

DFAT Management Response

Mid-Term Review of Australia's Support to The Economic Research Institute for ASEAN and East Asia (ERIA)

DFAT commissioned a Mid-Term Review (MTR) of Australia's Support to the Economic Research Institute for ASEAN and East Asia (ERIA) from July to December 2020. Due to the ongoing COVID-19 pandemic, the review was conducted remotely by Clear Horizon, with online consultations and observations. The overall purpose of the review was to inform program improvement, assess effectiveness and efficiency of the program, including whether it has successfully pivoted to address the impacts of COVID-19, and decisions about future funding of the program.

The review was conducted before the 1 February 2021 military coup in Myanmar, as were all the activities it considered. In response to the coup, the Australian Government is redirecting elements of its development assistance in Myanmar, and this may affect how some of the recommendations of the review are taken forward.

The review identified mechanisms to influence the ASEAN and East Asia Summit (EAS) policy debate through the ERIA program, and provided a key risk management strategy, analysis and integration of cross cutting issues such as gender, revisions to the program management approach and monitoring and evaluation (M&E).

The review's overall finding is that *"There is sufficient evidence to suggest the program is having a positive impact in the region. The program has effectively pivoted to respond to COVID-19 in delivering results linked to both ASEAN and Australian priorities in a resources-efficient manner. Building networks should ensure the ongoing sustainability of the investment in ERIA."*

The review found that the program is likely to **partially achieve its end of program outcomes by June 2023**, is using its **moderate resources relatively efficiently**, and is generally **performing well in promoting gender equality and women's empowerment**. The **main risk** categories relate to COVID-19, the program's ability to demonstrate its impact and the ongoing **sustainability of the investment in ERIA**. The review found that **the program has effectively pivoted to respond to COVID-19**. It identified scope for improvement in incorporating gender analysis and made specific recommendations to that end.

The ERIA MTR report gave nine recommendations for the current program and a further four for a future phase of the program.

Summary of DFAT Management Response

DFAT welcomes the findings of the review, in particular the finding that there is sufficient evidence to suggest the program is having a positive impact.

We agree with eight recommendations and partially agree with one recommendation. Most of these recommendations were intended to inform the current program. The review offered a smaller number of recommendations for the future, including that Australia fund a further phase of support to ERIA once the current phase finishes in June 2023.

While the COVID-19 pandemic has presented challenges to the ways in which think tanks traditionally operate, it has also presented opportunities for digital transformation and amplified research outreach. We note that since the review was completed, ERIA has increased its rank in the 'Top International Economic Policy Think Tanks' category from thirteenth to ninth in the 2020 Global Go To Think Tank Index Report (GGTTI)¹, published in January 2021.

As the following table sets out, DFAT agrees wholly or in part with all of the recommendations and where appropriate is already working to give them effect.

¹ The report conducted by the Think Tanks and Civil Societies Program (TSCSP) at the University of Pennsylvania.

Management efficiency

Recommendation	Response	Explanation	Action plan	Timeframe
Recommendation 1: Revise the program management approach so that monthly meetings include discussion on the strategic direction for the program and effective allocation of resources across the program's priorities.	Agree	<p>Lack of an overall manager reduces strategic coherence across the program.</p> <p>The DFAT First Secretary ASEAN and DFAT Program Manager ASEAN could meet monthly with the ERIA Strategy and Partnership Director (SPD), ERIA Capacity Building Director (CBD) and ERIA Chief Operating Officer (COO) to discuss the strategic direction for the program and effective allocation of resources across the program's priorities. The ERIA Communications Director could be an optional attendee at the meeting given some of the joint work with SPD.</p> <p>The current ERIA fortnightly updates could be reduced to monthly updates which form the basis for this monthly meeting.</p>	<p>a. DFAT First Secretary ASEAN and DFAT Program Manager ASEAN will meet monthly with ERIA SPD, CBD and COO.</p> <p>b. SPD and CBD will submit monthly updates to the DFAT Program Manager one week prior to the monthly meeting.</p>	Ongoing - starting January 2021

Effectiveness of the Strategy and Partnership Program (SPP)

Recommendation	Response	Explanation	Action plan	Timeframe
Recommendation 2: The Draft Strategic Outreach Strategy for ERIA be re-written to clearly articulate its purpose, goals, objectives, challenges, strategies and actions.	Agree	<p>The draft ERIA Outreach Strategy is a work in progress but could benefit from a more structured and strategic approach supported by the findings from the review.</p> <p>The drafting process will require time and the SPD will need to work with other ERIA colleagues and DFAT to clarify the intent of such Strategy, given that a number of other key colleagues in ERIA are also involved in strategic outreach (COO, President Office, Communications Director, etc).</p> <p>The Strategy should also be mapped according to the ASEAN Comprehensive Recovery Framework (ACRF) to show how the program activities will contribute to it.</p>	<p>a. DFAT Program Manager and SPD will work together to clarify the intent of a draft ERIA outreach strategy, involving the CBD, ERIA Communications Director and DFAT.</p> <p>b. SPD will rewrite the draft Outreach Strategy, map the Strategy according to the ACRF and submit it to DFAT Program Manager.</p>	A revised draft ERIA Outreach Strategy to be submitted by July 2021
Recommendation 3: The SPD work with the ERIA Communications Team to develop	Partially Agree	The SPD does not develop many policy briefs or opinion pieces for local publications in CLM	a. DFAT and ERIA to further discuss the SPD working with Program	May 2021

Recommendation	Response	Explanation	Action plan	Timeframe
			<p>GEDSI strategy into the program.</p> <p>b. DFAT will link the program to gender advisors in CLM Posts and relevant work on gender in bilateral and other regional programs.</p>	

Pivot to COVID-19

Recommendation	Response	Explanation	Action plan	Timeframe
<p>Recommendation 5: The program's work plan includes funds to pay for technical skills to help design effective online CBP courses where online courses are deemed feasible and appropriate.</p>	Agree	<p>DFAT acknowledges the review finding that the delivery of online CBP content is challenging, and has created a risk around the achievement of the program's outcomes.</p> <p>The design of online courses was a challenge in the beginning of the COVID-19 pandemic. CBP managed to deliver e-commerce courses for Myanmar and</p>	<p>a. CBD will pay for technical skills to help design effective online CBP courses where online courses are deemed feasible and appropriate.</p>	Ongoing

Recommendation	Response	Explanation	Action plan	Timeframe
		Cambodia in 2020. These online courses were well-designed. The remaining challenge, outside ERIA's control, is variable internet connectivity for government officials to be able to participate in online activities.		

Maximising the effectiveness of the Capacity Building Program (CBP)

Recommendation	Response	Explanation	Action plan	Timeframe
Recommendation 6: CBD and SPD, with DFAT, look for more opportunities to build synergies with bilateral program economic initiatives by working closely with CLM Posts.	Agree	<p>The CBP work could be strengthened through a greater on the ground presence to engage with partners and assist them to apply their CBP learnings.</p> <p>CBP has developed a donor mapping matrix in CLM and is keen to work with other programs. Some synergies are already happening e.g. CBP e-commerce worked with other DFAT grant recipients and work with a key donor on negative lists. The</p>	a. DFAT will link the program to relevant bilateral economic programs in CLM Posts. CBD and SPD will help maintain the linkages once established by working closely with CLM Posts.	Ongoing

Recommendation	Response	Explanation	Action plan	Timeframe
		opportunities for synergies should also go beyond CLM. DFAT agrees that the effort could be better connected with bilateral programs.		
Recommendation 7: CBD and SPD strengthen relationships with policy analysts and political advisors based in CLM countries who can help to provide direct face-to-face engagement and activity support to help with the implementation of knowledge built during the CBP sessions.	Agree	The program should ensure capacity building knowledge is retained and applied by program partners. A solid plan is needed to action this recommendation. The challenges are in finding the interest and experts for a longer term engagement in certain topics.	a. CBD and SPD will find the interest and experts for a longer term engagement in certain topics. b. DFAT will consider potential support through relevant CLM bilateral programs	June 2021
Recommendation 8: The Program Advisors work with the CBD to establish an 'alumni network' or 'community of practice' in each country around key topics to help maintain interest, networks and momentum on critical policy issues.	Agree	CBD has (informal) alumni networks via various platforms. DFAT agrees that the program should have a more formalised network. Australia has established alumni networks in most countries where it provides university scholarships and short courses to local students. It is recommended that the program tap into these existing	a. CBD will work with Program Advisors in CLM to establish an 'alumni network' or 'community of practice' in each country around key topics to help maintain interest, networks and momentum on critical policy issues and ensure that this network is well linked with existing	Ongoing

Recommendation	Response	Explanation	Action plan	Timeframe
		networks and experts rather than duplicating these structures.	Australian alumni networks.	

Simplifying and strengthening the program's Monitoring and Evaluation (M&E)

Recommendation	Response	Explanation	Action plan	Timeframe
Recommendation 9: The Program's Theory of Change (ToC) be revised and the M&E Plan simplified to better target data collection around capacity building activities and instead increase the focus on strategic reporting. The program should engage a Short Term Advisor (STA) to support the program to regularly assess progress and write its Annual Progress Reports.	Agree	<p>The review found that the program is likely to partially achieve its end of program outcomes which suggests that the current ToC (M&E Program Logic) should be reviewed to consider whether the end of program outcomes are too high level. The ToC could also be simplified.</p> <p>The current program's Annual Reports are focused on activities and outputs and could be structured better to capture outcome and impact information.</p>	a. Subject to budget availability, DFAT will engage a short term advisor to revise the M&E Plan, support the program to regularly assess progress and facilitate its Annual Reports preparation.	<p>The Annual Report was submitted on 31 March 2021 and the revised M&E Plan will be submitted in June 2021.</p> <p>The regular assessment of the program's progress will be ongoing.</p>

Recommendations 10-13 are for a future phase of the program and will be considered at that time
A further phase of support
10. Australia fund a further phase of support to ERIA once the current phase finishes in June 2023.
Improving program effectiveness and efficiency
11. Under the new program, budget management becomes the responsibility of the COO and the SPD and CBD report to the COO regarding their budget allocations.
Better incorporating gender
12. Australia fund a gender advisor to support ERIA to including gender considerations and to help ERIA build linkages with other organisations working in this area.
Improving likelihood of sustainability
13. Engage with other donors, including the private sector, to encourage them to consider supporting ERIA and diversifying the funding base.