posts to improve outreach and support on climate change and environment programming and enhance the technical capacity of posts.<br>• A dedicated section has been established in the Climate Change and Environment Branch to strengthen the integration of environment and climate change issues across the aid program and we have increased in house expertise through recruitment of a dedicated environment adviser to complement work of the principal rural development adviser and climate change adviser. |
| AusAID needs to strengthen its communication efforts to ensure sustained public and political support for the expanding development programme, and to raise awareness of the implications of applying the aid effectiveness principles, in particular the new modalities for delivering aid. | • Establishment of a new Communications, Ministerial & Transparency Branch led by an Assistant Director General gives greater senior level oversight to raising awareness of the aid program and AusAID's approaches to aid effectiveness and new methods of delivering aid.<br>• AusAID is finalising its *Communication Framework* which will guide its domestic and international communications for the next two years. Strategies for domestic, international, online and internal communications fall under this framework.<br>• In November 2011, AusAID released a *Transparency Charter* that commits AusAID to provide clear, accessible and timely reporting on all its aid activities. AusAID has improved its website to ensure greater transparency and making greater use of social media (Twitter, YouTube, Flickr etc.).<br>• AusAID has an active Global Education Program operating in all states in Australia and providing professional development and learning materials to teachers and trainee teachers in government, Catholic and private sectors. Embracing social media technologies (Engage blog, twitter, YouTube, Flickr etc.).<br>• Australia is a founding member of International Aid Transparency Initiative (IATI) and in 2011 was just the third major donor, after the United Kingdom and the World Bank, to publish data on the IATI registry.<br>• Under the AusAID NGO Cooperation Program (ANCP), non-governmental organisations (NGOs) may use up to |

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| | ten per cent of their funding to raise awareness of development issues within Australia. |
| Building on its significant progress, Australia is encouraged to continue to develop internal and external capacities to further enhance policy coherence for development as part of its whole of government approach. | • AusAID is the lead agency in delivering Australia's aid program, responsible for approximately 92 per cent of Australia's ODA.<br>• AusAID provides advice on development considerations related to Australia's foreign, security, trade, migration, environment, and other policies though a range of consultative mechanisms and inter-departmental working groups including the National Security Policy Steering Committee, Strategic Policy Coordination Group, and the Asia Century Inter-Departmental Committee.<br>• In 2011 the Centre for Global Development ranked Australia ninth in its national efforts across policy areas important to developing countries. |
| **AID VOLUME, CHANNELS AND ALLOCATIONS** | |
| It is important that Australia maintains its primary focus on Asia and the Pacific region, the latter of which lags behind in achieving the MDGs. At the same time, the DAC welcomes Australia's increased focus on Africa, and in particular African LDCs. It encourages Australia to reflect on the best way of managing this geographic expansion, keeping in mind the Accra Agenda for Action calls for reducing costly fragmentation of aid. Australia should take opportunities to work through delegated co-operation arrangements or multilateral organisations as well as to rely more on NGOs when engaging in a new country. | • Under *Effective Aid* Australia's top 12 bilateral aid recipients are in the Asia-Pacific and consistent with the CAPF will remain our largest partners until 2015-16.<br>• Australia was among the first donors to respond to the food crisis in the Horn of Africa in 2011, providing more than $112 million.<br>• Over the next four years, Australia anticipates increasing assistance to Africa and the Middle East from an estimated $465 million in 2012-13 to an indicative level of $625 million by 2015-16. Of this, around $355 million in 2012-13 will be directed to sub-Saharan Africa, the region most off-track in achieving the MDGs.<br>• Australia's growing aid program in Africa focuses on areas where there is significant need, where we have particular strengths and on those areas where we can make a difference, including water and sanitation, maternal and child health and food security. To maximise impact, Australia aligns its efforts with those of African governments and institutions, multilateral organisations and trusted partners with experience and an active presence in Africa. |
| The DAC appreciates the particular context of small states in which Australia operates. Bearing this in mind, as the size of its aid programme grows, Australia should maintain a strategic sector focus at the country level in order to promote coherence of efforts within the sectors which Australia supports. | • Under *Effective Aid*, within country programs, aid allocation decisions will focus on key sectors to maximise the impact of Australian aid.<br>• Australia has consolidated its largest programs in Indonesia, Papua New Guinea, East Timor and the Pacific around key sectors aligned with these countries' national development priorities. The Pacific Partnerships for Development we have signed with Papua New Guinea and ten other Pacific countries focus on a defined number of mutually-agreed sectors |

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| Increasing the share of aid going through multilaterals is appropriate given Australia's growing programme. This should give AusAID the opportunity to develop further strategic links between its bilateral programme and its multilateral engagement. | • Under *Effective Aid* Australia has committed to increase the share of funding provided through multilaterals that demonstrate that they are achieving results and represent value for money.<br>• The findings of the Australian Multilateral Assessment provide the basis on which Australia will strengthen its policy and funding engagement with multilateral organisations over the next four years and ensure it is getting value for money and results from this growing engagement.<br>• Australia has signed partnership frameworks with 12 multilateral organisations that outline shared goals for the efficient use of Australian funds and track the results of our funding. |
| **STRATEGIC ORIENTATIONS** | |
| The DAC encourages Australia to maintain AusAID's status and role as responsible for the aid programme within the whole of government approach. This will help ensure that all stakeholders involved in the aid programme share the same development vision. | • AusAID was redesignated as an Executive Agency under the Public Service Act on 8 July 2010. As a result, AusAID is directly accountable to the Minister of Foreign Affairs and this has increased the agency's stature among other departments and agencies that are involved in development, foreign policy and national security agendas.<br>• *Effective Aid* has strengthened AusAID's mandate leadership on the delivery of Australia's development assistance. In 2011, the Australian Government enhanced the role of the Development Effectiveness Steering Committee (DESC) in overseeing whole of government coordination and coherence of Australian ODA. The Director General of AusAID chairs the DESC and the agency also provides the secretariat.<br>• In March 2012 the agency established a Whole of Government Branch. A Whole of Government Strategic Guidance Committee has been created to oversee the Australian Civilian Corps and AusAID is working closely with whole of government partners, in particular the Australian Defence Force and Australian Federal Police, on operational planning, joint training and programming of ODA in complex operating environments.<br>• Relationships between AusAID and other government departments have been strengthened through Strategic Partnership Agreements and regular meetings in support of these.<br>• The whole of ODA budget brings together the aid plans of all ODA delivering Commonwealth agencies under a single, integrated strategy with the adoption of uniform standards across aid policy, design, implementation and reporting. |
| As the regional offices develop, AusAID will need to clarify further their role and responsibilities in relation to the country offices and Canberra in the devolved system. | • Most country programs are fully devolved, including Indonesia, East Timor, Papua New Guinea, Solomon Islands, the Philippines, and some smaller country posts can use their respective regional hubs of Suva, Hanoi, Pretoria and Nairobi for support. These regional hubs are responsible for providing key corporate and program scale-up support to AusAID's country posts in the areas of financial management, human resources, property, security and program management and operations.<br>• In the 2009–10 Australian National Audit Office report, it was observed that under devolution, AusAID's country office staff members are developing greater country knowledge and stronger relationships with partner government personnel. During 2010–11, AusAID undertook a review that provided preliminary findings which confirm that AusAID's devolved management model for managing procurement and grants processes reflects |

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| | good practice and that the agency's systems broadly support this model.<br>• To strengthen and clarify the roles of headquarters and posts, AusAID is continuing to review and develop the capacity of posts and regional hubs in relation to the major changes that are taking place, and creating useful connections between headquarters and post to improve corporate performance. For example, a dedicated performance and quality unit at Jakarta with links to headquarters.<br>• The Performance and Quality Network was set up to bring together staff from across AusAID (including both thematic groups and program areas) who are interested in and responsible for the quality, performance management and assessment of AusAID's work. |
| AusAID should build on its workforce planning process to develop a policy for attracting and retaining personnel with the needed skills. This will allow it to maintain the right level of staff with the appropriate skills mix to deliver a broader programme in line with the Paris principles on aid effectiveness. | • AusAID is improving recruitment, development and retention of staff through the launch of the Workforce Plan (phase one) in May 2011.<br>• AusAID has been able to significantly increase its workforce to 2,124 APS and overseas-based employees as of June 2012. Improvements in recruitment processes have seen a rapid drop in AusAID's vacancy rate from over 10 per cent in 2011 to 2.5 per cent by June 2012.<br>• In 2012 the agency is focusing on establishing career streams in the Sector occupational group, under the leadership of heads of profession or Principal Sector Specialists in Education, Economics, Health and Rural Development. Following a review of progress of career streams in early 2013 additional streams will be developed in governance, gender, performance management and results, climate change, humanitarian/fragility and conflict, and corporate and operations.<br>• AusAID is also strengthening the aid program's access to sectoral expertise through the establishment of a range of technical and thematic groups and the recruitment of Principal Advisers in key sectoral areas. AusAID's Workforce Plan focuses on enhancing leadership and management capability, and building necessary in-house specialist expertise, including sectoral and corporate capabilities. |
| The DAC appreciates Australia engaging further with NGOs and other partners like the Australian private sector and universities, focusing on complementarity of development efforts. Australia should consider developing a strategic framework for engaging with civil society partners and in particular with NGOs, covering both policy consultations and partnership mechanisms, so as to expand further their contribution to programme delivery, policy dialogue and in building community support for aid. | • A new *Civil Society Engagement Framework* was released in June 2012.<br>• The Office of Development Effectiveness (ODE) conducted an in-depth evaluation of AusAID's engagement with civil society in Papua New Guinea, Vanuatu and the Philippines which found innovative and strategic models for working with civil society.<br>• Through ANCP partnerships, AusAID has forged closer links with eight of Australia's largest NGOs: World Vision Australia, Oxfam Australia, Caritas Australia, Plan Australia, ChildFund Australia, CARE Australia, TEAR Australia and Christian Blind Mission Australia.<br>• A Business Engagement Steering Committee was established in November 2011 and a Private Sector Development Strategy was launched at the first Consultative Forum with Business held in August 2012. |

| AID EFFECTIVENESS AND RESULTS | |
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| AusAID should extend knowledge across government of the Paris Declaration and the Accra Agenda for Action. It should also build incentives into the whole of government approach for applying these commitments. It should continue to increase the share of its aid provided as programme-based approaches, including working through government systems, and track its progress towards achieving this. | • As of the chair of the DESC, AusAID is well placed to influence whole of government partners delivering ODA to improve effectiveness in line with the Paris Declaration and the Accra Agenda for Action.<br>• The Strategy and Portfolio Planning Section and the Working in Partner Systems (WIPS) Section supports program areas to develop delivery strategies and major programs that involve working in or through partner government systems.<br>• In February 2011, a guideline on assessing and using partner government systems for public financial management and procurement was released by AusAID's WIPS Section. The guideline and the linked instruction and tools material support AusAID staff to operationalise the commitments to work with partner governments as part of the Paris Declaration.<br>• In 2009 AusAID developed a *Roadmap for Working in Partner Government Systems*, which sets out Australia's approach for working through Indonesian Government systems. Australia showed its support for the Indonesian Government's efforts to progress aid effectiveness, by signing the Jakarta Commitment, their own roadmap for implementing the Paris and Accra agendas. Australia has also provided support to the Indonesian Government's Aid for Development Effectiveness Secretariat, established to implement the Commitment.<br>• The CAPF's three-tiered reporting system has been adopted by all Australian government departments and agencies in relation to their use of ODA funds. |
| AusAID is encouraged to learn from its experience delivering its aid programme through joint arrangements and to disseminate good practice as a way to promote a better division of labour among donors. | • In August 2009 Australia, along with all other Pacific Leaders and the majority of development partners, agreed to the Cairns Compact to strengthen development coordination in the Pacific and accelerate progress on the MDGs. The Cairns Compact is based on the principles of aid effectiveness identified by the Paris Declaration and Accra Action Agenda.<br>• AusAID drew extensively on the experience of other donors in developing its policy for disability and development, Development for All. The results were compiled into a Companion Volume to Development for All, which was made publicly available for wider stakeholder use.<br>• In Cambodia, a delegated cooperation agreement was signed with the United Kingdom Department for International Development (DFID) on 26 January 2010 and will remain in place until 31 December 2013. Under the agreement AusAID represents DFID's policy interests and monitors their 35 million pound investment in the multi donor Second Health Sector Support Program.<br>• As part of a strategic partnership with Germany, AusAID has delegated cooperation to the German Technical Agency (valued at $23 million), to help Vietnam manage and protect its coastal ecosystems and respond to the impacts of climate change across five vulnerable provinces in the Mekong Delta. The delegated cooperation arrangement has proved to be an effective mechanism for Germany and Australia and has contributed to a reduction in transaction costs for AusAID programming.<br>• AusAID signed a Partnership Framework with the World Bank Group on 23 September 2011. The Framework |

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| | will help take the relationship between AusAID and the World Bank Group to more strategic level and has strong clauses on joint efforts to improve development effectiveness. |
| The DAC invites Australia to assess the impact of its overall approach to capacity development and continue to reflect on how to build greater, sustainable capacity.<br><br>The DAC encourages Australia to share further with the donor community its analytical work and experience on capacity development and governance in various contexts. Like other donors, Australia could also play a more active role in forging international consensus on key definitions and streamlining multi-partner engagement in capacity development at both global and local levels, especially in the context of the DAC capacity development work. | • Australia released a *Joint Adviser Review* in February 2011. The Review assessed 952 long term adviser positions across 20 country programs and resulted in agreement to phase out 257 positions that were identified as low priority. This will represent a total reduction in expenditure on advisers by up to an estimated $62 million.<br>• It is estimated that the *Adviser Remuneration Framework* will allow the aid program to reinvest up to a further $30 million over its first two years in high priority areas, such as basic service delivery. Combined with the Joint Adviser Review, this represents a total of $92 million which can be reinvested in the aid program.<br>• Following the Review, Australia and partner governments have continued to scrutinise the need for adviser positions and have jointly identified an additional 86 adviser positions that have now been phased out.<br>• To build internal capacity and reduce the reliance on external expertise, AusAID has also introduced internal policy guidance for staff on the use of advisers, which aims to make greater use of other forms of technical assistance, such as scholarships and twinning arrangements. |
| Australia is encouraged to draw on its significant experience and broad analytical work to develop a policy framework on governance. | • In May 2010, Australia released *Power to the People: Australia's support in strengthening political governance in developing countries.*<br>• An *Effective Governance Strategy* was released November 2011. |
| **HUMANITARIAN ASSISTANCE** | |
| AusAID's planned review of the Humanitarian Action Policy is timely, and it will be critical to incorporate emerging themes, including the impacts of climate change. To reap the benefits of the policy, Australia should set out a clear plan of action alongside the review on how it will continue to put the policy into practice. | • AusAID released a new *Humanitarian Action Policy* in December 2011.<br>• The policy considers new and emerging humanitarian challenges, including the effect of climate change on the increasing scale and frequency of natural disasters.<br>• An implementation plan for the *Humanitarian Action Policy* is under development. The Humanitarian and Stabilisation Division will decide how commitments will be implemented in annual work planning processes. Progress against implementation will be reviewed every two years.<br>• AusAID has developed a humanitarian monitoring and evaluation framework. Where possible, evaluations will be conducted jointly with humanitarian partners and independent evaluations of Australia's humanitarian response will be considered for major disasters. |
| The process of developing a Disaster Risk Reduction (DRR) policy is an important opportunity for AusAID to make the case for investing in risk reduction as part of all | • *Australia's Investing in a Safer Future: A Disaster Risk Reduction Policy for the Australian aid program (2009)* provides a clear framework for current and future investments in DRR within the Australian aid program.<br>• The first implementation plan for the policy covered the period July 2009 to June 2010 and subsequent plans have been developed every 18 months. Progress reports have assessed achievements against the outcomes of the |

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| development programming, as well as to leverage greater engagement in transitional programming after natural disasters or conflict. This policy should be underpinned by an implementation plan with specific targets. | policy and action taken to follow up the recommendations of preceding reports.<br>• Since the Policy's introduction, expenditure on DRR rose from $59 million in 2009–10 to over $102 million in 2010–11, representing 2.36 per cent of the total Australian budget for ODA for that year. |
| A dedicated humanitarian advisor position within AusAID's Humanitarian and Emergencies Section would be valuable to provide technical support on humanitarian issues and convene technical discussions across AusAID and internationally. AusAID should also review whether it has sufficient capacity in Canberra and overseas through its representation in New York, Geneva and Rome to engage effectively on humanitarian policy debates. | • AusAID established a panel of humanitarian, fragility and conflict experts who could be drawn upon for specialist advice to the Branch and across the Agency. A humanitarian adviser position will be created in 2012–13, along with new humanitarian, fragility and conflict panels for additional cross-agency policy support.<br>• Indonesia post also recruited a Disaster Management Advisor to provide guidance on AusAID's significant humanitarian program in Indonesia. This position is also available to Canberra and other programs and is utilised in regional humanitarian training for AusAID and other government agency staff.<br>• Australia has responded to the need for enhanced capacity to engage effectively on humanitarian policy debates through the creation of dedicated humanitarian positions in Geneva, New York and Rome. |

## Annex 2: AusAID human resource profile by location

| **APS and O-Based employees at 30 June 2012** *(Figures include ongoing and non-ongoing staff, and staff at post on short term missions)* | | | | | **Compared to 2008 Review** (HR data at 31 March 2008) | | |
|---|---|---|---|---|---|---|---|
| **Region** | **Country** | **APS** | **O-Based** | **Total** | **APS** | **O-Based** | **Total** |
| Africa & Middle East | Ethiopia | 1 | 6 | 7 | | | |
| | Ghana | 2 | 4 | 6 | | | |
| | Iraq | 2 | | 2 | | | |
| | Kenya | 5 | 14 | 19 | 0 | 2 | 2 |
| | Palestine | 1 | 2 | 3 | | | |
| | South Africa | 9 | 12 | 21 | 3 | 4 | 7 |
| | Zimbabwe | 2 | 5 | 7 | | | |
| East Asia | Burma | 3 | 8 | 11 | 1 | 2 | 3 |
| | Cambodia | 5 | 17 | 22 | 4 | 9 | 13 |
| | China | 2 | 10 | 12 | 3 | 10 | 13 |
| | East Timor | 11 | 29 | 40 | 3 | 15 | 18 |
| | Indonesia | 41 | 138 | 179 | 31 | 110 | 141 |
| | Laos | 3 | 16 | 19 | 3 | 11 | 14 |
| | Philippines | 6 | 41 | 47 | 8 | 27 | 35 |
| | Thailand | 1 | 12 | 13 | 4 | 6 | 10 |
| | Vietnam | 5 | 22 | 27 | 6 | 24 | 30 |
| Latin America & Caribbean | Chile | 1 | 2 | 3 | | | |
| | Trinidad & Tobago | 1 | 5 | 6 | | | |
| Pacific | Fed States of Micronesia | 0 | 2 | 2 | | | |
| | Fiji | 10 | 28 | 38 | 9 | 18 | 27 |
| | Kiribati | 2 | 13 | 15 | 2 | 6 | 8 |
| | Nauru | 1 | 1 | 2 | 1 | 0 | 1 |
| | New Caledonia | 0 | 1 | 1 | 0 | 1 | 1 |
| | Papua New Guinea | 46 | 88 | 134 | 41 | 75 | 116 |
| | Samoa | 3 | 8 | 11 | 1 | 6 | 7 |
| | Solomon Islands | 25 | 37 | 62 | 27 | 26 | 53 |
| | Tonga | 2 | 10 | 12 | 1 | 9 | 10 |
| | Vanuatu | 5 | 16 | 21 | 4 | 15 | 19 |
| South & West Asia | Afghanistan | 12 | | 12 | | | |
| | Bangladesh | 3 | 13 | 16 | 2 | 8 | 10 |
| | India | 1 | 3 | 4 | 0 | 3 | 3 |
| | Nepal | 1 | 5 | 6 | 0 | 4 | 4 |
| | Pakistan | 3 | 10 | 13 | 1 | 6 | 7 |
| | Sri Lanka | 3 | 8 | 11 | 2 | 4 | 6 |
| Other | France | 1 | 3 | 4 | 1 | 9 | 10 |
| | Italy | 0 | 1 | 1 | 0 | 1 | 1 |
| | Switzerland | 2 | 3 | 5 | 1 | 2 | 3 |
| | United States | 1 | 3 | 4 | 1 | 1 | 2 |
| Australia | Australia | 1295 | | 1295 | 709 | | 709 |
| AusAID Staff seconded to external organisations | | 11 | | 11 | * | | * |
| **Total** | | **1528** | **596** | **2124** | **869** | **409** | **1278**[#] |

**Secondment locations unavailable for 2008 and total figure includes two additional O-based staff in Mozambique*
*Figures exclude the Director General and employees engaged as Australian Civilian Corps deployees.*

| Staff from external organisations seconded to AusAID | |
|---|---|
| Organisation | Number of staff seconded |
| Asian Development Bank | 1 |
| Australian Federal Police | 3 |
| Defence HQ Joint Operation Command | 1 |
| Department of Foreign Affairs and Trade | 1 |
| Australian Government Solicitor | 1 |
| Defence Intelligence Organisation | 1 |
| Australian Sports Commission | 1 |

| AusAID staff seconded to external organisations | |
|---|---|
| **Organisation** | **Number of staff seconded** |
| Asian Development Bank | 2 |
| World Bank | 1 |
| The Asia Foundation | 1 |
| Australia-Pacific Economic Cooperation | 1 |
| Association of Southeast Asian Nations | 1 |
| Pacific Island Forum Secretariat | 1 |
| Office of National Assessments | 1 |
| Defence Joint Operation Command | 1 |
| Australian Federal Police | 1 |
| Australian Civil-Military Centre | 1 |

| Specialists by sector[16] | |
|---|---|
| **Sector** | **Number** |
| Climate Change and Environment | 7 |
| Disability | 4 |
| Economics | 22 |
| Education | 12 |
| Gender | 3 |
| Governance | 6 |
| Health | 15 |
| Humanitarian | 1 |
| Infrastructure | 8 |
| Program Effectiveness | 6 |
| Research | 1 |
| Rural Development | 5 |
| Social Development | 4 |
| Trade | 1 |
| **TOTAL** | **95** |

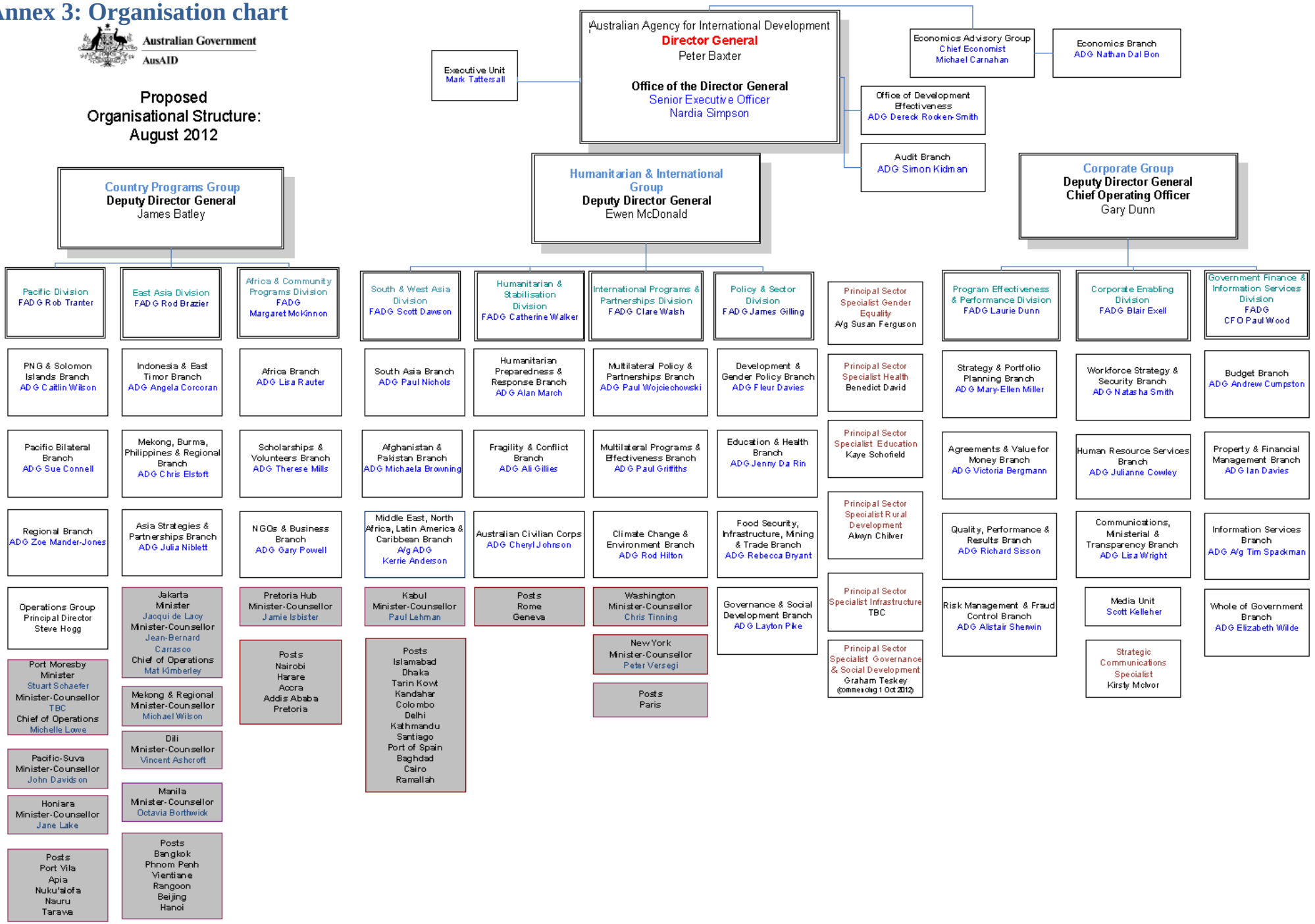
| AusAID SES designations | | |
|---|---|---|
| Band | Title (Canberra) | Title (at post) |
| Director General | | |
| 3 | Deputy Director General (DDG) | n/a |
| 2 | First Assistant Director General (FADG) | Minister |
| 1 | Assistant Director General (ADG) | Minister-Counsellor |

[16] As at May 2012 AusAID currently employs 95 designated specialists working across a number of thematic areas. The *AusAID Workforce Plan (Phase Two)* outlines a commitment to deepen specialist capabilities in-house and implement career streams across three occupational groups: sectors; program and policy; and corporate and operations. This will further improve our expertise in key areas across the agency.

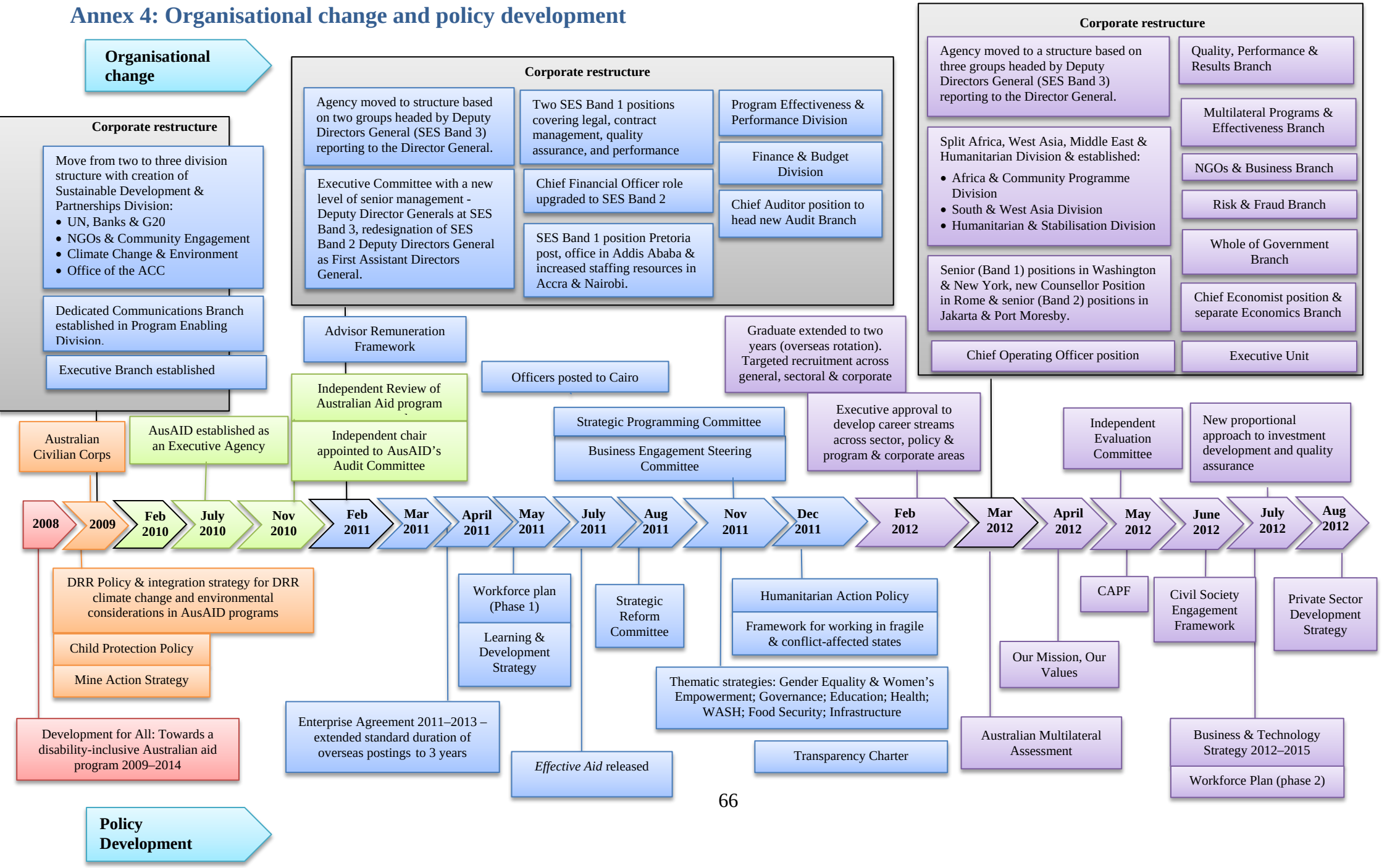
# Annex 3: Organisation chart

Australian Government
AusAID

Proposed
Organisational Structure:
August 2012



# Annex 4: Organisational change and policy development



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**Program Delivery**

Strategic Program Development Policy (internal document)

Performance Management and Evaluation Policy (March 2012) http://www.ausaid.gov.au/Publications/Pages/performance-policy.aspx

Adviser Remuneration Framework (February 2012) http://www.ausaid.gov.au/publications/pages/3994_1809_6357_1618_6763.aspx

Transparency Charter fact sheet
http://www.ausaid.gov.au/Publications/Pages/transparency-charter-fact-sheet.aspx

How do I assess and use partner government systems for public financial management and procurement? (February 2011) (internal document)

Guideline for assessing and using partner government systems for public financial management and procurement (February 2011) (internal document)

Guideline for choosing approaches and types of aid for working in partner systems (February 2011) (internal document)

**Human resources**

AusAID Workforce Plan – Phase One 2011
http://www.ausaid.gov.au/publications/pages/8637_2046_4941_8078_4011.aspx

AusAID Learning and Development Strategy 2011–2015: Building AusAID's professional skills and capabilities to deliver the Government's aid program (internal document)

Australian Agency for International Development, Enterprise Agreement 2011 to 2014
http://www.ausaid.gov.au/Publications/Pages/1421_4662_3113_154_3750.aspx

**Humanitarian assistance and disaster risk reduction**

Humanitarian Action Policy (December 2011)
http://www.ausaid.gov.au/Publications/Pages/1014_2542_6419_997_7245.aspx

Integration in practice – Integrating disaster risk reduction, climate change and environmental considerations in AusAID programs (October 2009)
http://www.ausaid.gov.au/publications/pages/5275_8593_5049_8126_8631.aspx

Investing in a Safer Future – A Disaster Risk Reduction Policy for the Australian Aid Program (June 2009)
http://www.ausaid.gov.au/aidissues/drr/Pages/drr-policy.aspx

2009–10 Progress Report for the Disaster Risk Reduction Policy (October 2010)
http://www.ausaid.gov.au/Publications/Pages/892_5938_786_3907_3713.aspx

**Other framework and guidance documents**

AusAID Civil Society Engagement Framework: Working with civil society organisations to help people overcome poverty (June 2012)
http://www.ausaid.gov.au/Publications/Pages/civil-society-engagement-framework.aspx

Framework for working in fragile and conflict-affected states – Guidance for staff (2011)
http://www.ausaid.gov.au/Publications/Pages/1345_8687_9985_5238_2253.aspx

Power to the People: Australia's support in strengthening political governance in developing countries
http://www.ausaid.gov.au/Publications/Pages/9742_5949_4436_8120_49.aspx

Australian National Action Plan on Women, Peace and Security 2012–2018
http://www.fahcsia.gov.au/sites/default/files/documents/05_2012/aus_nap_on_women_2012_2018.pdf

Environment Management Guide for Australia's Aid Program 2012
http://www.ausaid.gov.au/Publications/Pages/2297_1393_1917_9648_6600.aspx