

The Department of Foreign Affairs and Trade response to the Mid-Cycle Evaluation of Investing in Women Phase 2 (2023-2027), June 2026

In October 2025, the Department of Foreign Affairs and Trade (DFAT) commissioned Sustineo to undertake an independent mid-cycle evaluation of the Investing in Women (IW) Phase 2 program to examine the effectiveness of the investment and achievements towards outcomes; its efficiency and value for money; and its relevance. The mid-cycle evaluation was completed in April 2026 and includes useful findings and recommendations to inform the final year of implementation under current arrangements (2026-27), as well as any potential program extension. DFAT thanks Sustineo as well as those who participated in the mid-term evaluation.

DFAT agrees with eight of the 18 recommendations and agrees in-principle with 10 recommendations. DFAT notes that no decision has yet been made on the design or scope of a future program to operate after June 2027. DFAT will draw on the evaluation's recommendations to inform consultations and, if an extension to Phase 2 is agreed, design work for any future Phase 2 extension.

Relevance

Recommendation	Response	Explanation	Action Plan	Timeframe
1) By December 2026, formally extend the program under the existing contractor for four years, with an option to extend for an additional two years based on the outcomes of a mid-cycle review. Current phase [high] .	Agree in-principle	DFAT remains committed to building on the foundational work of IW over 10 years to support women's economic empowerment in targeted countries in Southeast Asia, consistent with the <i>International Development Policy and Invested 2040</i> .	DFAT will consult internal geographic, thematic and program enabling areas regarding extension of the program under the current contract, with funding, scope and timeframes to be determined.	By August 2026
2) Commencing in the second half of 2026, conduct an independent design process to recalibrate IW against DFAT's regional and bilateral priorities while considering options for expansion where relevant	Agree in-principle	Subject to a decision in response to Recommendation 1, DFAT supports further strengthening alignment with regional and bilateral priorities and ensure	Subject to the outcome of Recommendation 1, from the second half of 2026, DFAT will undertake an extension update process and will integrate	Design completed by November 2026

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demand is clear. This design process should ensure that country specific program strategies are developed in close alignment with Post DPPs and bilateral priorities, while preserving the cross-country coherence and synergies that underpin IW's overarching Theory of Change. Current phase [high]		country strategies align with DPPs, while maintaining cross-country coherence.	country specific plans into the implementation of the extension.	
3) During the remainder of this phase, IW should take a more deliberate and opportunistic approach to regional engagement, leveraging existing work including research outputs, SNAPS findings and MERL products to contribute to relevant regional forums and showcase country-level results through ASEAN, APEC and the Invested 2040 channels. A more substantive regional focus beyond multi-country, with dedicated resourcing and an explicit regional strategy should be embedded into the next phase's design and Theory of Change. Current phase	Agree	DFAT supports increased regional engagement commencing during the remainder of the current phase, within the scope of existing resources. Regional focus for any Phase 2 extension to be considered in the Phase 2 extension design (Recommendation 2), including in Terms of Reference for the design.	To be reflected in IW Annual Plan 2026-27.	Action Plan by July 2026. Implementation in FY 2026-27.

Coherence

Recommendation	Response	Explanation	Action Plan	Timeframe
4) A future phase should embed joint strategy development as a structural feature of program design, bringing workstream leads together at the outset	Agree in-principle	DFAT supports greater coherence being established at the design phase, should a Phase 2 extension proceed.	DFAT will consider embedding joint strategy development in any Phase 2 extension, through	By November 2026

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<p>to identify shared objectives, audiences, complementary entry points and partner relationships that can serve more than one workstream. Coherence should be designed in from the start rather than coordinated during delivery to maximise program-wide effectiveness and reinforce mutually reinforcing pathways to impact. Option period</p>			<p>the design process and IW Annual Plans.</p>	
<p>5) For the remainder of the current phase, IW should identify and prioritise the specific cross-workstream connections most likely to generate compounding impact, particularly the W3/W1 normative-to-workplace pathway, the W4/W1 investment pipeline opportunity, and the W2/W4 care economy and GLI alignment in Vietnam and dedicate explicit coordination capacity to realising these synergies. Both phases</p>	<p>Agree</p>	<p>DFAT recognises the value of strengthening cross-workstream linkages in 2026-27 where these are practical and likely to deliver added impact with existing resources, with more resource intensive integration to be considered in any extension to Phase 2.</p>	<p>DFAT will support IW to prioritise targeted, high-value cross-workstream collaboration in the 2026-27 Annual Plan.</p> <p>Broader or more resource-intensive integration will be considered in the Phase 2 extension.</p>	<p>Ongoing</p>
<p>6) W3 should continue to focus on its chosen demographic for the remainder of this phase, with endline SNAPS results informing whether continued focus is warranted in any next phase. Consideration should also be given to repositioning W3 as a cross cutting normative change function embedded within each workstream, with targeted interventions designed to reflect each</p>	<p>Agree in-principle</p>	<p>DFAT supports endline SNAPS results informing future direction, should a Phase 2 extension proceed.</p>	<p>Future repositioning of W3 to be considered in any Phase 2 extension design, including consideration of a twin-track (standalone and integrated) approach to social norm change.</p> <p>Specifically, delivery of W3 in Myanmar could be considered in design.</p>	<p>By November 2026</p>

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country's context and operating environment. Both phases				
7) W4 implementation partners should strengthen structural arrangements to support more integrated delivery, explicitly positioning the Innovation Window, the IW Fund and market building activities as components of a single coordinated system. Governed by the W4 Director, this should include a shared strategy in which learnings, due diligence processes and market building approaches are deliberately connected, Innovation Window partners have a clear pathway into the IW Fund and feedback loops between all three sub-streams are formalised. Option period	Agree	DFAT supports exploring opportunities to further strengthen coordination across W4 components and better connect learning, market engagement and investment pathways in any extension to Phase 2.	More comprehensive integration will be considered in the Phase 2 extension, work planning and future planning for Australian Development Investments.	By November 2026

Effectiveness

Recommendation	Response	Explanation	Action Plan	Timeframe
8) To strengthen W1 effectiveness and sustainability, IW should pursue the following complementary actions: <ul style="list-style-type: none"> a. explore more intentional sector targeting in the remaining program period, working toward depth in two or three priority sectors to generate demonstration effects and peer influence. Both phases 	Agree in-principle	DFAT supports more intentional sector targeting and flexibility in delivery approaches to strengthen W1 effectiveness and scale. DFAT notes this would commence in the current program period, but implementation would largely be during any Phase 2 extension. DFAT also notes that it is important that Business	DFAT will support IW to pursue targeted and flexible approaches within the current phase through the 2026-27 Annual Plan, while maintaining the representative role of BCs. DFAT will also consider a broader mix of partners to	By November 2026

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<p>b. provide greater flexibility for BCs to operate beyond a predominantly membership-based structure, with alternative models such as the GEARS-first consultancy approach considered as viable pathways for delivering WGE services at scale Option period</p> <p>c. ensure a next phase design considers expanding the range of delivery partners engaged in promoting WGE beyond BCs, including chambers of commerce, sector associations and regulatory compliance platforms Option period</p>		<p>Coalitions (BCs) remain central and member-led, ensuring they continue to represent and respond to the needs of their memberships, and provide opportunities for peer learning and support, rather than operating primarily as consultancy providers.</p>	<p>complement BC-led delivery in the Phase 2 extension.</p>	
<p>9) IW should adopt a more deliberate research-to-influence strategy that identifies priority audiences, including investors, business leaders and policymakers, and tailor dissemination formats to those audiences by linking research outputs more directly to engagement activities such as investor roundtables, coalition advocacy and policy dialogue. Given IW's ten years of programming, existing publications and MERL outputs should be actively developed into products suitable for regional and national dissemination. Both phases</p>	<p>Agree</p>	<p>DFAT notes that IW is already strengthening its research-to-influence approach.</p>	<p>To be reflected in IW Annual Plan 2026-27 and in any Phase 2 extension design.</p>	<p>July 2026</p>

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<p>10) Given the relatively small scale of the IW Fund and Innovation Window, their influence will depend heavily on their signalling and demonstration value. The program should take a consolidated approach to capturing and communicating evidence of commercial viability, investor behaviour changes and investee outcomes, including data from Phase 1 to build a cumulative and compelling case for the GLI agenda across Southeast Asia. Current phase</p>	Agree	DFAT agrees the importance of a consolidated approach to building a strong evidence base to inform effective approaches to GLI across Southeast Asia.	DFAT, together with IW, will build on existing efforts to communicate the value of GLI investments across Southeast Asia, drawing on a consolidated evidence base.	Ongoing
<p>11) A future phase should consider larger capital allocations or blended finance mechanisms capable of supporting a greater number of transactions and attracting co-investors. The design should place greater emphasis on investee support and technical assistance relative to capital deployment, with mechanisms such as the Innovation Window calibrated accordingly. The feasibility of any larger capital allocation will need to be assessed against the availability of an investment-ready pipeline. Option period</p>	Agree in-principle	DFAT notes the opportunity to strengthen the scale and impact of gender lens investments in any extension of Phase 2, including through potentially larger capital allocations or other innovative financing approaches, alongside a stronger focus on investee support and technical assistance.	DFAT will consider options for scaling capital and enhancing technical assistance in the Phase 2 extension budget, as well as in the context of any future expansion of Australian Development Investments.	By November 2026 for any IW Phase 2 extension design

Efficiency

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<p>12) A critical review of program deliverables and reporting outputs should be conducted with the objective of reducing administrative burden without compromising oversight, accountability or coordination. This should include consolidating reporting into two substantive annual products and developing greater clarity on what requires formal DFAT approval, active input or notification only. Option period</p>	Agree	<p>DFAT agrees there are opportunities to streamline deliverables and reporting, including in any Phase 2 extension.</p>	<p>DFAT will review IW deliverables and reporting requirements as part of contract extension and IW annual plan. The aim will be to streamline processes, reduce administrative burden, and improve clarity on approval pathways. This will include exploring consolidation into fewer, higher-value reporting products and clearer delineation of DFAT roles (approval, input, notification), while maintaining accountability and oversight.</p>	By July 2027
<p>13) IW governance should be supported by an independent QTAG reporting directly to the SAB. Recruited by end 2026, this would be a lean body of independent technical experts that provides DFAT with a standing capability to commission advice and explore emerging technical questions whether at the program level, within a specific country context or within a particular workstream. This body will provide advice to the independent design team and guidance for its implementation. Both phases [high]</p>	Agree in-principle	<p>DFAT notes that IW is a mature program with strong oversight and technical input mechanisms already in place, including access to external advisers and close engagement with thematic and technical expertise across DFAT. Consideration of an additional mechanism to support program governance will be explored, noting that it would require resourcing (with a trade-off of resources available for program implementation).</p>	<p>DFAT will consider opportunities to strengthen technical advice in any Phase 2 extension.</p>	By November 2026

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14) Consideration should be given to structurally separating workstream director positions from country management roles to ensure both functions receive sufficient dedicated attention, recognising that combining these responsibilities risks diluting strategic workstream leadership or constrain the depth of country level engagement. Option period	Agree in-principle	DFAT recognises there are benefits to separating workstream leadership and country management roles, while noting that there are also advantages to the current integrated model, including cost-efficiency, coherence and strong links between strategic and operational delivery.	DFAT will maintain current arrangements in the current program period, while monitoring effectiveness. Options for structural separation, including associated trade-offs, will be reassessed as part of any Phase 2 extension.	By November 2026

Sustainability

Recommendation	Response	Explanation	Action Plan	Timeframe
15) Across all countries, BCs should continue to be appropriately resourced as they transition toward financial sustainability, with a concurrent and meaningful reduction in administration and reporting requirements. By program end, each BC should be able to demonstrate progress against a credible transition pathway - including reduced reliance on DFAT funding, intentional revenue diversification and a post-program operating plan led by its CEO and board. Success for BCs should be assessed against this broader picture of organisational and programmatic health, encompassing networks, capability, tools, legitimacy and embedded roles in	Agree	DFAT recognises the importance of supporting BCs to transition toward financial sustainability in a way that reflects their broader organisational strengths and long-term role in market systems.	DFAT will support IW to embed these priorities in the 2026–27 Annual Plan. IW will actively drive transition planning, including revenue diversification and CEO- and board-led operating plans, and will track and report progress. BC sustainability should also be addressed in any Phase 2 extension design.	July 2026 By November 2026

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<p>policy and market systems, rather than membership numbers, GEARS metrics or financial sustainability alone. Where IW has undertaken financial sustainability modelling, this should be drawn on to inform realistic expectations and planning for the remainder of the phase.</p> <p>Both phases</p>				
<p>16) IW should actively implement the approved priorities of the GEARS Roadmap in the remaining program period, with particular attention to the transfer of intellectual property to BCs. This will ensure that the tool's quality, relevance and market credibility can be maintained and governed independently of DFAT funding beyond the life of the program, ensuring BCs have agency and ownership over their core product offering. Current phase</p>	<p>Agree in-principle</p>	<p>DFAT recognises the importance of ensuring the GEARS tools and resources remain high-quality, credible and sustainable beyond DFAT funding.</p> <p>This includes, as part of any future extension design, exploring options to transfer intellectual property to BCs while ensuring the framework for GEARS is current, market-relevant and supports BC ownership and independent governance.</p>	<p>DFAT will support IW to implement GEARS Roadmap priorities and to review and refresh the Roadmap within the current phase.</p> <p>DFAT will explore options for transfer of intellectual property as part of any Phase 2 extension design.</p>	<p>By July 2027</p> <p>By November 2026.</p>
<p>17) DFAT should explore options for sustaining and scaling the IW Fund in a next phase, including the feasibility of a co-contribution model, whereby ADI draws on capital reflows from the existing recycling mechanism and participating Posts consider complementary bilateral contributions. This would increase the fund's investable capital without</p>	<p>Agree in-principle</p>	<p>DFAT notes the opportunity to scale gender lens investments in any extension of Phase 2.</p> <p>The feasibility of a co-contribution model will depend on further consultation with Posts and key DFAT line areas, as well as budgetary considerations and</p>	<p>DFAT will explore options for scaling the IW Fund in the Phase 2 extension, including in the context of any future expansion of Australian Development Investments.</p>	<p>By November 2027</p>

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requiring proportional increases in central program funding, while strengthening Post ownership of GLI outcomes and deepening coherence between IW's regional investment strategy and the objectives of Invested 2040. Any such model should be assessed carefully against Post programming priorities, bilateral pipeline potential and ADI's mandate to maintain a regionally coherent and sector-agnostic investment strategy and should not be pursued in ways that fragment or complicate the fund's investment logic. Option period		alignment with bilateral priorities and ADI's mandate.		

Crosscutting

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18) During the next phase, the intersectionality framework should be redesigned to provide concise and actionable strategies for disability inclusion, localisation and climate integration across all workstreams, embedded into IW's theory of change. This framework should be grounded in how intersectionality is understood and valued from a private sector perspective rather than remaining academic in framing. Option period	Agree	DFAT notes the importance of the intersectionality framework as a lens to understand how women's experiences are shaped by interacting social, economic and structural factors that influence power and opportunity.	DFAT will task IW to review and strengthen IW's frameworks – including the intersectionality framework – in any extension of Phase 2.	By July 2027

