



Australian Government
Department of Foreign Affairs and Trade

Investment Design Document
for
the Extractives for Growth Component
of
the Australia–Africa Development Program

Extractives for Growth	
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Acronyms, Abbreviations and Definitions

AADP	-	Australia–Africa Development Program
AAPF	-	Australia–Africa Partnerships Facility
AFB	-	DFAT Africa Branch
Alumni	-	recipients of Australia Awards or Australian Centre for International Agricultural Research Awards who have successfully completed their scholarship and returned home
AMDC	-	Africa Minerals Development Centre, United Nations Economic Commission for Africa
AMV	-	African Mining Vision
APR	-	Activity Proposal Request
Applicant	-	a person who has applied for, but has not yet received, a DFAT-funded scholarship
AusAID	-	Australian Agency for International Development
AusTrade	-	Australian Trade Commission
CSOs	-	Civil Society Organisations
DFAT	-	Australian Department of Foreign Affairs and Trade
E4G	-	Extractive for Growth
EE Countries	-	Enabling Environment Countries (a subset of the Target Countries, including Madagascar, South Africa, Ethiopia, Ghana and Nigeria)
EITI	-	Extractive Industries Transparency Initiative (Transparency International)
FAS	-	First Assistant Secretary
Focus Countries	-	Mozambique, Tanzania, and Zambia
GoA	-	Government of Australia / Australian Government
GDP	-	Gross Domestic Product
GIZ		<i>Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH</i> (German Society for International Cooperation)
HoMs	-	DFAT Heads of Mission
IC	-	Investment Concept
IDD	-	Investment Design Document
IM4DC	-	International Mining for Development Centre
M&E	-	Monitoring and Evaluation
MC	-	Managing Contractor
MEF	-	Monitoring and Evaluation Framework
MES	-	Monitoring and Evaluation System
NGO	-	Non-Government Organisation
OECD	-	Organisation for Economic Co-operation and Development
Post	-	DFAT staff located outside Australia and usually at an Australian diplomatic mission (Embassy or High Commission)
Program	-	Australia–Africa Development Program
PWD	-	People with Disabilities
QA	-	Quality Assurance
REI	-	Regulatory Environment for Investment
RFT	-	Request for Tender
Scholarship	-	a long-term award (Australia Awards Scholarship) funded by DFAT
SEA	-	Strategic Environmental Assessment
SME	-	Small and Medium Enterprise(s)
SPC	-	
SSAAP	-	Sub-Saharan Africa Aid Program (GoA)
TA	-	Technical Assistance
Target Countries	-	List of countries notified by DFAT AFB. The current list includes: Nigeria, Cameroon, Ghana, Cote d'Ivoire, Senegal, Ethiopia, Malawi, Zimbabwe, Zambia, Kenya, Tanzania, Rwanda, Uganda, Somalia, South Sudan, Botswana, Mozambique, Namibia, South Africa, Madagascar, Mauritius,

		Seychelles.
ToC	-	Theory of Change
TVET	-	Technical and Vocational Education and Training

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1 Executive Summary

Introduction

The goal of the Australian Government's (GoA) Sub-Saharan Africa Aid Program (SSAAP) is *to assist African people to achieve more equitable access to the benefits of economic growth*. From 2014 / 2015, the SSAAP also includes four objectives, one of which is directly relevant to this design:

'To improve extractive sector management and its contribution to inclusive economic growth through developing skills, increasing government capacity and empowering local communities.'

The purpose of this investment design document (IDD) is to *outline an Extractive for Growth (E4G) Component of the Australia–Africa Development Program (AADP)* that will deliver on the above objective. This E4G Component IDD is to be read in conjunction with the separate IDD for the overall AADP and the Australia Awards Component of the AADP.

Australia has made positive contributions to Extractive Sector Development in Africa

A well-managed mining, oil and gas sector (extractive sector) can help drive sustainable growth and poverty reduction in Africa. The McKinsey Global Institute estimates that *540 million people in resource-driven countries could be lifted out of poverty by effective development and use of extractive reserves*. However, the extent to which benefits are achieved depends heavily upon how countries meet the various economic, social and governance challenges that the extractive sector can present.

Australia has become a leader in mining practice, actively promoting sustainable development and industry self-regulation through proactive adoption of leading practice principles. Australia, through this experience and expertise, has a great deal to offer African countries seeking to develop their extractive sectors. For example, Australia has a mature domestic extractive sector, effective institutions and structures in place to manage the sector and the wealth it creates. Australia also has significant development expertise and is well placed to assist developing countries overcome the challenges presented by the extractive sector. Australia has also been an active contributor to extractive sector development in Africa through its current Australia-Africa Partnerships Facility (AAPF). Successive Australian governments, the extractive industry, and communities each have experience of both the good and bad of extracting resources and managing resource cycles. These lessons and the lessons garnered from previous GoA-funded assistance to extractive sector development have proven to be very useful to share with African Governments and communities as they look at how to minimise the potential risks associated with the extractive sector and also maximise the economic benefits and employment opportunities from those resources.

Key considerations in identifying the shape of assistance proposed for the GoA to provide through the AADP's E4G Component include:

1. the desire to *build on existing successful activities* and partnerships, in particular on the already designed mineral skills partnerships and 'mining and communities' pilot activities in *three Focus Countries* (Mozambique, Tanzania and Zambia);
2. *aid effectiveness* considerations associated with the GoA's development activities in the extractive sector, particularly the increased focus on results and private sector involvement in building skills and Small and Medium Enterprises (SME) opportunities;
3. the implications of the potentially disparate locations of E4G Component activities across approximately *8-10 Target Countries in Africa* for logistics and for engagement and performance of a Managing Contractor (MC);
4. ensuring that DFAT Heads of Mission (HoMs) and DFAT staff with Aid Program management responsibility across the continent, including the responsibility to identify and propose activities to be funded under the E4G Component, have *access to relevant information and technical assistance*;
5. identifying Theory of Change (ToC) and Monitoring and Evaluation (M&E) requirements that enable discrete *progress measurement* of E4G Component activities and also contribute meaningfully to identification of the overarching AADP's outcomes;

6. ensuring that activities under the E4G Component *incorporate enabling themes*, such as gender, disability, environment, and safe guards such as anti-terrorism, anti-corruption and child protection; and
7. identifying specific risks (and their treatment options) of proposed E4G Component activities. E4G Component activities overall are considered *moderate risk* activities.¹

Australian assistance to African extractive sectors to focus on skills development, building extractive industry and community links, and enhancing enabling environments

The proposed E4G Component approach includes:

- activities in three Focus Countries (Mozambique, Tanzania, and Zambia) where Australia will have a deeper, longer-term engagement. Australia has decided that it will prioritise these three Indian Ocean rim countries over the next four years and it is in these three countries that the bulk of the E4G Component investment and activities will take place in skills development and building links between extractive industries and communities;
- shorter-term responsive activities focused on enhancing the enabling environments across a larger group of 8-10 Target Countries (beyond the three focus countries, support will extend to Madagascar, Ghana, Nigeria, as well as an additional number of countries that are being determined) where Australia can leverage existing partnerships, Australian expertise, and Australian private sector engagement. Australia has invested significantly in building relationships across African nations over the last decade. Shorter-term responsive activities under the E4G Component provide an opportunity for Australia to build on and leverage those relationships, including by harnessing Australia Awards alumni and engaging them in extractive-sector activities; and
- regional level extractive-sector related activities, such as the Infrastructure Skills for Development Program and Africa Minerals Development Centre (AMDC). These activities will provide an opportunity for Australia to remain engaged in international efforts to support African nations' implementation of the African Mining Vision (AMV) and for promotion of sustainable economic development initiatives. E4G Component infrastructure skills for development activities will focus on building planning and project management skills within relevant African government institutions.

Australian assistance will focus on three areas where the greatest potential for generating shared value between governments, communities and industry exists: *skills development*; *extractive industries and communities*; and *enabling environments*. These are areas that; are key to governments leveraging maximum development value from their extractive resources; will determine the employment and livelihood benefits that flow to communities; require (and provide opportunities for) partnerships between governments, industries and communities to find solutions; and represent major risks for the private sector.

E4G Component activities will *harness Australia's broad extractive-related expertise* (private sector, government, non-government organisation (NGO), research and training). *Private sector engagement in particular will be an underlying theme* and will be achieved through:

- *partnerships with the private sector* that support delivery of different aspects of the E4G Component (e.g. utilising private sector expertise for mentoring, participation in seminars, hosting work placements etc.); and
- *drawing on private sector knowledge and experience* in conceptualising and designing activities, including skills development at Technical and Vocational Education and Training (TVET) institutions;
- *deepening private sector involvement in the Australia Awards program* both in terms of private sector participants and potential private-sector funding of awards under the program; and
- *assisting the private sector to better target funds allocated to corporate social responsibility and potentially leveraging off these funds.*

E4G Component Structure and Implementation

¹ A risk matrix for the AADP as a whole is set out in Annex E of the overarching AADP IDD and draft risk matrix for the E4G Component is set out in Annex H to this E4G IDD. The MC will be required to analyse risks and refine the E4G Component risk matrix during the first three months of combined implementation.

The *Australia–Africa Development Program* (AADP) proposed **goal**, which mirrors DFAT's SSAAP overall goal, is:

'To assist African people to achieve more equitable access to the benefits of economic growth'

To help address this goal, the proposed E4G Component **objective** is :

'To improve extractive sector management and its contribution to inclusive economic growth through developing skills, increasing government capacity and empowering local communities.'

The E4G Component will achieve the following **outcomes**:

1. More African men and women employed in higher skilled roles in, or deriving improved livelihoods from the extractive sector;
2. Improved enabling environments which encourage, attract and support quality extractive-related investments by the public, private and civil society sectors in a more accountable, transparent and equitable manner ;
3. More inclusive economic development flowing from the extractive sector; and
4. Enhanced relationships between Australia and Africa.

A Results Diagram for the overall AADP, which shows the E4G Component's contribution to AADP outcomes, is set out in Section 2 of the overarching AADP IDD's **Annex D: Monitoring and Evaluation System**.

Annual activity planning of activities for the E4G Component will include consultations with relevant internal stakeholders (HoMs) and external stakeholders (partner governments and agencies, private sector, and service providers / delivery partners, such as International Mining for Development Centre (IM4DC) or its successor, and communities).

In addition to the activities in the three Focus Countries and the Target Countries, the E4G Component will also continue to support regional initiatives, such as the Infrastructure Skills for Development Program and AMDC, as well as supporting legacy activities and on-going work with NGOs and Civil Society Organisations (CSOs).²

DFAT's Africa Branch (AFB) will manage the E4G Component from Canberra. It is envisaged that there will be a single DFAT contract manager (focused on contractual and financial management of the overall AADP) with a dedicated E4G team focussed on policy and program management of the E4G Component.

Harnessing management and financial efficiencies, a single service provider (either one company or a consortium) is proposed to implement the E4G Component activities as part of the AADP; this single MC will also implement the AADP's Australia Awards Component activities). To improve Program impact, the selected MC will be required in particular to proactively identify synergistic opportunities to leverage the activities and outcomes of each component (E4G and Australia Awards) against each other through a **Program Implementation Unit**. The Program Implementation Unit will proactively support DFAT's management of the Program and components by providing high quality program administration (financial and progress reporting, Human Resources Management, M&E, logistics, etc.), extractive technical expertise, expertise in building community and extractive sector relationships, and strategic analysis and advice on opportunities for innovation, private sector investment, program synergy as follows:

- Strategic and specialist analysis and advice to DFAT;
- Operational and corporate services to both Components, including:
 - recruitment and contractual management of TA personnel;
 - financial management and reporting for program activities in accordance with DFAT contractual requirements, including, where relevant, requirements as detailed in Tasking Notes;

² DFAT will directly manage AMDC and CSO / NGO support and this will not form part of the managing contractor's contract value for the proposed program.

- management tools, policies and procedures and staffing resources and expertise to support delivery of the above.

Monthly financial reporting will be complemented by comprehensive **six monthly and annual reports** on progress against the annual plan. Annual reports will clearly describe the E4G Component's achievements and contribution to AADP goal and objectives. Year 1 baseline and Year 4 evaluation exercises, together with an independent mid-term review, will permit appraisal of the E4G Component's trajectory and outcomes. A Monitoring and Evaluation Framework (MEF) has been developed for the E4G Component that will guide data generation of the E4G Component's outcomes. These data along with the Australia Awards component data will support progress measurement of the AADP against the Program-level MEF. The E4G Component MEF describes key outcomes expected from E4G Component activities, outputs and the activities. The MEF also includes two-year and four-year targets, key performance indicators, and the monitoring tools needed to conduct these measurements against baselines.

The proposed **four year term of the E4G Component aligns with the overall AADP term**, with the option to extend the term for two periods of two years (4+2+2), subject to progress and outcomes. This would maximise continuity through long-term of engagement of the MC and specialist Technical Assistance (TA) personnel, while permitting regular decision-making points on scope and / or continuation of support, triggered by review / evaluation. **A three-month transitional phase between the two current MCs to a single incoming MC is anticipated** to commence on 1 April 2015, with the incoming MC responsible for full implementation from 1 July 2015.

The proposed **financial envelope** for the E4G Component is **AU\$62 million** over the initial four year term. The majority of this total envelope will be delivered through the DFAT-MC AADP contract, while the remainder will be expended directly by DFAT on costs such as support to regional organisations (e.g. the AMDC) and DFAT staff costs.

DFAT has proposed a non-prescriptive Request for Tender (RFT) for the AADP, including the E4G Component. This will provide opportunities for tenderers to propose innovative approaches to program management structures and implementation. Accordingly, **this IDD does not describe resourcing requirements and staff positions** for the E4G Component. Tenderers are expected to propose staff numbers and positions, ensuring they meet the functional requirements as outlined in the overarching AADP IDD and the implementation requirements of this E4G IDD.

Key risks for implementation of the E4G Component include:

- Possibility of a protracted tender process and associated contract negotiation which would delay transition and continuity of E4G Component activities; and
- Job security uncertainties relating to transition from two MCs to one MC may see the departure of experienced staff previously working on E4G Component-related activities and interrupt E4G Component activity implementation and transition.

Pre-Transition Steps for the E4G Component

Given the tight schedule for tendering and appointment of a new single AADP MC, it is highly recommended that the following actions are commenced immediately under existing AAPF MC contracting arrangements to facilitate transition for E4G Component activities, some of which have already commenced.

1. **Strategic Environmental Assessment (SEA):** As the E4G Component seeks to improve inclusive economic growth through its activities in the extractive sector, it is important for the E4G Component and its stakeholders and beneficiaries to have a clear picture of any potential environmental impacts associated with the E4G Component's activities prior to implementation. Accordingly, in the period prior to expiry of the current AAPF, it is recommended that the current AAPF MC:
 - Develops a set of environmental assessment criteria and a SEA process for use by DFAT Posts in developing activity proposals, and by DFAT AFB and the AADP MC when implementing E4G Component activities. Close consultation with the DFAT Environmental Safeguards Team in Canberra is recommended for the development of these environmental assessment criteria.
 - Conducts a SEA of any activities rolled over from AAPF to AADP (i.e. pilot activities in Focus Countries). The DFAT AFB, in consultation with DFAT Environmental Safeguards Team in

Canberra, would contribute to the design and implementation of this SEA for the E4G Component using the environmental assessment criteria referred to above. It is recommended that the SEA be conducted under current AAPF contracting arrangements and prior to commencement of the AADP;

2 Analysis and Strategic Context

2.1 Development Problem / Issue Analysis

2.1.1 What is the Development Problem?

Extractive sector investment offers African countries an unparalleled opportunity to stimulate economic growth and reduce poverty. Extractive sector investment can drive innovation, generate the public revenue needed to fund critical social services and upgrade productive physical infrastructure and directly and indirectly create the jobs that lift people out of poverty. In 2010, economic rents from mining alone were valued at almost four times total Official Development Assistance to Sub Saharan Africa.³ The extractive sector contributes 42% of government revenues to African economies.⁴ The McKinsey Global Institute estimates that 540 million people in resource-driven countries could be lifted out of poverty by effective development and use of reserves.⁵

The extent to which the economic growth benefits of the extractive sector are achieved depends upon the availability of an adequately skilled workforce; links with other productive sectors / businesses throughout the extractive industry-related value chains; the quality of government and governance arrangements; the existence of an informed citizenry that is empowered to participate in decision making processes; and effective partnerships.⁶ It also depends on the capacity of governments and extractive companies to develop innovative approaches to agreement making and creation and distribution of wealth that place people, in particular women and children, at the centre of development. Investments require planning and coordination to achieve strategic outcomes in areas of greatest need, and for greatest benefit if there is to be progress towards human development goals that can be linked to the extractive sector and that have long-term positive social and environmental legacies.⁷

Problem 1: Mineral Skills Gap

The extractive sector requires a wide range of skills in order to function effectively and efficiently and to maximise wider growth and development benefits. These skills go beyond the technical extractive skills required in the private sector, span many disciplines and are needed throughout the public and not-for profit sectors.

According to the Organisation for Economic Co-operation and Development (OECD), 62% of African countries experience value-chain limitations due to skills gaps, and 52% of African countries possess insufficient skills for innovation to occur. By 2050, Africans will account for 25% of the world's workers⁸ and this workforce will need to capitalise on direct and indirect extractive sector employment opportunities for economic growth to be maintained.⁹ However, skills shortages have been identified as the number one ranked business risk for the extractive sector over the last six years.¹⁰

This disconnect has been caused in large part by: (i) a lack of robust policy and workforce planning that is responsive to industry and government skilling needs, without which governments and companies cannot adequately connect, prepare, train and employ workers; and (ii) weak capacity of educational and technical / vocational training institutions to deliver the quality and quantity of skilled workers to the market. The divide between the needs of the industry and the skills produced by regional and national skills institutions needs to be rectified through improved collaboration and joint

³ Africa's Pulse, World Bank, Volume 6, October 2012, p. 13.

⁴ Africa's Pulse, World Bank, Volume 6, October 2012, p. 14.

⁵ McKinsey Global Institute (MGI), 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 1.

⁶ This section is drawn from the Investment Concept Note for the AADP, and draws on analytical pieces and significant consultations, including with Australian businesses operating in Africa.

⁷ International Council on Mining and Metals (2014) Approaches to Understanding Development Outcomes from mining.

⁸ Jonathan Berman. Seven Reasons Why Africa's Time is Now. Harvard Business Review Magazine (2013)

⁹ African Economic Outlook: Country Experts Survey 2012.

¹⁰ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014'.

planning between the public and private sectors, better capacitated African education and training institutions, and enhanced planning and workforce planning capability in government.

Problem 2: Weak Extractive and Community Partnerships

While the extractive sector can help build resilient local economies and communities, the competing priorities of governments, communities and companies often prevent the local economic growth and poverty reduction dividends of extractive activities being realised. There is a range of reasons for this: information, power and capacity asymmetries (both communities and companies experience this); lack of coordination and planning between government at both local and national levels) and companies' varying approaches to Corporate Social Responsibility initiatives; lack of community engagement in strategy development; weak partnerships; exacerbation of existing inequalities (gender equality); lack of access and capacity in local markets; failure to coordinate across communities and districts; and absence of appropriate dispute resolution processes. Local communities expect to reap a share of the benefits of developing their natural resources, and to minimise the negative social and environmental aspects of extractive industry involvement.

Extractive companies are increasingly cognisant of the need to retain their social license to operate (fourth biggest risk to the sector in 2013–2014).¹¹ Extractive companies can make substantial contributions to local employment and supply chains. Between 40-80% of revenue created in the extractive sector is spent on the procurement of goods and services, often exceeding tax and royalty payments.¹²

According to the OECD however, 55% of African countries have local suppliers that are not competitive on price or performance,¹³ suggesting an important need to build the capacity of local SMEs. As exploration and production increasingly shift to frontier markets,¹⁴ companies, governments and communities can reframe their mission to create mutually advantageous partnerships, where communities are informed and have real opportunities to influence decision making and where people, especially the most vulnerable, are placed at the centre.

Opportunities therefore exist to maximise synergies between the extractive sector and other sectors, such as agriculture. Community partnerships in the extractive sector, for example, could involve to communities selling produce to extractive industry clients, thereby affording synergies between extractive and agricultural sectors. Such intersections provide opportunities for extractive sector activities to contribute to the livelihoods of community members, and help to drive sustainable economic development.

Problem 3: Weak Enabling Environment

African countries have much to gain from ensuring that their extractive sectors are well managed and globally competitive – that is, that an appropriate enabling environment is in place. Causes of a weak enabling environment are inextricably linked to skills development particularly in areas of resource governance, compounded by a lack of understanding between industry and government on respective decision making timeframes and motivational drivers. Issues in Africa that underpin a competitive extractive sector include:

- **Political / regulatory risk** can sometimes represent almost 40% of the value of the host government 'take'.¹⁵ This significantly weakens both the competitiveness and attractiveness of the country for Foreign Direct Investment and the economic growth dividends for citizens. Governments can reduce risk by setting frameworks that balance government objectives with improved certainty for investment, helping industry assess rates of return (e.g. to develop clearer legislative frameworks, to understand and negotiate contracts, ensuring that the contracts are fair and seen to be fair, and to protect the environment and communities from adverse impacts from extractive sector developments).
- **Fiscal policy**, by which governments determine the share of resource rents they take, is an important tool to influence the competitiveness of their resources sectors and the equitable distribution of benefits to its citizens. However, governments often fail to take into account the

¹¹ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014'.

¹² MGI, 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 13.

¹³ African Economic Outlook: Country Experts Survey 2012.

¹⁴ Although there is no strict definition of frontier markets, they are usually seen as the next generation of emerging markets. Frontier markets can be characterised as those countries that are enjoying high economic growth rates but have made limited progress to date in developing liquid capital markets. They are generally either not represented in mainstream emerging market indices or today only have a very small weighting in them (HSBC Website).

¹⁵ MGI, 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 12.

fundamental trade-off between revenue and a competitive extractive industry. In some cases, governments' and citizens' perceptions around a failure to capture a 'fair share' of resource rents has led to resource nationalism (third biggest business risk for the sector in 2013–2014)¹⁶, which can precipitate a fall in investment and growth.¹⁷ Weak government capacity to conceive and negotiate contracts can result in substantial loss of public revenue; natural resource degradation and depletion; loss of access to resources for local communities; and the non-achievement of larger development goals of a country.

- The **infrastructure gap** is a key constraint to extractive sector development in Africa. Extractive companies are expected to invest almost \$2 trillion in infrastructure in resource driven economies to 2030¹⁸, which if adequately planned and managed (e.g. through shared infrastructure and public-private partnership models) could be leveraged to broaden and diversify economic growth in non-extractive sectors such as agriculture, manufacturing and services. The need for strong infrastructure planning and management relies on adequate public sector capacity, which when weak can be as significant a contributor to Africa's infrastructure gap as access to finance.

2.2 What others are doing to address the problem

Key donors have developed extractive programs with a similar overarching objective to Australia (to *leverage mineral wealth for development benefits*). In addition to Norway's successful 'Oil for Development' program, Canadian DFAT, UK DFID, German BMZ / GIZ, UNDP and civil society organisations (e.g. Revenue Watch, Oxfam etc.) have initiatives focussed on extractive management to strengthen development. Some donors (particularly UK and Canada) have shown an interest in coordinating and co-funding programs with Australia. The development banks (World Bank and African Development Bank) often have a significant infrastructure component to their programs. Donor assistance for skills development is increasing, and Australia is well placed to play an influential role through our proposed investments.

In contrast to the relatively nascent engagement of donors on extractive work in Africa, many extractive companies and industry bodies have a long history of driving economic growth and development as part of their core business. The total industry-spend on skilling and community development far outweighs the cumulative spend by governments or donors. In South Africa in 2012, the top ten extractive companies spent \$500 million on 'learnership programmes', \$175 million on Adult Basic Education and Training and a further \$760 million on artisans training and other human resource development initiatives.¹⁹

In a context of constrained financial resources, innovative partnerships with the private sector can increase the volume of Australia's development finance and leverage extractive companies' experience.

2.3 Lessons Learned / Evidence Base

Implementation of previous activities in the extractive sector through the AAPF have demonstrated that effective engagement can take place, this was evidenced in part through the positive feedback from study tours and continued progress towards implementing positive changes by participants on return to their home countries. Similarly, the Australia Awards Program has garnered important evidence from the implementation of the awards program in Africa over a number of years. These lessons have informed this design and are described in Annex B to this E4G Component IDD.

2.4 Why DFAT should focus on this problem at this time

African Governments have consistently sought Australian assistance with extractive governance, including revenue management and contract negotiations, and extractive sector-related skills. Strong and complementary rationales exist to focus on extractive governance to pursue development, national interest and economic diplomacy (growth, trade, investment and business) objectives. If Australia decides not to invest and not engage in extractive governance in Africa, there is a risk that the space will be eagerly filled by others proactively driving their own interests, resulting in potential negative impacts on Australia's interests and Africa's development.

¹⁶ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014'.

¹⁷ MGI, 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 7.

¹⁸ MGI, 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 10.

¹⁹ Speech by Mark Cutifani at Mining Lekgotla 27 August 2013: <http://www.angloamerican.com/~media/Files/A/Anglo-American-Plc/investors/presentations/2013pres/Mining-Lekgotla-gala-dinner-speech.pdf>

In a constrained budget environment, focusing on extractive governance in Africa has the potential for the GoA to make the biggest development and growth impacts. Australia has significant interests in Africa – over 200 ASX-listed extractive companies are operating more than 700 projects across approximately 40 African countries. By helping create a level playing field in Africa, addressing key constraints to sector effectiveness in partnership with the private sector (e.g. skills development), extractive governance assistance will promote investment, growth and job creation in Africa and will not only help create private sector opportunities for Australian companies but also provide important opportunities for community engagement and growth.

A continued strong engagement on extractive governance helps position Australia to take advantage of and influence Africa's resources policies, both for its own benefit, and for the benefit of African countries and their citizens. Africa's strategic importance continues to rise. GDP growth rates in Sub Saharan Africa are outstripping the rest of the world with around a quarter of the region's economies growing by more than 5% in 2012,²⁰ and some African countries are anticipated to achieve middle income status by 2025. A growing and investor-friendly Africa is good for Australian business (beyond extractive), and is feeding China's growth (Chinese-African trade is estimated at around \$160 billion).²¹ A common interest in Africa's development can help drive stronger Australia-Asia ties, especially due to the growing number of joint ventures.²² Africa is also home to a number of Australia's strategic political relationships. The extractive assistance program has increased Australia's profile as an engaged and flexible partner to governments and regional organisations in Africa, as well as African communities' perceptions of Australia's contribution to their economic growth.

3 E4G Component Investment Description

3.1 Description

The E4G Component provides the framework for GoA supported extractive-related activities:

- in three Focus Countries (Mozambique, Tanzania, and Zambia) where we will have a deeper, longer-term engagement;
- through shorter-term responsive activities across a larger group of Target Countries where we can leverage existing partnerships, Australian expertise and Australian private sector engagement; and
- at the regional level.

The E4G Component activities will focus in the following areas: skills development, community partnerships and the enabling environment. The E4G Component will harness Australia's broad extractive-related expertise (private sector, government, NGO, research and training). Private sector engagement in particular will be an underlying theme and will be achieved through:

- partnerships with the private sector that support delivery of different aspects of the E4G Component (e.g. utilising private sector expertise for mentoring, participation in seminars, hosting work placements etc.); and
- drawing on private sector knowledge and experience in conceptualising and designing activities, including skills development at TVET institutions, and community engagement.

The E4G Component will also continue to support regional initiatives, such as the Infrastructure Skills for Development Program and AMDC, as well as supporting legacy activities and on-going work with NGOs and CSOs.²³

²⁰ GDP growth in sub-Saharan Africa is projected to strengthen to 4.9% in 2013, rising to 5.3% in 2014 and 5.5% in 2015. Global GDP is expected to expand by a still subdued 2.3% in 2013, and strengthen to about 3.1% and 3.4% in 2014 and 2015, respectively (October 2013 Edition of the World Bank's 'Africa Pulse').

²¹ Article by Corrs Chambers Westgarth titled '*Investing in Africa via Australia – Why it makes sense*' (October 2012)

²² Chinese companies, particularly those with no prior African dealings, are attracted to the reduced risk associated with investment in Australian companies with established projects, experience and presence in Africa. Australian mining companies find Chinese entities' access to funding appealing, particularly in the current depressed equity and debt market global landscape. (Herbert Smith Freehills article titled 'Australia – A Gateway to Africa' from March 2013)

²³ DFAT will directly manage AMDC and CSO / NGO support and this will not form part of the MC's contract value.

3.2 Goal, Objective and Outcomes

3.2.1 Goal and Objective

The overall AADP proposed **goal**, which mirrors DFAT's SSAAP overall goal, is:

'To assist African people to achieve more equitable access to the benefits of economic growth'

To help address this goal, the proposed **objective** of the E4G Component is:

'To improve extractive sector management and its contribution to inclusive economic growth through developing skills, increasing government capacity and empowering local communities'

3.2.2 Outcomes

The E4G Component will contribute to achieving the following **outcomes**:

1. More African men and women employed in higher skilled roles in, or deriving improved livelihoods from the extractive sector.

This will be achieved by:

- helping establish skills development systems that respond to industry and government skilling needs by building capacity for improved technical and vocational training policy, strategy, forecasting, analysis and planning, primarily in the extractive sector.
- helping develop stronger African skills development, education and training institutions producing high-calibre graduates.

Two pilots will be conducted in each of the three Focus Countries and will include developing and harmonising country and regional competency frameworks and training packages and strengthening the institutions themselves, to address areas of critical skills shortage of relevance to the extractive sector, and improving workforce planning policy.

2. Improved enabling environments which encourage, attract and support quality extractive-related investments by the public, private and civil society sectors.

This will be achieved by supporting improvements to extractive sector governance / enabling environments in Target Countries, in particular helping ensure:

- discovery and the decision to extract is informed by robust and transparent information, analysis and planning considering social and environmental impacts.
- licences are awarded transparently and contracts negotiated effectively, providing opportunities and benefits for local men and women;
- more effective fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution;
- more effective monitoring of extractive operations and enforcement of enforce regulatory requirements; and
- Infrastructure is in place to support, and leverage broader benefit from, the extractive sector.

Under the E4G Component the infrastructure skills for development activity will strengthen project management competencies of key public sector professionals engaged in planning and managing select regional infrastructure corridor initiatives. The activity will also provide highly experienced sector-specialist mentors, provide exposure to both public and private stakeholders and infrastructure installation, establish a peer network and provide customised specialist training when appropriate (such as negotiation skills, structuring of PPP's, community consultation, and infrastructure planning).

3. More inclusive economic development flowing from the extractive sector.

This will be achieved by supporting more effective partnerships between government, private sector and communities allowing all stakeholders to minimise/manage the risks and maximise the opportunities resulting from extractive investments. In particular, this will involve:

- supporting improved local government planning for and coordination of extractive investments and extractive-related development;

- supporting improved local community participation in extractive investments and extractive-related development, including promotion of women's participation in the economic and social life of mining affected communities;
- helping ensure the services of an increased number of local suppliers and businesses are being procured by extractive companies; and
- mainstreaming gender and disability in AADP policies, measures, practices and activities. A Gender and Social Inclusion Mainstreaming Strategy for the E4G Component is set out in Annex E to this IDD.

Activities under this Component will include the skills and communities initiative that will contribute to increasing community engagement and other efforts to ensure that extractive affected communities benefit from the extractive sector. The pilots to be conducted in the three Focus Countries will also explore how best to build mutually beneficial partnerships between the extractive industry and extractive-affected communities. This will include, for instance, activities that increase the capacity of local SMEs to provide goods and services to large extractive sector-related investment projects.

4. Enhanced relationships between Australia and Africa.

This will be achieved by:

- providing responsive and effective assistance to target African Governments; and
- supporting exchanges and interactions between Australian and African officials through extractive-focused study tours, mentoring support, work placements and other professional exchanges.

3.2.3 E4G Theory of Change

The E4G Theory of Change (ToC) is a conceptual model of how the E4G Component activities are intended to stimulate short, medium and long-term changes to achieve the overall goal of the AADP. A Results Diagram for the overall AADP is set out in Section 2 of the overarching AADP IDD's **Annex D: Monitoring and Evaluation System**. The diagram / model presents a hierarchy of change and depicts the causal pathways that will lead to the desired changes. The chart starts at the lower level depicting the E4G Component activities then the outputs. These in turn influence the immediate outcomes of the AADP. At the programmatic level, these outcomes are the expected changes that the AADP will achieve. At this level, the ToC acknowledges that the E4G Component of the AADP is not the only initiative working in the Target Countries in the extractive sector, and that the E4G Component is located within a wider set of donor, multi-national, regional and partner country initiatives.

The E4G ToC is based on several assumptions and lessons learnt from earlier extractive-related initiatives funded by the in Africa. Key items identified include operational issues, M&E, administration and relationship development and maintenance. These lessons are set out in **Annex B** of this E4G Component IDD – *Key Lessons Learned from Previous Activities*. A full set of lessons from prior implementation of Australia Awards and AAPF activities is set out in **Annex A** of the overarching AADP IDD.

Building on the lessons and assumptions, the E4G Component ToC outlines the necessary activities that, if implemented successfully, would ensure that the AADP is successful.

If Stronger African skills development, education and training institutions are producing high-calibre graduates able to support their national extractive sector

And

Skills development systems are in place that respond to industry and government skilling needs

Then

Governments and companies will be better able to satisfy their recruitment requirements through increased access to a more skilled local workforce, demonstrating the economic growth and job creation benefits of extractive development

And

More African men and women will be employed in higher skilled roles in, or deriving improved livelihoods from, the extractive sector

And

African people will achieve more equitable access to the benefits of economic growth.

3.3 Delivery Approach

3.3.1 Strategic Contributions: Identification of mutual reinforcement and leveraging opportunities

A key element of the E4G Component's success will be the degree to which activities under previously separate programs can be more effectively harnessed so that their benefits mutually reinforce each other and lead to greater leveraging of opportunities for both Africa and Australia. This will require the MC to support DFAT AFB and Posts in strategic oversight and analysis of such opportunities. The MC will need a solid knowledge of the extractive-related industries in the countries of interest to the GoA in Africa, and the ability (including an appropriate level of resourcing) to conduct strategic analysis, identify opportunities and propose to DFAT ways in which opportunities under one Component can be leveraged in the other Component to increase Program impact and value for money. As part of its tender, the MC will need to propose how it would develop an activity design process, which meets DFAT Aid Program quality at entry and M&E requirements.

3.3.2 Innovation and Engaging with Private Sector: Identification of sector needs and application of innovative private sector investment strategies requires specific skills-sets and proactive approaches

Private sector engagement will be an underlying theme for the Program and will be achieved through:

- partnerships with the private sector that support delivery of different aspects of the AADP program (e.g. utilising private sector expertise for mentoring, participation in seminars, hosting work placements etc.);
- drawing on private sector knowledge and experience in conceptualising and designing activities, including skills development at TVET institutions and in communities; and
- deepening private sector involvement in the Australia Awards program both in terms of private sector participants and potential funding of the program by the private sector.

DFAT AFB in Canberra and at Posts in Africa will be responsible for providing policy guidance on DFAT's engagement with private sector, however the MC will be required to provide innovative approaches for how the programs can better work with the private sector to achieve development outcomes. Engagement with DFAT's newly formed '*Innovation Hub*' will be relevant. The MC will be expected to field relevant expertise to support increased private sector engagement and to build links with communities.

3.3.3 The Political Economy of the Extractive Sector

A range of reports²⁴ has highlighted the dual nature of the challenges that countries face – political (corruption and rent seeking) and technical (weak government capacity to sustainably plan and manage the extractive sector). Recognising that sector challenges are both political and technical, DFAT complements its technical extractive engagement (through the AADP) with political engagement and support.

DFAT seeks to influence African Governments through engagement on global standards such as the voluntary principles, Extractive Industries Transparency Initiative (EITI) (the three E4G Focus Countries are all EITI Compliant Countries) and the Kimberley Process. DFAT also seeks to influence African Governments through engagement with and support for the continent's primary political body, the African Union, including support for the African Union's Africa Mining Vision and AMDC. In addition, DFAT seeks to influence African Governments through direct engagement by DFAT Posts with key policy makers and through providing these policy makers with exposure to Australian

²⁴ This includes reports from the African Centre for Economic Transformation; European Centre for Development Policy Management; McKinsey Global Institute; Oxford Policy Management; the African Capacity Building Foundation; the Africa Progress Panel; Deloitte; Ernst & Young etc.

expertise and experience (e.g. through study tours). This in turn informs the design of activities that will be implemented through the AADP.

For example, in E4G Focus Countries, support includes training and scholarships for officials within mineral resources ministries, complemented by support for institutional reform of the ministries. It includes support for improving effectiveness of vocational education institutions, complemented by technical and institutional reform of the national vocational education agency; all of which is complemented by our involvement in extractive donor groups which coordinate political engagement by donors with governments on extractive policy issues.

3.3.4 Program Term

The proposed **term of the E4G component and for the overall AADP is four years**, with the option to extend the term for two periods of two years (4+2+2), subject to progress and outcomes. This would maximise continuity through long-term of engagement of the MC and specialist TA personnel, while permitting regular decision-making points on scope and / or continuation of support, triggered by review / evaluation. It is anticipated that a three month transitional phase between the two current MCs to a single incoming MC would commence on 1 April 2015, with the incoming MC responsible for full implementation from 1 July 2015.

3.4 Resources

3.4.1 Financial Resources

The proposed total financial envelope for the E4G Component is **AU\$62 million** over the initial four year term. The majority of this total envelope will be delivered through the DFAT-MC AADP contract, while the remainder will be expended directly by DFAT on costs such as support to regional organisations (e.g. the AADC) and DFAT staff costs.

Table 1 E4G Component Financial Envelope

Item	Annual	Over 4 Years
Value of DFAT–MC AADP Contract Throughput		
E4G Activity Costs	\$12.5 million	\$50 million
Sub-Total:	\$12.5 million	\$50 million
Value of DFAT E4G Direct Costs		
Direct extractive costs	\$2 million	\$8 million
DFAT Program Management costs (DFAT staff)	\$1 million	\$4 million
Sub-Total:	\$3 million	\$12 million
Total E4G Financial Envelope	\$15.5 million	\$62 million

Information on indicative program management costs and activity costs is set out in **Annex I: Indicative Budget and Cost Estimates**.

4 Implementation Arrangements

4.1 Principles of Engagement

The following principles will guide AADP implementation:

- **Maximising African ownership:** Where possible activities will align with the responsibilities and strategic plans of African authorities and institutions. In the spirit of the Paris Declaration on Aid Effectiveness, emphasis will be placed on aligning Program activities behind regional African Mining Vision (AMV) and bilateral priorities, on working through and strengthening African public and private institutions and mechanisms, and on proactive engagement with communities, in particular through the pilot activities in the three Focus Countries.
- **Partnership, policy dialogue and communication:** The E4G component will build on the established relationships between Africa and Australia developed through past assistance. The design envisages a longer term engagement in the sector and recognises that priorities may change over time and as progress is made. This will be reflected in the ongoing policy dialogue between governments, institutions and communities, as well as seeking to avoid duplication of donor efforts in Target Countries.
- **Strengths-based approach:** Activities will seek to maximise opportunities for success, following careful consideration of feasibility in the African context. Where possible, implementation decisions will be informed by expert advice and dialogue. African technical expertise will be prioritised and community engagement prioritised where possible.
- **Best practice:** The E4G Component's support will target best practice engagement, including targeting inclusiveness and respect for international human rights, such as the International Covenant on Civil and Political Rights, the Convention on the Elimination of All Forms of Discrimination against Women, and the Convention on the Political Rights of Women, the Voluntary Principles on Security and Human Rights.
- **Inclusive and sustainable economic growth:** The E4G Component will actively target activities which maximise inclusiveness to foster broad and deep societal support for extractive-related economic growth. Work with governments, institutions and communities will emphasise not only the potential benefits to stakeholders and citizens, but also opportunities for stakeholders' (particularly SMEs') to actively contribute to building sustainable economic growth. Activities will seek to build relationships around sustainable economic growth for communities and economies, and prioritise the development of long-term engagement at various levels in the Target Countries.
- **Consistent engagement throughout activity cycle:** The E4G Component will support activities throughout the sustainable economic development activity cycle in order to maximise impact and to avoid distortions of priorities which flow from the intermittent provision of support. This principle is underpinned by international lessons which show that communities are more likely to grant social licence to extractive-related investment across the Mine's life cycle if they can see direct benefits to their lives.
- **Mainstreaming gender:** The E4G Component will actively promote the GoA's commitment to promoting the equitable representation of women and men in sustainable economic development efforts and as beneficiaries of extractive-related investments in local communities. The ability of the E4G Component to mainstream gender will be a key performance indicator. Engaging in the extractive sector brings specific challenges in ensuring the active participation of women in programs and decisions relating to resource extractions. The Awards program has developed a considered and proactive way of ensuring strong women participation in the program and its promotion, but also using a women in leadership network to link alumni mentors with women candidates.
- **Progressive engagement and flexibility:** The principle of progressive engagement will underpin E4G Component activities, through the demonstration of appropriate levels of commitment and capacity to participate, in order to provide a reasonable level of confidence that the resource investment will deliver a useful and relevant outcome. A graduated approach to building up competencies, systems and expertise over time will ensure that the E4G Component builds on existing capacities, that absorptive capacities of governments, public

and private institutions, communities and individuals are not exceeded and that progress is sustainable.

- **Leveraging development and public diplomacy dividends** through enhanced opportunities for alumni to network and access professional development.
- **Identifying opportunities for innovative approaches** to extractive sector partnerships that contribute to economic growth for economies and development of communities.

4.2 Management and Governance Arrangements and Structure

4.2.1 Management Arrangements

DFAT's AFB will manage the AADP, including the E4G Component from Canberra. It is envisaged that there will be a single DFAT AFB contract manager (focused on contractual and financial management of the overall AADP) with dedicated E4G and Australia Awards teams focussed on policy and program management of those components.

Program implementation will be conducted by a single MC selected through a competitive open tender process that is managed by DFAT. The MC will be required in particular to proactively identify synergistic opportunities to leverage each Component's activities and outcomes against the other through a **Program Implementation Unit**. The Program Implementation Unit will proactively support DFAT's management of the Program by providing high quality program administration (financial and progress reporting, human resources management, M&E, logistics, etc.), extractive technical expertise, and strategic analysis and advice on opportunities for innovation, private sector investment, program synergy as follows:

- strategic and specialist analysis and advice to DFAT;
- operational and corporate services to both Components, including:
 - recruitment and contractual management of TA personnel through a panel process;
 - financial management and reporting for program activities in accordance with Tasking Notes and DFAT requirements; and
 - Facility management tools, policies and procedures and staffing resources and expertise to support delivery of the above.

Program governance and oversight will be centred on DFAT AFB management processes, and complemented through a MC-facilitated annual planning process. DFAT has proposed a non-prescriptive RFT for this program; this will provide opportunities for tenderers to propose innovative approaches to program management structure and implementation.

4.2.2 Governance and Monitoring

The overall management of the program will be led by Canberra. There will be regular meetings by phone and face-face with the MC and at times Posts to ensure a coherent approach to the management of the E4G Component and that risks are being appropriately identified and managed. Key management meetings include:

- weekly DFAT team principals' meetings (head of each AADP component);
- fortnightly Operations Managers' meetings;
- monthly senior management meetings (Pan-Africa Heads: directors, principals, component heads, development heads at post);
- six-monthly high-level meetings, chaired by the Assistant Secretary (Africa directors, Post HoMs, MC, WoG (Scholarships and Alumni Branch, AusTrade, Department of Immigration and Border Protection)); and
- Australia Awards consultation rounds (in Africa).

A detailed list of meetings is set out at the end of the overarching AADP IDD's **Annex C: Communication Strategy Requirements**.

The MC would provide secretariat services to all meetings that it attends. Tenderers would be required to propose any additional management mechanisms which may enhance the management and implementation of the AADP.

4.3 Monitoring and Evaluation and Quality Assurance

4.3.1 Approach

To assess the performance of activities, the realisation of expected outputs, and to explore the changes the E4G Component will bring about in terms of sustainable and inclusive growth in the Target Countries in Africa, the E4G Component will have M&E at two levels:

1. at the activity level; and
2. at the Component level, an aggregation of activities under the Component.

4.3.2 Activity-level M&E

For each activity under the E4G Component, baseline information is required, describing the current status of the problem that the activity seeks to address. Where baseline information is not available (from sources such as the AAPF database) baseline activities will be conducted to establish a baseline. For each activity the baseline data will help shape the performance indicators and output targets developed for each activity, which will be captured in an activity-level MEF.

Service providers implementing activities under the E4G Component will monitor progress against the respective MEFs, and prepare progress reports as per the agreed schedule with DFAT.

In addition, pilot activities under the E4G Component will undergo a progress review (typically at the midpoint of implementation) and an evaluation in the final quarter of the activity's implementation to determine whether the pilot would be continued as a fully-fledged activity. Progress reviews and evaluations will be conducted by experts who are independent of the AADP. Narrative reports will be prepared by these experts, and will be shared with both the MC and DFAT to guide future management decisions.

Activity-level reports will include a narrative that describes completed activities for the reporting period, the progress made in achieving what was expected, a reflection on any gap between expected and actual achievements, and an explanation as to what will be done to respond to any gap between expected and actual achievements. The report will also identify any common lessons learnt during the reporting period, and indicate how these lessons will influence future implementation. A short description will also need to be provided as to what activities will be expected in the next reporting period.

4.3.3 Component-level M&E

At the E4G Component level, M&E activities will focus on reporting against the specified outputs, described in the E4G Component MEF. The MC will need to conduct baseline activities in the first six months in order to refine the baselines for each output and the associated targets. Output reports for the E4G Component will be prepared, in line with the reporting schedule, and fed into the overall MC reporting to DFAT.

Similar to activity-level reporting, the E4G Component-level reports will include a narrative that describes the expected outputs for the reporting period, the progress made in achieving the expected outputs, a reflection on any gap between expected and actual achievements, and an explanation as to what will be done to respond to any gaps between expected and actual achievements. The reports will also identify any common lessons learnt during the reporting period, and indicate how these lessons will influence future implementation. A short description will also be needed about the outputs that can be anticipated in the next reporting period.

4.3.4 Resources for M&E

The E4G Component MEF is set out in Annex G to this E4G Component IDD and consists of:

- description of the Monitoring and Evaluation System (MES);
- results diagram; and

- E4G component MEF.

The MES for the overall AADP is set out in **Annex D** of the overarching AADP IDD.

The E4G Component MEF is a key M&E tool which sets out key performance questions, targets and indicators for the E4G Component. The E4G Component MEF is intended to evolve over time. It will be reviewed on an annual basis and is expected to guide monitoring and discussion of E4G Component activities.

The overarching AADP MES includes an M&E Workplan, which in turn describes M&E activities for the E4G Component (and for the Program). The M&E Workplan distinguishes between monitoring and evaluation functions. The M&E Workplan identifies the key M&E tasks, the approach to be used in implementing the M&E tasks, and an indicative timeline / timeframe as to when these M&E tasks need to be conducted. The M&E Workplan also identifies the roles and responsibilities within the E4G Component for implementing the M&E tasks, and in addition provides an indicative budget for the conduct of the M&E tasks. All reports will be made available to DFAT.

M&E Workplan key features include:

A *Gender and Social Inclusion Mainstreaming Strategy* is set out in **Annex E** to this IDD and applies to the E4G Component. The overarching AADP IDD's **Annex D – AADP Monitoring and Evaluation System** includes at Item 6 a set of *Gender and Social Inclusion Tools*, which provide specific gender and social inclusion targets and outcomes for each outcome and activity described in the E4G Component MEF. The Gender and Social Inclusion Tools nominate targets with specific indicators. These will need to be calibrated as the baseline data for each E4G Component activity are collected and verified in the initial months of the Program. Further detail about the AADP's MES, including the M&E Workplan and the *Gender and Social Inclusion Tools*, is contained in the overarching AADP IDD.

4.4 Inclusiveness – Integrating Cross-Cutting Issues

In addition to the Gender and Social Inclusion Tools included in the AADP's MEF, through its management and operations, the AADP MC will mainstream appropriate cross-cutting policies, measures and practices as part of its contract as outlined below. There will also be specific gender and inclusion strategies developed for each AADP component drawing on the existing effective strategies for the Australia Awards program and AAPF

4.4.1 Gender

The MC will integrate and model gender equality into program management through:

- having women involved in decision making within and across the Program;
- ensuring that efforts are made to promote the opportunities among local companies or service providers, especially those with women in ownership or holding senior management positions;
- providing balanced gender in the AADP management team and operational staffing as well as ensuring there are women AADP staff with whom women TA personnel and staff have the option of discussing details of their logistic or support requirements or problems;
- having a balance of women employees engaged by local sub-contractors engaged by the Program; and
- taking steps to protect its employees and provide access to appropriate support services, as required, where any potential for domestic violence appears likely.

4.4.2 Anti-Corruption

The MC will have in place systems and processes that guard against fraud, nepotism and corruption. This will include:

- using transparent processes in the selection of local service providers or for making any other contractual arrangements;
- having clearly articulated financial operating procedures that are followed by management and operational staff and continually monitored for accuracy and completeness. The MC will promote and take a 'zero tolerance' position on fraud;

- financial management procedures of the MC that are compliant with the relevant financial management, fraud control and accountability requirements of DFAT. This includes processes that enable all funds to be tracked, justified, reported on and (where required) audited to confirm that value-for-money was a criteria as well as confirming that there were approvals for all expenditure;
- an annual independent financial audit that includes a review of the MC's financial and project management systems. The audit will also review the Annual AADP Financial Report including an opinion on whether claims for the services provided by the MC are a true and fair record; and
- providing access to the financial management information and expenditure summaries at any time to nominated DFAT staff through the password-protected part of the web-based portal.

4.4.3 Child Protection

It is likely that MC staff will come into contact with children or minors as part of AADP activities. DFAT has over-riding policies associated with child protection with all funded MCs and bound by strict policies in relation to managing and reducing risks of child abuse by persons engaged in delivering the SSAAP. This includes a 'zero tolerance' approach on all issues relating to child abuse and child pornography. The MC will reflect this clear, unambiguous policy in planning, operations and management and be vigilant, including monitoring conduct of all staff and sub-MCs, as appropriate.

4.4.4 Security and Disaster Management

The MC will need to have a current *Security and Disaster Management Plan* and provide a copy to each MC staff member and to any TA personnel engaged. Given the potentially volatile security environment in some Target Countries, it is expected that the MC would provide inductions and regular briefings on security. This includes, but is not limited to, telephone numbers of key staff and emergency agencies as well as guidelines on what to do in emergency situations. The Contractor's Security and Disaster Management Plan will include provision of measures to ensure the safety and security of candidates, awardees, program staff and TA personnel as they travel or participate in Program-related activities, and to ensure business continuity. The Contractor will provide the Security and Disaster Management Plan to DFAT within 45 days of AADP implementation and thereafter updated as part of the annual planning process or when there is a significant change in security and available on request to DFAT.

4.4.5 Environment

The GoA and DFAT have clear policies on environmental protection and management. The Program will conduct an SEA for the E4G Component and develop and apply a set of environment assessment criteria. The MC will through its logistics role conduct or sub-contract the conduct of servicing, repair or replacement of vehicles or other items e.g. printers, batteries and IT equipment. The MC will ensure that in all activities appropriate practices are followed in order to minimise (or repair) any damage to the environment in Target Countries.

4.4.6 Do No Harm

E4G Component activities will be conducted in a range of environments, including some fragile states. The MC will be required to support 'do no harm' principles when implementing the E4G Component, in particular logistic support and:

- attempt to identify any conflict-exacerbating impact of E4G Component activities where possible;
- be aware of inter-group relations and help people come together through work (where appropriate); and
- understand potential relationships affected by operational decisions e.g. about where to work, with whom, who to hire locally, how to relate to local authorities.

4.5 Sustainability

The E4G Component supports the SSAAP's objective of assisting African people to achieve more equitable access to the benefits of economic growth. Both the E4G Component's proposed goal and objective are chosen to maximise sustainability. Consequently, the E4G Component's Program outcomes also target sustainability as follows:

- More African men and women are employed in higher skilled roles in, or deriving improved livelihoods from, the extractive sector – achievement of this outcome will see an African workforce developed in select countries that will be readily employed by extractive and other industries; sustainability of investment in skills development is self-evident.
- Improved enabling environments – achievement of this outcome will see legislative and policy environments that favour select African countries' self-improvement and employment of resource rents and revenue to meet citizens' development needs.
- More inclusive economic development – achievement of this outcome will maximise sustainability through ensuring empowerment of women and that communities affected by extractive industry investments are able to gain benefits from that investment. This will maximise the sustainability of those communities, particularly for the next generation.
- Australia–Africa relationships enhanced – achievement of this outcome will see Australian–African relationships developed, which will enable both Africans and Australians, particularly in the extractive sector, to leverage relationships for mutual benefit. The existence of such long-term relationships is a solid example of sustainability of the AADP investment.

4.6 Risk Assessment and Management

A number of risks were identified during the design, building on previous experience and knowledge in implementation of the AAPF and Australia Awards programs. DFAT AFB, DFAT Posts in Africa and the MC would need to proactively monitor these risks, including:

- A protracted AADP tender process and associated contract negotiation (possibly with a consortium) would delay transition and program continuity. This risk's **probability** is considered **possible** and its **impact** on the AADP is considered **high**. Risk mitigation strategies include drawing up draft Exemption Minutes in contemplation of some timetable slippage and contemplating a transition period (MC handover period) of up to three months. Engagement of a Program Director through the current MC, with a view to being novated on transition, will also maximise smooth transition.
- Job security uncertainties relating to transition from two MCs to one MC may see the departure of experienced program staff. This may cause delays to transition, interruption to on-going activities, and delays to AADP commencement, and impact E4G Component activities. This risk's probability is considered **possible** and its impact on the AADP is considered **moderate**. Risk mitigation strategies include novation of existing staff to AADP MC where possible (and legal) and retention of Pretoria as the MC's head office.
- Insufficient aid management experience and support for DFAT HoMs at posts in Africa may see HoMs' support for the use of the AADP to meet their development and economic diplomacy objectives dwindle, particularly under the E4G Component. This risk's probability is considered **unlikely** and its impact on the AADP is considered **moderate**. Risk mitigation strategies include DFAT AFB briefing HoMs how the AADP, particularly the E4G Component can be harnessed to assist them, and provision guidelines to assist HoMs and their staff with aid program responsibility to use the AADP as an engagement tool.
- Linked to the above risk, lack of DFAT resources in Africa will result in MC staff taking a stronger role in representing the GoA in key relationships, meetings and events. This risks delivery of appropriately nuanced messages about the GoA's interests and may also lead to a conflict of interest for MC. This risk's probability is considered **possible** and its impact on the AADP is considered **moderate**. Risk mitigation strategies include AADP ensuring relevant Posts are kept informed of, and invited to participate in and where required lead, relevant interactions.
- External factors such as a significant downturn in global and African demand for extractive sector products may see African governments and extractive-related private sector industries

reduce their enthusiasm for the AADP, particularly for E4G Component activities. This risk's probability is considered **unlikely** and its impact on the AADP is considered **moderate**. Risk mitigation strategies include monitoring, trend analysis and strategic advice to identify early the progression of this risk so that AADP's activities can be recalibrated. Significant onus would rest on the MC for this analysis.

- Linked to the above, there is a risk that the private sector may not value the program and it fails to attract private sector involvement. This could affect success of skills development pilots under the E4G Component in Focus Countries. This risk's probability is considered **possible** and its impact on the AADP is considered **moderate**. Risk mitigation strategies include proactive engagement with private sector and with communities throughout activity design and implementation, including through provision of advice from the **DFAT Innovation Hub**, on ways to maximise access to the private sector and its understanding of the AADP and what it can offer particularly under the E4G Component funding stream.

Overall this activity is considered a **moderate risk activity**. A Risk Matrix which describes key risks for the E4G Component, together with mitigation options, is set out in **Annex H**.

4.7 Steps in Contemplation of Transition to AADP

Given the tight schedule for tendering and appointment of a new single AADP MC, it is highly recommended that the following actions are commenced immediately under existing AAPF MC contracting arrangements.

Strategic Environmental Assessment: As the E4G Component seeks to improve sustainable economic development working largely with extractive industries, it is important for the E4G Component and its stakeholders and beneficiaries to have a clear picture of any potential environmental impacts associated with its activities prior to implementation. Accordingly, in the period prior to its commencement it is recommended that the current AAPF MC:

- Develops a set of environmental assessment criteria and a SEA process for use by DFAT Posts in developing activity proposals, and by DFAT AFB and the AADP MC when implementing E4G Component activities. Close consultation with the DFAT Environmental Safeguards Team in Canberra is recommended for the development of these environmental assessment criteria.
- Conducts a SEA of any activities rolled over from AAPF to AADP (i.e. pilot activities in Focus Countries). The DFAT AFB, in consultation with DFAT Environmental Safeguards Team in Canberra, would contribute to the design and implementation of this SEA for the E4G Component using the environmental assessment criteria referred to above. It is recommended that the SEA be conducted under current AAPF contracting arrangements and prior to commencement of the AADP;

Annex A: Problem Analysis

The development problem

Africa today is experiencing unprecedented economic growth driven in part, but not only, by its rich natural resources such as in the extractive sector and its vast areas of arable land. Over a third of the 54 African countries are seeing annual GDP growth of over 6%. By 2050 the Continent will have 25% of the world's workforce due to a demographic dividend of a young and rapidly growing workforce.²⁵ However, deep investment is required to improve productivity so the region as a whole can benefit from such growth.²⁶ Substantial gains have been made in the past decade; the number of people in poverty has fallen, child death rates are declining, and progress has been made in combating major infectious diseases. However Africa still has the highest proportion of people globally living in extreme poverty and, by 2015, is expected to comprise up to 60% of the world's extreme poor.²⁷

The extractive sector in Africa has the potential to contribute to permanent improvement of such poverty levels. It can provide capital to drive broader economic development for example in agriculture, service industries in areas where resources are extracted and more broadly in the manufacturing sector. Demand from China and India for natural resources both mineral and especially oil and gas, will continue to grow. New exploration in Africa has revealed much larger reserves than previously known.²⁸ The challenge facing every resource rich country is how to turn wealth from this finite resource into lasting benefits for all its citizens. Fostering such stewardship and leveraging development outcomes from resource extraction is the concern of most African governments as the AMV attests.

The GoA seeks to assist with this development challenge in the following two ways.

First, by broadly contributing to building Africa's professional capacity through tertiary education at the postgraduate level.

Second, through a very specific set of initiatives related to the extractive sector, namely:

- (i) minerals skills development;
- (ii) community development in resource rich areas;
- (iii) project management training for extractive related infrastructure development; and
- (iv) building capacity in African institutions for transparent and equitable governance through initiatives in the enabling environment of select countries.

In all these projects emphasis is given to gender equity and to exploring potential for leveraging development outcomes from Public Private Partnerships.

Skills Gap in the Extractive Industry in Africa

*The implementation of the Africa Mining Vision (AMV) will require partnership and coordination of efforts in the development of additional skills including, technical skills, human rights, law, trade, community affairs, strategic planning.*²⁹

As the African extractive sector grows a wide range of skills will be required at all points across the project life cycle from exploration through rehabilitation of areas impacted by resource extraction. According to the OECD, 62% of African countries experience value-chain limitations due to skills gaps, and 52% of African countries possess insufficient skills for innovation to occur. Skills shortages have been identified as the number one ranked business risk for the minerals sector over the last six years.³⁰ A broad range of skills is required at the geological and mining engineering and processing level, at the TVET-level for example on drilling rigs, heavy diesel fitters for plant maintenance,

²⁵ MGI_Africa_at_work_August_2012_Full_Report.pdf

²⁶ Seven Reasons Why Africa's Time is Now

²⁷ http://africaprogresspanel.org/wp-content/uploads/2013/08/2013_APR_Equity_in_Extractive_25062013_ENG_HR.pdf

²⁸ http://africaprogresspanel.org/wp-content/uploads/2013/08/2013_APR_Equity_in_Extractive_25062013_ENG_HR.pdf

²⁹ Treasure Maphanga, Director of Trade and Industry at the African Union Commission. At 3rd African Union Conference of Ministers Responsible for Mineral Resources Development in Maputo, Mozambique December 2013 http://www.uneca.org/media-centre/stories/africas-mineral-sector-requires-urgent-homegrown-skills-development#.VAcNq_mSyFn

³⁰ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014

landscaping skills that are required at mine closure; mine and project management skills, community relation skills and also capacity in government to negotiate with the private sector, legislate and provide good governance of such projects. Such skill shortages are symptoms of challenges at institutional levels: a lack of robust policy and workforce planning that is responsive to industry and government skilling needs, and weak capacity of educational and technical / vocational training institutions and their staff at regional and national levels to deliver the quality and quantity of skilled workers that the market requires.

The GoA's strategy provides opportunities for capacity development at all levels by providing opportunities through the Australia Awards for postgraduate studies in all aspects of extractive development, project management skills through the infrastructure for development and program and in TVET where the focus is on training institutional capacity development. There are over 200 ASX listed resource companies operating in Africa and public private partnerships to train Africans in the skills required for the extractive industry are being developed.

Community Partnerships with the Extractive Industry

In Africa as elsewhere, despite understanding the potential, the promise of sustainable growth for communities in areas impacted by extractive both at an individual and a collective level is not often realised for a variety of reasons, including lack of knowledge and skills to so do. Improvements in quality of life and human development are too often not deemed commensurate with the revenue generated by the company or with the negative social and environmental impacts associated with extraction. Positive impacts such as benefit sharing, infrastructure development, improvement in human development and local employment often divide communities, favour one group over another, and exacerbate inequalities.

The extractive industry cannot operate effectively without community support at some level for their operations. Failure to establish this 'social licence to operate' is a major risk for a company (ranked fourth largest risk globally).³¹ Resource extraction increasingly takes place in remote areas where the capacity and experience needed to negotiate benefits is limited. Excellent community development practice is required from companies if they are to make their contribution to enabling communities to be heard and to avoid costly mistakes. However companies often experience difficulties interfacing with communities and local counterparts which dilutes the impact of otherwise well-designed social investment programs.

One area that has the potential to transform communities and is eagerly anticipated by local people is when oil, mining and gas companies enhance the opportunity for locally based business to participate in resource projects. Resource companies can make substantial contributions to local employment and supply chains. Between 40-80% of revenue created in the extractive sector is spent on the procurement of goods and services, often exceeding tax and royalty payments.³² However according to the OECD, 55% of African countries have local suppliers that are not competitive on price or performance,³³ suggesting an important need to build the capacity of local SME. Newmont's Ahafo Linkages program in Ghana has been particularly successful in doing this using a combination of training, enterprise centres and company strategies such as set aside to create a scheme that has created over 15,000 direct and indirect jobs.³⁴ Partnerships with local communities to provide goods and service as well as to employ local people are predicated on the quality of the product and the suitability for hire of local labour.

Weak enabling environment for extractive in Africa

Africa stands on the brink of massive capital inflows from extractive in particular oil and gas deposits off-shore in East and West Africa. For example in Tanzania IMF estimates place the increased flow of revenues from gas, gold and nickel at US\$3.5 billion annually, or 15% of GDP. In Mozambique. Initial flows from gas and coal are estimated by the IMF at around US\$3.5 billion annually, or 18% of GDP. These figures represent an increase of 100% to 300% over the current budget.³⁵

³¹ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014

³² MGI, 'Reverse the Curse: Maximising the Potential of Resource-Driven Economies', p. 13.

³³ African Economic Outlook: Country Experts Survey 2012.

³⁴ <http://www.newmont.com/africa/african-press-releases/20100430>

³⁵ http://africaprogresspanel.org/wp-content/uploads/2013/08/2013_APR_Equity_in_Extractive_25062013_ENG_HR.pdf

The capacity of these countries to leverage development outcomes for their poorest citizens will depend on:

- (i) the level of skilled workers and plant able to add value to exports; and
- (ii) the strength of their enabling environments, most importantly, the existence of extractive sector governance policies to ensure that resources are harnessed equitably.

The Africa Progress Report (2013)³⁶ places transparency (equipping citizens with information about levels of resource wealth and how it is managed) and accountability (the creation of mechanisms for government to ensure they are answerable for their action), as cornerstones of good resource governance. Top priority is given to fiscal policy, mechanisms for the collection of taxes and royalties and the wide distribution of benefits.

Initiatives such as EITI, Revenue Watch and Transparency International have reporting and research activities which can be a powerful catalyst for the reform of and building up of a country's enabling environment. At present both African state-owned corporations and multinational resource companies fall below acceptable levels of transparency opening the door to corruption and unfair distribution of benefits. In some cases, governments' and citizens' perceptions around a failure to capture a 'fair share' of resource rents has led to extractive initiative nationalism (third biggest business risk for the sector in 2013–2014).³⁷ This can precipitate a fall in investment and growth.

Weak government capacity to conceive and negotiate contracts can result in substantial loss of public revenue, natural resource degradation and depletion, loss of access to resources for local communities, and ultimately the non-achievement of larger development goals of a country. Institutional capacity building in this area is thus vital.

Africa's infrastructure gap

Poor or non-existent infrastructure to support extractive development for example power and water supplies, roads, rail and ports is a key constraint to extractive sector development in Africa. One study estimates that this infrastructure financing gap is cutting GDP growth by about 2.2%; the difference between current African growth levels and East Asian growth.³⁸ Extractive companies are expected to invest almost \$2 trillion in infrastructure in resource-driven economies by 2030, which if adequately planned and managed (e.g. through shared infrastructure and public-private partnership models) could be leveraged to broaden and diversify economic growth in non-mining sectors such as agriculture, manufacturing and services.

Unfortunately many African governments do not have the infrastructure planning and management skills or the finance required to address this infrastructure gap.³⁹ African governments would be wise to ensure that any new infrastructure put in place by the extractive industry for its own needs is also multi-user and will serve the long-term good of citizens.

Recommendations

1. **The growing African extractive sector does not have the wide range of skills** required at all points across the project life cycle from exploration through rehabilitation of areas impacted by resource extraction. The GoA's strategy needs to provide opportunities for capacity development at all levels through the Australia Awards for postgraduate studies in all aspects of extractive development, project management skills through the infrastructure for development program and in TVET where the focus is on training institutional capacity development.
2. **Donors considering partnerships with the private sector must have an understanding of how the extractive industries work:** Initiatives such as the International Council on Mining and Metals' *Mining: Partnerships for Development* recognises that donors, governments and industry often speak different languages, and have had some success in opening up dialogue between different stakeholders. Partnership programs need to be tailored to address the challenges specific to the phase in the lifecycle in which a project is situated. Donors also need to understand the nature of the private sector company they wish to partner with as companies vary widely, e.g.

³⁶ http://africaprogresspanel.org/wp-content/uploads/2013/08/2013_APR_Equity_in_Extractive_25062013_ENG_HR.pdf

³⁷ Ernst and Young: 'Business Risks Facing Mining and Metals 2013–2014'.

³⁸ Anvaripour, Tas (2013) Changing the Investment Approach in Africa. World Finance, November 2013.

³⁹ AAPF (2013) Infrastructure Planning in Africa Analytical Paper.

in the sophistication of their social investment frameworks and their experience of working with donors and government. If there is increased understanding of the industry, this will lead to donor initiatives that are more appropriately designed and ultimately more effective, particularly in terms of community inclusiveness.

3. **The promise of sustainable growth for communities in areas impacted by the extractive both at an individual and a collective level is not often realised:**
 - Activities such as those proposed under the E4G Component need to work alongside companies working in the extractive industry to assist in deepening stakeholder engagement, providing links through which local people can participate both in employment within the extractive industry and in business that supports the industry locally (i.e. extractive-related SMEs).
 - Donors and NGO groups (such as the Australia–Africa Community Engagement Scheme) can be valuable partners in achieving such engagement and links.
4. **Enabling environments in Africa may lack some skills needed to negotiate and regulate large scale extractive projects:** Opportunities exist for GoA to assist with focussed capacity development activities targeting transparency initiatives and the skills required for contract negotiation.
5. **Poor or non-existent infrastructure is hampering the development of the extractive sector across Africa:** The capacity to manage large infra-structure corridor projects for the extractive sector is weak. Targeted assistance is needed to provide training in project management skills, particularly infrastructure project planning, for those working in this sector.

Annex B: Key Lessons Learned from Previous Activities

A summary of the key lessons learned from previous extractive-sector related investments is set out below.

AAPF Operations

1. **Robust activity design needed covering all relevant aspects of course, including:** Relevance, effectiveness, gender, risk management and budget, rigorous quality assurance system: templates and review of large course by a third party.
2. **The inception phase is important:** There is a need to ensure all government to government agreements are in place.
3. **Gender and social inclusion considerations and effort required to promote gender equitable participation are important:** Successful approaches include encouraging African governments to nominate women, tailoring certain activities for women, conducting women only workshops.
4. **Complex financial management skills required:** Host government / sub-contractors may need assistance in meeting needs of GoA and MCs.
5. **Managing expectations:** Expectation management is important and may include establishing from the outset whether a project is likely to have follow-up activities.

AAPF Monitoring and Evaluation:

6. **Establish an overarching Theory of Change that guides Performance Assessment Framework as a whole:** This framework would include DFAT-required reporting, activity completion reports and follow up studies to gauge impact of activities.

AAPF Administration

7. **Establishing an effective working relationship between DFAT and MC from the outset crucial:** Clear lines of communication at all levels including with HoMs and clear procurement and contracting arrangements maximise activity effectiveness.

AAPF Relationship Review

8. An extensive review of AAPF relationships formed concluded that there is a need:
 - for greater alignment between what Australian agencies can offer, what the Facility requires, and how work can be capitalised on;
 - to acknowledge the importance of managing expectations and being clear from the start that activity may not lead to long-term commitment or suite of activities; and
 - to clearly identify how the activity serves Australian interests.

Annex C: Stakeholder Analysis

The following is a list of key stakeholders for the E4G Component of the AADP. Given the wide ranging nature of AADP, it is strongly suggested that a first task for the MC is to thoroughly map stakeholders (e.g. local universities, CSOs). This will be particularly important for the pilot projects in Zambia, Mozambique and Tanzania and for the Infrastructure for Development project.

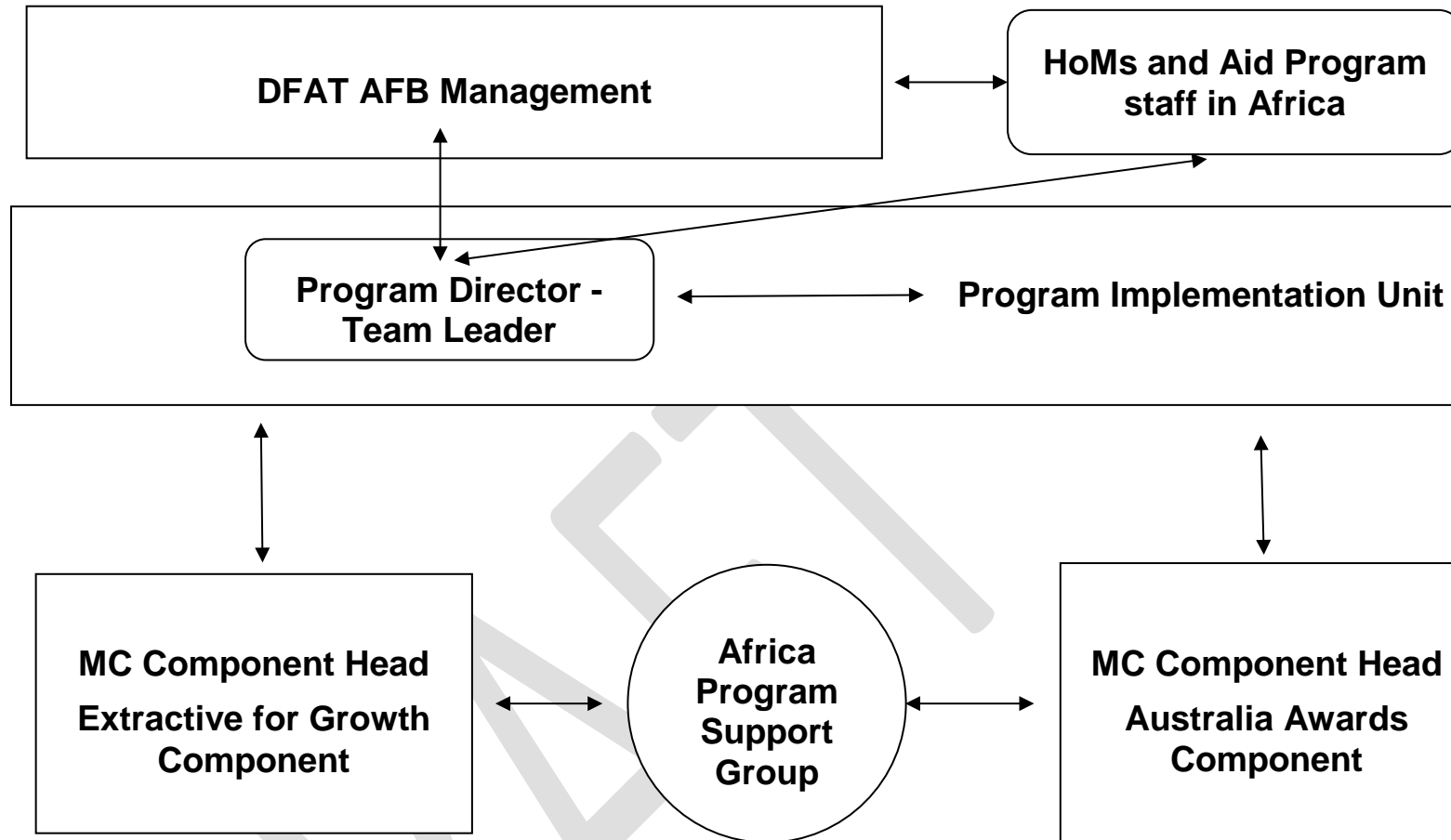
Stakeholder	Coverage	Description and potential to assist AADP
Local Organisations		
Chambers of Commerce (or equivalent)	Zambia Mozambique Tanzania	The Chambers represent mining companies operating in country and can provide invaluable insights into how to work with private industry.
Bilateral Bodies		
Australian Heads of Mission in Africa	Africa Australia	Heads of Mission and DFAT staff at post are well placed to provide in country background and contacts for example with private industry, local CSOs and all levels of government and universities. They will also know of other Donor and NGO Australian initiatives in the countries to which they are accredited, such as the Australia–Africa Community Engagement Scheme. Heads of Mission can be valuable partners in achieving engagement and links.
Multilateral Bodies		
International Council on Mining and Metals	Global	This peak body for the global mining industry has published guides for donors on how to succeed in public private partnerships.
International Finance Corporation	Global	The International Finance Corporation has detailed online training materials on <i>Getting Started in Local Procurement</i> .
United Nations Economic Commission for Africa. Sub regional office for East Africa	East Africa	United Nations Economic Commission for Africa's Director Antonio Pedro is an essential interlocutor in maintaining AADP well-grounded in the African context. His critical insight and reflection on the value of AADP's mining and infrastructure initiatives would be valuable.
Institute for Economic Development and Planning	Africa	The African Institute for Economic Development and Planning is a pan-African institution created in 1962 by the General Assembly of the United Nations. Its primary purpose is accompanying and supporting newly independent African countries in their quest to build their human resource capacities as a necessary prerequisite for sustaining independence and promoting socio-economic development.
Africa Capacity Building Foundation	Africa	Africa Capacity Building Foundation works to provide a holistic approach towards capacity building in Africa. It also coordinates partnership with different developmental agencies including international donors supporting projects in Africa. Africa Capacity Building Foundation has three sponsoring agencies, namely, the African Development Bank, the UNDP and the World Bank. In addition, there are more than 40 African and non-African countries as partners to the Foundation.
The New Partnership for Africa's Development	Africa	African Union strategic framework for pan-African socio-economic development. Thematic areas are: Agriculture and Food Security, Climate Change, Natural Resource Management, Regional Integration and Infrastructure, Human Development, Economic and Corporate Governance and Cross-cutting Issues, including Gender, Capacity Development and ICT.

Stakeholder	Coverage	Description and potential to assist AADP
African Union	Africa	<p>The African Union provides an overarching pan-African policy framework which serves as a background to the ToC for the AADP. Key objectives of the African Union resonate with the AADP's goal and objective, including:</p> <p>To establish the necessary conditions which enable the continent to play its rightful role in the global economy and in international negotiations;</p> <p>To promote sustainable development at the economic, social and cultural levels as well as the integration of African economies;</p> <p>To promote co-operation in all fields of human activity to raise the living standards of African peoples</p>
Common Market for Eastern and Southern Africa	Burundi Comoros D.R. Congo Djibouti Egypt Eritrea Ethiopia Kenya Libya Seychelles Madagascar Malawi Mauritius Rwanda Sudan Swaziland Uganda Zambia Zimbabwe	<p>Common Market for Eastern and Southern Africa's vision is to 'be a fully integrated, internationally competitive regional economic community with high standards of living for all its people ready to merge into an African Economic Community'. It endeavours to achieve sustainable economic and social progress in all Member States through increased co-operation and integration in all fields of development particularly in trade, customs and monetary affairs, transport, communication and information, technology, industry and energy, gender, agriculture, environment and natural resources'. Many of these objectives resonate with the goal and objective of the AADP.</p>
Southern African Development Community	Angola Botswana D.R. Congo Lesotho Madagascar Malawi Mauritius Mozambique Namibia Seychelles South Africa Swaziland United Republic Of Tanzania Zambia Zimbabwe	<p>The main objectives of the Southern African Development Community are to achieve development, peace and security, and economic growth, to alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa, and support the socially disadvantaged through regional integration, built on democratic principles and equitable and sustainable development.</p>
Universities / Training Organisations		
Centre for Social Responsibility in Mining, University of Queensland	Global	Centre for Social Responsibility in Mining has extensive experience building capacity across the extractive sector by partnering with the private sector, NGOs and government.
Centre for Sustainability in Mining and Industry, University of the Witwatersrand	Africa	Centre for Sustainability in Mining and Industry has extensive African experience building capacity across the extractive sector by partnering with and delivering to major players in the private sector.
Canadian Association of Community Colleges	Global, especially Mozambique	This platform for 132 publically funded Canadian Community Colleges has a leading skills training project in Mozambique.
Central Queensland University	Australia Asia Pacific Mongolia Chile	Located in the heart of one of Australia's largest extractive sector regions, this university combines capacity to teach TVET and management skills for the extractive sector. It has a successful track record of innovative international practice in the TVET sector especially in training trainers. It has exceptional adult teaching methodology.
African Associations at universities in Australia	Australia Africa	<p>For example http://www.gutguild.com/clubs/international/gutAustraliaAwardsafrica Such associations provide connections and institutional knowledge for those involved in the Australia Awards programs.</p>

Stakeholder	Coverage	Description and potential to assist AADP
African Studies Association of Australasia and the Pacific	Australasia Africa	http://afsaap.org.au/ This association has a vast range of information and connections between Africa in Australia. Their 2014 conference is on <i>Doing Business in Africa Opportunities for Education and Training</i> .
Donor Organisations		
<i>Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH</i> (German Society for International Cooperation) GIZ	Global	GIZ has demonstrated success in creating sustainable development projects linking training and local economic development in partnerships with the private sector (e.g. Keegan in Ghana, the Mines for Minds project with London Mining in Sierra Leone).
NORAD Oil for Development Program	Global Mozambique	Norwegian Aid has vast experience in working with oil producing nations to reduce poverty by promoting economically, environmentally and socially responsible management of petroleum resources in Africa and globally, particularly in governance and gender and energy related issues.
International Mining For development Centre (IM4DC)	Global	IM4DC has a broad network of alumni through M4Dlink http://m4dlink.org/ across the AADP focus and Target Countries. It has a strong community of practice of skilled researchers and trainers in all the areas in which the AADP aspires to work.
NGOs		
The Australia–Africa Community Engagement Scheme	Australia Africa	This scheme groups all Australia's largest NGOs, and it has been operating in all the E4G Focus Countries. Although it has not to date been involved in the extractive sector, Oxfam, CARE and World Vision have significant experience working on community projects with large extractive companies in Africa, Asia Pacific and Latin America.
Transparency International (Extractive Industries Transparency Initiative)	Global Africa	EITI brings together stakeholders from government, civil society, oil, gas and mining companies and investors to improve natural resource governance.

Annex D: AADP Structure and Governance Organogram

AADP Governance and Management



Annex E: Gender and Social Inclusion Mainstreaming Strategy

Introduction

This *Gender and Social Inclusion Mainstreaming Strategy* is developed for the E4G Component of the *Australia–Africa Development Program* (AADP) and outlines how gender and social inclusion mainstreaming will occur in the implementation of this component of the Program. This Mainstreaming Strategy aims to ensure that men, women, and vulnerable or disadvantaged sectors of society will have equitable opportunities to benefit from E4G Component activities. As identified during the concept phase of the program design,

‘there is a real risk of inequity of the potential economic gains from the mining sector. Vulnerable and disadvantaged groups are less likely to benefit from extractive sector development, and more likely to be negatively impacted, due to underlying biases at the community level.’⁴⁰

The Strategy indicates how these considerations can be effectively incorporated into the E4G Component of AADP by elaborating gender and social inclusion targets and outcomes for each of the proposed activities. Although some of the program activities may appear to be peripheral to questions of gender and social inclusion, and others are directly linked to these principles, the Design Team has elected to include gender and social inclusion elements for all activities, demonstrating an integrated process of mainstreaming. That is, in addition to targeted gender and inclusion activities, the program approach will ensure that **all** activities take gender and social inclusion issues into consideration at all stages of the activity cycle, not allowing them to be sidelined into a limited number of actions.

This *Gender and Social Inclusion Mainstreaming Strategy* is developed taking into account lessons learned from prior implementation of the AAPF and Australia Awards programs. Those lessons are included in **Annex B: Key Lessons Learnt from Previous Activities**.

Background

The extractive sector is recognised worldwide as having differential impacts on various parts of the community, with women and vulnerable groups less likely to benefit from employment in the sector, and / or less able to avoid its negative social and environmental consequences. Consultations with extractive companies to determine community development agreements do not always include women and disadvantaged social groups, nor even their representatives, although these agreements are often intended to address issues of concern to women, children and the vulnerable.⁴¹

Women and other less powerful community members often have difficulty in accessing money that is paid to communities by extractive operations under community development agreements. Social changes brought about by the proximity of extractive operations may also materially diminish the economic and social well-being of women and other vulnerable sectors of the community through the introduction of primarily male expatriate and migratory labour forces that may introduce or promote sex work, gender-based violence, and sexually transmitted diseases.

The varying effects of the extractive sector are equally present in sub-Saharan Africa. Although the advances in the extractive sector across the African continent have undoubtedly led to economic successes in the resource-rich countries, research and analysis have demonstrated that the resource-based benefits are not evenly shared and can even lead to greater disparities in socio-economic welfare. For example, UN Women discovered that, based on the Human Development Report results,

[I]n sub-Saharan Africa, when comparing the development indices of resource-rich countries and those with limited resources, the resource-rich countries rank comparatively higher on the income index; yet the countries with few resources have higher scores on human development and education indices. This indicates that in resource-rich sub-Saharan African countries, income is not being translated into equitable growth.’⁴²

⁴⁰ Appendix E to the E4G Investment Concept Note, *Issues for further consideration by the E4G team*, p. 1.

⁴¹ See Keenan, J. C. and D. L. Kemp (2014). *Mining and local-level development: Examining the gender dimensions of agreements between companies and communities*. Centre for Social Responsibility in Mining, The University of Queensland, for an examination of these processes, although not based on African examples.

⁴² UN Women (2014). *Gender Equality in the Extractive Industries in Africa. Policy Brief*. Eastern and Southern Africa Regional Office, Nairobi, p. 1.

For that reason, UN Women advocates that capacity development work in resource-rich developing countries needs to focus on the full integration of gender and human development perspectives into programs and activities. This accords well with Minister Bishop's statement that the Australian Aid policy *'will give increased attention to empowering women and girls as a central objective of our aid program, recognising the significant benefits that flow to whole communities from women's participation.'*⁴³

Essential Elements

In order to work towards greater equality of opportunity, the E4G Component of the AADP will prioritise identification and facilitation of improved social and gender equality and equitable access. All program activities will be designed and implemented in accordance with the following gender considerations:

- gender and social inclusion skills as a prerequisite for the various panels and advisory groups;
- gender and social inclusion as criteria for selection of options throughout the course of activities;
- M&E frameworks will contain gender and social inclusion measures;
- budget allocation to ensure that gender analysis is done during the detailed design of each activity, that consultations are held with a range of stakeholders with an interest in gender equality, and that staff can be trained on basic gender mainstreaming skills; and
- explicit clauses in contracts with implementing MCs stipulating a minimum range of actions to be taken on gender and social inclusion.

People with disabilities (PWD) frequently find it difficult to engage with the opportunities that change brings, unless proactive measures are taken to ensure that their specific needs are addressed. All E4G Component AADP activities will encourage the participation of PWD.

Monitoring and Evaluation

This Mainstreaming Strategy will be monitored in accordance with the E4G Component MEF which includes gender and social targets and, additionally, reviewed annually to track progress and consider the appropriateness of gender and social inclusion mainstreaming activities and those activities specifically targeting women and disadvantaged groups. The annual review will follow the collection and analysis of information on gender differentials and social relations to identify, comprehend and address gender and social inequities in the AADP. The M&E would need to consider:

- Identifying differential impacts of the E4G Component on women and men and people with disabilities and other vulnerable social groups;
- Identifying differences between men and women and others in perceptions, attitudes and opportunities associated with the E4G Component; and
- Developing a better understanding of progress in improving women's and other disadvantaged people's access to, and presence in, E4G Component -supported activities.

⁴³ Commonwealth of Australia, DFAT, *Australian aid: promoting prosperity, reducing poverty, enhancing stability*, June 2014, Canberra, p. iii.

Annex F: E4G Monitoring and Evaluation Framework

This Annex contains the following sections:

- Description of the Monitoring and Evaluation System
- Results Diagram
- E4G Component MEF
- M&E Tools
- Key Impact Evaluation Questions

Description of the AADP Monitoring and Evaluation System

The goal of the GoA's Sub-Saharan Africa Aid Program (SSAAP) is to assist African people to achieve more equitable access to the benefits of economic growth. From 2014–2015 it will have four objectives:

1. Contribute to African leadership and human capacity development and education in areas of critical skills shortages.
2. Improve extractive sector management and its contribution to inclusive economic growth through developing skills, increasing government capacity and empowering local communities.
3. Improve agriculture productivity and decision-making through support for development and adoption of new technologies and innovations in the agricultural sector.
4. Respond appropriately to humanitarian crises in Africa through working with effective humanitarian partners.

The AADP Goal mirrors the SSAAP goal: to assist African people to achieve more equitable access to the benefits of economic growth.

The AADP Objectives are:

- Contribute build human capacity development and education in areas of critical skills shortages.
- Improve extractive sector management and its contribution to inclusive economic growth through developing skills, increasing government capacity and empowering local communities.

The M&E Framework for the AADP is comprised of two levels: a Program-level matrix and specific component-level matrices (Australia Awards and Extractive). Together these matrices will provide a tool to monitor the AADP's progress and evaluate its outcomes.

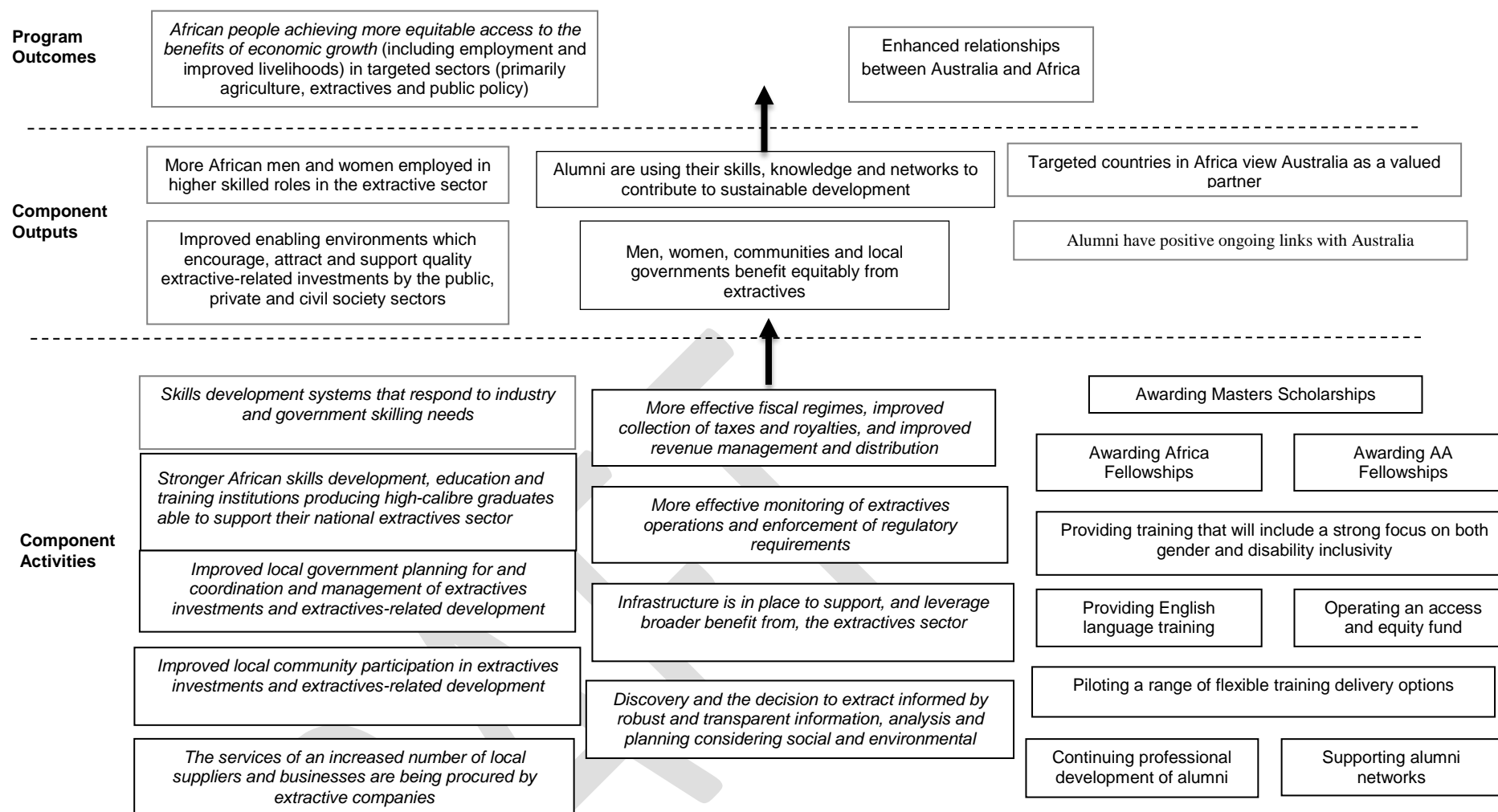
The Program-level matrix describes the key features of the AADP and maps out the outcomes expected and the outputs needed to achieve them in the two components.

The E4G Component-level matrix describes key component outcomes, outputs and activities, provides key performance indicators with indicative two-year and four-year targets, and the monitoring tools needed to conduct these measurements against baselines. The Program will refine baselines within the first three to six months of implementation, which could include both desktop exercises and more detailed and nuanced field studies to gather the necessary data.

Indicative gender targets have been included throughout the MEF and are also set out separately for ease of reference.

Results Diagram

Goal: Targeted contributions to sustainable and inclusive economic growth in Africa



E4G Component M&E Framework

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
E4G Output 1: More African men and women employed in higher skilled roles in, or deriving improved livelihoods from the extractive sector			
<p>The weak capacity of educational and technical / vocational training institutions to deliver the quality and quantity of skilled workers to the market is well recognised in Africa.</p> <p>African educational providers have historically failed to develop industry-responsive training.</p> <p>The GoA has supported capacity development and training in Africa since 1960s albeit it has tended to focus on individuals as opposed to African institutions.</p> <p>The GoA has supported study tours that explored skills gaps in the Extractive sectors between 2011 and 2014</p>	<p>In each of the three focus countries at least two activities are completed which demonstrate that Governments and companies are better able to satisfy their recruitment requirements through increased access to a more skilled local workforce, demonstrating the economic growth and job creation benefits of extractives development</p> <p>Gender / social target: All extractive- related AAPF activities designed, implemented and evaluated to meet the needs of the extractive sector, are assessed to being socially and gender inclusive</p>	<p>In each of the three focus countries at least two activities are completed which demonstrate that Governments and companies are better able to satisfy their recruitment requirements through increased access to a more skilled local workforce, demonstrating the economic growth and job creation benefits of extractives development</p> <p>Gender / social target: All extractive- related AAPF activities designed, implemented and evaluated to meet the needs of the extractive sector, are assessed to being socially and gender inclusive</p>	<p>Labour Statistics Survey</p> <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>
E4G Output 2: Improved enabling environments which encourage, attract and support quality extractive-related investments by the public, private and civil society sectors			
<p>African countries have much to gain from ensuring that their extractive sectors are well managed and globally competitive – that is, that an appropriate enabling environment is in place. Causes of a weak enabling environment are inextricably linked to skills development (Pillar 1), compounded by a lack of understanding between industry and government on respective</p>	<p>Minimum one Regulatory Environment for Investment (REI) initiative commenced in each of the three Focus Countries.</p> <p>3 REI initiatives commenced across the Target Countries</p> <p>Gender / social target: At least one REI initiative commenced that supports gender and social inclusion in</p>	<p>Minimum one REI initiative completed in each of the three Focus Countries.</p> <p>7 REI initiatives across the Target Countries</p> <p>Gender / social target: At least one REI initiative completed that supports gender and social inclusion in design, implementation and evaluation</p>	<p>AADP progress reports AADP Pilot evaluations AADP Mid Term Review REI Tool⁴⁴</p> <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>

⁴⁴ E.g. using World Bank's Extractive Industries Governance Assessment (FEIGA) tool.

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
<p>decision making timeframes and motivational drivers. Issues in Africa that underpin a competitive mining sector include inadequate policies, the lack of robust legislation and regulations, and immature fiscal policies.</p> <p>The GoA has supported study tours and TA that have explored the enabling environment between 2011 and 2014</p>	design and implementation		
E4G Output 3: Men, women, communities and local governments benefit equitably from extractives			
<p>While mining can help build resilient local economies and communities there is little evidence of this to date in Africa.</p> <p>Reasons for this are multi-faceted and include lack of information power and capacity asymmetries (both communities and companies experience this); piecemeal approaches to Corporate Social Responsibility and local development; lack of community engagement in strategy development; weak partnerships; exacerbation of existing inequalities (gender equality); lack of access and capacity in local markets; failure to coordinate across communities and districts; and absence of appropriate dispute resolution processes.</p> <p>The GoA has supported study tours that explored procurement and local community issues in the Extractive sectors between 2011 and 2014.</p>	<p>In each of the three focus countries at least one effective partnership between government (within and between different levels), private sector and communities is built which allows all stakeholders to minimise/manage the risks and maximize the opportunities resulting from extractive investments</p> <p>Gender / social target:</p> <ul style="list-style-type: none"> - At least two partnerships between extractive industries and communities that support gender and social inclusion in design, implementation and evaluation. 	<p>In each of the three focus countries at least two effective partnership between government (within and between different levels), private sector and communities is built which allows all stakeholders to minimise/manage the risks and maximize the opportunities resulting from extractive investments</p> <p>Gender / social target:</p> <ul style="list-style-type: none"> - At least four partnerships between EI and communities that support gender and social inclusion in design, implementation and evaluation - 	<p>AADP progress reports AADP Pilot evaluations AADP Mid Term Review KAP survey of participants</p> <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
Key E4G Activities 1: Skills development systems that respond to industry and government skilling needs			
<p>The weak capacity of educational and technical / vocational training systems to develop appropriate policy and implement effective strategies is well recognised in Africa.</p> <p>A lack of robust policy and workforce planning that is responsive to industry and government skilling needs, without which governments and companies cannot adequately connect, prepare, train and employ workers.</p> <p>The GoA has supported capacity development and training in Africa since 1960s albeit it has tended to focus on individuals as opposed to African institutions.</p> <p>The GoA has supported study tours that explored TVET related issues in the Extractive sectors between 2011 and 2014</p>	<p>In each Focus Country, at least:</p> <ul style="list-style-type: none">- Two New minerals skills forecasting models and planning tools developed and piloted- Two Competency frameworks and training packages developed and piloted- Two Skills strategies developed and piloted <p>Gender / social target:</p> <p>At least one New minerals skills forecasting model, one Competency Framework and one Skills strategy is assessed to being socially and gender inclusive</p>	<p>In each Focus Country, at least:</p> <ul style="list-style-type: none">- Four New minerals skills forecasting models and planning tools developed and piloted- Four Competency frameworks and training packages developed and piloted- Four Skills strategies developed and piloted <p>Gender / social target:</p> <p>At least two New minerals skills forecasting model, two Competency Framework and two Skills strategy is assessed to being socially and gender inclusive</p>	<p>AADP progress reports</p> <p>AADP Pilot evaluations</p> <p>AADP Mid Term Review</p> <p>Baseline Information Sources</p> <p>AAPF completion reports, activity completion reports, scoping mission reports and database</p>
Key E4G Activities 2: Stronger African skills development, education and training institutions producing high-calibre graduates able to support their national extractives sector			
<p>Institutions that deliver extractive skills education and training in Africa are typically ineffective as the result of:</p> <p>Limited collaboration between the providers of skills (tertiary and other training institutions) and users of skills (Mining Companies), vis-à-vis, skills training and development;</p> <p>Staff unable to acquire new</p>	<p>In each Focus Country, at least:</p> <ul style="list-style-type: none">- Two Twinning arrangements and technical assistance provided to select skills development institutions- Two Skills partnerships between government, industry and communities built	<p>In each Focus Country, at least:</p> <ul style="list-style-type: none">- Four Twinning arrangements and technical assistance provided to select skills development institutions- Four Skills partnerships between government, industry and communities built	<p>External independent QA review (including TVET specialists and private sector)</p> <p>AADP progress reports</p> <p>AADP Pilot evaluations</p> <p>AADP Mid Term Review</p> <p>Baseline Information Sources</p> <p>AAPF completion reports, activity completion reports, scoping mission reports and</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
<p>technological skills required in the mining industry due to lack of participation in mining projects;</p> <p>Insufficient funding resulting in a lack of world class teaching, programs and research at tertiary institutions; and</p> <p>Are poorly aligned to the apprenticeship and 'learnership' programs established by the mining companies in recent years, where required.</p> <p>The GoA has supported capacity development and training in Africa since 1960s albeit it has tended to focus on individuals as opposed to African institutions.</p> <p>The GoA has supported study tours that explored TVET related issues in the Extractive sectors between 2011 and 2014.</p>	<p>- Two PPP models for COEs developed</p> <p>Gender / social target: At least one Twinning arrangement, one Skills Partnership and one PPP model for COE is assessed to being socially and gender inclusive.</p>	<p>- Four PPP models for COEs developed</p> <p>Gender / social target: At least two Twinning arrangements, two Skills Partnerships and two PPP models for COE are assessed to being socially and gender inclusive.</p>	database
Key E4G Activities 3: Improved local government planning for and coordination and management of extractives investments and extractives-related development			
<p>Capacity gaps at the local level hinder effective local government planning and the coordination and management of initiatives to stimulate local extractives-related development.</p> <p>The GoA has supported study tours that has led to small scale initiatives to improve local government between 2011 and 2014</p>	<p>- In each of the three focus countries at least one initiative to strengthen local government capacity to develop and update comprehensive local development plans is completed</p> <p>- In each of the three focus countries at least one initiative to strengthen local government capacity to manage extractives revenue and in-kind contributions from</p>	<p>- In each of the three focus countries at least two initiatives to strengthen local government capacity to develop and update comprehensive local development plans is completed</p> <p>- In each of the three focus countries at least two initiatives to strengthen local government capacity to manage extractives revenue and in-kind contributions from variety of sources is completed</p>	<p>- Knowledge, attitudes and practices (KAP) Survey of local government officials</p> <p>- AADP progress reports</p> <p>- AADP Pilot evaluations</p> <p>- AADP Mid Term Review</p> <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
	<p>variety of sources is completed</p> <ul style="list-style-type: none"> - In each of the three focus countries at least one initiative to strengthen local government capacity to engage with extractives stakeholders and manage multi-stakeholder consultation processes is completed <p>Gender / social target: At least one initiative to strengthen development plans, one initiative to manage extractives revenue and in-kind contributions from variety of sources, and one initiative to engage with extractives stakeholders and manage multi-stakeholder consultation processes is assessed to being socially and gender inclusive in each of the three focus countries</p>	<ul style="list-style-type: none"> - In each of the three focus countries at least two initiatives to strengthen local government capacity to engage with extractives stakeholders and manage multi-stakeholder consultation processes is completed <p>Gender / social target: At least two initiative to strengthen development plans, two initiatives to manage extractives revenue and in-kind contributions from variety of sources, and two initiatives to engage with extractives stakeholders and manage multi-stakeholder consultation processes is assessed to being socially and gender inclusive in each of the three focus countries</p>	
Key E4G Activities 4: Improved local community participation in extractives investments and extractives-related development			
<p>Few extractive affected community initiatives in Africa meet the required standards to obtain support from international firms. In the past, inability of communities to establish partnerships has limited their success in capitalising on extractive-related supply chain opportunities.</p> <p>The GoA has supported study tours that explored local community issues in the Extractive sectors between 2011 and 2014</p>	<ul style="list-style-type: none"> - At least one activity per Focus Country is completed which strengthens local community capacity to engage with extractives stakeholders and participate in multi-stakeholder consultation processes <p>Gender / social target: At least one activity per Focus Country is completed which</p>	<ul style="list-style-type: none"> - At least two activities per Focus Country is completed which strengthens local community capacity to engage with extractives stakeholders and participate in multi-stakeholder consultation processes <p>Gender / social target: At least one activity per Focus Country is completed which</p>	<ul style="list-style-type: none"> - Knowledge, attitudes and practices (KAP) Survey of community participants - AADP progress reports - AADP Pilot evaluations - AADP Mid Term Review <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
	promotes women's participation in the economic and social life of mining affected communities	promotes women's participation in the economic and social life of mining affected communities	
Key E4G Activities 5: The services of an increased number of local suppliers and businesses are being procured by extractive companies			
<p>Few SMEs in Africa meet the required standards to obtain contracts and other support from international firms. In the past, inability of SMEs to establish partnerships has limited their success in capitalising on extractive-related supply chain opportunities.</p> <p>The GoA has supported study tours that explored procurement issues in the Extractive sectors between 2011 and 2014</p>	<ul style="list-style-type: none"> - At least two transparent platforms in each of the focus countries established for local suppliers, local businesses, women and youth to participate in the procurement process of extractive companies - At least 30 SMEs achieve "approved supplier status" with private sector partners and their suppliers. <p>Gender / social target:</p> <ul style="list-style-type: none"> - At least two initiatives per focus country strengthen the capacity of local suppliers, local businesses, women and youth to participate in the procurement process of extractive companies <p>At least 500 people (50% women) identified for formal full time employment contracts with targeted SMEs</p>	<ul style="list-style-type: none"> - At least four transparent platforms in each of the focus countries established for local suppliers, local businesses, women and youth to participate in the procurement process of extractive companies - At least 60 SMEs achieve "approved supplier status" with private sector partners and their suppliers. <p>Gender / social target:</p> <ul style="list-style-type: none"> - At least four initiatives per focus country strengthen the capacity of local suppliers, local businesses, women and youth to participate in the procurement process of extractive companies <p>At least 1000 people (50% women) identified for formal full time employment contracts with targeted SMEs</p>	<ul style="list-style-type: none"> - AADP progress reports - AADP Pilot evaluations - AADP Mid Term Review - Survey of SMEs <p>Baseline Information Sources</p> <p>AAPF completion reports, activity completion reports, scoping mission reports and database</p>
Key E4G Activities 6: More effective fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution			
Capacity gaps in African Ministries (such as in finance ministries and other regulatory bodies) constrain the realisation of the economic benefits of the extractives sector.	<ul style="list-style-type: none"> - In each of the three Focus Countries at least one activity that contributes to effective 	<ul style="list-style-type: none"> - In each of the three Focus Countries at least two activities that contributes to effective 	<ul style="list-style-type: none"> - AADP progress reports - AADP Pilot evaluations - AADP Mid Term Review <p>Baseline Information Sources</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
The GoA has supported study tours and TA that implemented initiatives to strengthen the fiscal regimes of targeted countries with particular emphasis on improving the collection of taxes and royalties, and improved revenue management and distribution between 2011 and 2014	<p>fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution is completed</p> <p>Gender / social target:</p> <p>In each of the three countries at least one financial management process (including fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution) is improved to support gender and social inclusion</p>	<p>fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution is completed</p> <p>Gender / social target:</p> <p>In each of the three countries at least two financial management processes (including fiscal regimes, improved collection of taxes and royalties, and improved revenue management and distribution) is improved to support gender and social inclusion</p>	<p>AAPF completion reports, activity completion reports, scoping mission reports and database</p>
Key E4G Activities 7: More effective monitoring of extractives operations and enforcement of regulatory requirements			
<p>Capacity gaps in African Ministries inhibit effective monitoring of extractives operations and regulatory requirements are not enforced consistently.</p> <p>The GoA has supported study tours which explored the means to improve the monitoring of extractives operations and how best to enforce regulatory requirements between 2011 and 2014</p>	<p>- At least one activity per Focus Country to strengthen capacity to monitor extractives operations and enforce regulatory requirements is completed</p> <p>Gender / social target:</p> <p>At least one activity to strengthen capacity to monitor extractives operations and enforce regulatory requirements that supports gender and social inclusion is completed.</p>	<p>- At least two activities per Focus Country to strengthen capacity to monitor extractives operations and enforce regulatory requirements is completed</p> <p>Gender / social target:</p> <p>At least two activities to strengthen capacity to monitor extractives operations and enforce regulatory requirements that supports gender and social inclusion is completed.</p>	<p>- AADP progress reports - AADP Pilot evaluations - AADP Mid Term Review</p> <p>Baseline Information Sources</p> <p>AAPF completion reports, activity completion reports, scoping mission reports and database</p>

Components / Baseline	Key Performance Indicators		Monitoring Tools
	Two – Year Target	Four – Year Target	
Key E4G Activities 8: Infrastructure is in place to support, and leverage broader benefit from, the extractives sector			
<p>Sound infrastructure planning and management in key infrastructure corridors in Africa are currently being undermined by weak public sector capacity and thus helping to maintain the infrastructure gap on the continent. If the gap is narrowed infrastructure initiatives could be leveraged to broaden and diversify economic growth in non-mining sectors such as agriculture, manufacturing and services.</p> <p>The GoA has supported study tours and a pilot project that explored the issues of resource infrastructure corridor project management competencies between 2011 and 2014</p>	<p>Public sector capacity to develop, design and manage extractives-related infrastructure projects are strengthened in at least three projects</p> <p>Gender / social target: Resource infrastructure corridor development projects are managed utilising social and gender inclusion competencies in at least two projects</p>	<p>Public sector capacity to develop, design and manage extractives-related infrastructure projects are strengthened in at least six projects</p> <p>Gender / social target: Resource infrastructure corridor development projects are managed utilising social and gender inclusion competencies in at least four projects</p>	<ul style="list-style-type: none">- AADP progress reports- AADP Pilot evaluations- AADP Mid Term Review <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>
Key E4G Activities 9: Discovery and the decision to extract informed by robust and transparent information, analysis and planning considering social and environmental			
<p>Capacity gaps in African Ministries (such as in environmental ministries and other regulatory bodies) often lead to a lack of transparency with regards to decisions to extract. Moreover, many decisions do not fully consider social and environmental impact issues.</p> <p>The GoA has supported study tours and international conferences which have considered how best to include social and environmental considerations when making decisions to extract between 2011 and 2014</p>	<ul style="list-style-type: none">- At least one activity per Focus Country is completed which considers social and environmental impacts during discovery and the decision to extract <p>Gender / social target: At least one discovery and decision to extract in each focus country is assessed to support gender and social inclusion when considering social and environmental impacts</p>	<ul style="list-style-type: none">- At least two activities per Focus Country is completed which considers social and environmental impacts during discovery and the decision to extract <p>Gender / social target: At least one discovery and decision to extract in each focus country is assessed to support gender and social inclusion when considering social and environmental impacts</p>	<ul style="list-style-type: none">- AADP progress reports- AADP Pilot evaluations- AADP Mid Term Review <p>Baseline Information Sources AAPF completion reports, activity completion reports, scoping mission reports and database</p>

M&E Tools

The M&E Tools set out below describes indicative M&E requirements, as mentioned in the M&E Framework. Exact M&E activities will be need to be refined and agreed with DFAT..

Monitoring & Evaluation Tasks	Approach	Timeline	Roles and responsibilities	Deliverables and Reporting
Monitoring				
Progress financial and activity reporting.	The MC will provide regular financial and administrative progress reporting to DFAT....	...	Programme Manager supported by Programme Management Unit to prepare narrative summaries.	Narrative report, evidencing progress against Results Framework Indicators.
Baseline finalisation	The proposed M&E Framework for the AADP requires baselines to be set against which progress can be measured, and in order to determine whether the proposed 2-year and 4-year targets are realistic. This will include both a desk top exercise analysing data from the Australia Awards and AAPF database, and the need for relevant and applicable field work	The MC must refine the baselines within the first 6 months of the AADP	M&E manager, with support from M&E staff.	Narrative and statistical report which establishes baselines across each level of the AADP M&E Framework
Evaluation				
AADP Mid Term Review	An independent MTR will be required to assess the progress the AADP is making, and determine whether any changes are required to the design and implementation arrangements. The review will also assess whether program outcomes can still be attained.	18 months after the start of the AADP	DFAT will commission and have oversight over the MTR	Narrative Report

Monitoring & Evaluation Tasks	Approach	Timeline	Roles and responsibilities	Deliverables and Reporting
Knowledge, attitudes and practices (KAP) survey	Online KAP surveys will be conducted in order to assess the knowledge, attitudes and practices of all participants to whom the intervention is targeted to (e.g. participants in the Infrastructure Skills Development Activity). This will allow project managers to track effectiveness of the intervention and refine activities if need be.	6 months after the start of the activity	M&E manager to manage, and source APSG M&E panel members to conduct KAP Survey	Narrative and statistical report
Pilot project progress reviews	Review the progress of the Skills and Communities' pilot projects in the three focus countries (under Component 1)	6 months after the start of each pilot	M&E manager to manage, and source APSG M&E panel members to conduct reviews	Narrative Report
Pilot project evaluations	Evaluate each of the Skills and Communities' pilot projects in the three focus countries (under Component 1)	At the completion of each pilot	M&E manager to manage, and source APSG M&E panel members to conduct reviews	Narrative Report
Infrastructure Skills Development Activity progress review	Review the progress of the Infrastructure Skills Development Activity (under Component 1)	6 months after the start of the activity	M&E manager to manage, and source APSG M&E panel members to conduct evaluations	Narrative Report
Infrastructure Skills Development Activity evaluation	Evaluate the Infrastructure Skills Development Activity (under Component 1)	At the completion of the activity	M&E manager to manage, and source APSG M&E panel members to conduct evaluation	Narrative Report
Satisfaction Surveys	Relevant key stakeholders and participants in the AADP will be surveyed to assess their degree of postivity and satisfaction with their level of engagement with the program.	Conduct a baseline survey after 2 years and a follow-up study after 4 years	M&E manager to manage and ensure M&E staff conduct electronic surveys	Narrative Report

Monitoring & Evaluation Tasks	Approach	Timeline	Roles and responsibilities	Deliverables and Reporting
Governance Index	Using a tool such as the World Bank's Extractive Industries Governance Assessment (FEIGA) Tool an assessment will be made to assess the extent in which the enabling environment has been improved (including assessing the extent to which the environment has become more transparent, accountable, inclusive, and more investment friendly).	Conduct a baseline survey after 2 years and a follow-up study after 4 years	M&E manager to manage and source an independent service provider to conduct study	Narrative and statistical Report
Relationship Review	The review will to assess the extent and nature of the relationships that have developed between Australian and African organisations as a result of initial contact through AADP activities	Conduct a baseline survey after 2 years and a follow-up study after 4 years	M&E manager to manage and source an independent service provider to conduct Reviews	Narrative Report
Independent QA TVET Review	An independent panel of TVET specialists and private sector representatives will assess whether TVET institutions are providing appropriate/relevant training to meet the needs of the Extractive Sector in the three focus countries	6 months after the completion of the TVET pilots	M&E manager to manage and source an independent service provider to conduct Reviews	Narrative Report

Key Impact Evaluation Questions

The table below sets out key Impact Evaluation Questions for the Program. It is comprehensive but not exhaustive and it is provided as a guide only to the issues that need to be considered when reviewing program implementation (both from a monitoring and an evaluation perspective). Thus these questions should guide ongoing monitoring and also be used to formulate the evaluation questions for the Mid Term Review of the AADP. It is the responsibility of the appointed Contractor to ensure the table continues to meet program needs and is kept current. The questions are intended to provide guidance for further elaborated by an evaluation team.

Category	Evaluation Questions
Operational Platform	
Program Management	<ul style="list-style-type: none"> To what degree has the Facility been effectively managed to achieve intended outcomes? To what degree does Facility management represent value for money? To what degree has the Facility management communicated effectively with DFAT?
Recruitment and Human Resources Management	<ul style="list-style-type: none"> To what degree have Facility recruitment practices supported DFAT Program Areas to identify, recruit and manage appropriate TA personnel in a timely and cost effective manner? To what degree has the Facility furnished DFAT with value added market knowledge across all required professional categories? To what degree has the Facility fostered LES development?
Financial and Asset Management and Reporting	<ul style="list-style-type: none"> To what degree has the Facility provided sound financial and asset management and reporting?
Information Management	<ul style="list-style-type: none"> How effectively has the Facility captured and used information and lessons to improve the quality of services provided? To what degree have the quality and use of information collated and used by the Facility assisted DFAT Program Managers to effectively deliver Programs and the Facility management to effectively provide DSS (including dissemination of information and bulletins)?
Program Outcomes	
Relevance	<ul style="list-style-type: none"> To what degree does the AADP's goal and objective remain valid? Is the goal and objective of the AADP still relevant to Australia's broader goals in sub-Saharan Africa (i.e. helping to meet the SSAAP goal and objectives?) Are the activities and outputs of the two components consistent with the AADP's expected outcomes, goal and objective? Were the objectives/outputs realistic, especially taking into account the duration of the programme? Was the implementation arrangement appropriate and adequate, given the complexity of the programme? Is the focus of the AADP still relevant in terms of: <ol style="list-style-type: none"> Sector and geographic coverage? The scale and focus of funding?

Effectiveness	<ul style="list-style-type: none"> ▪ To what degree were the AADP's outcomes achieved, or are anticipated to be achieved? ▪ What chief factors were responsible for the achievement or failure of the outcomes? ▪ How effective has the AADP been in engaging with the private sector to participate in its activities? ▪ How effective has the AADP been in building relationships between Australia and Africa?
Efficiency	<ul style="list-style-type: none"> ▪ How cost-efficient were the AADP activities? ▪ Were outputs in the two components achieved within budget? ▪ Has engagement of the private sector in activities supported by the AADP made the activities more efficient? ▪ Is the AADP using inputs of aid program funds, staff and other resources in the most efficient manner to achieve the desired results? ▪ Is the AADP achieving efficiencies in terms of: <ol style="list-style-type: none"> a. Managing the programme centrally from within DFAT in Canberra? b. Using a single Managing Contractor? c. The management of individual initiatives
Impact	<ul style="list-style-type: none"> ▪ To what extent has the AADP contributed to sustainable and inclusive economic growth? ▪ What real difference was made to the targeted beneficiaries/participants/alumni as a result of the AADP?
Sustainability	<ul style="list-style-type: none"> ▪ To what degree will the public, private and community capacities for economic growth be sustained after the investment by the Australian Government ends? ▪ What chief factors were responsible for the achievement or failure of the AADP's overall sustainability?

Annex G: E4G Component Risk Matrix

The risk matrix below sets out the key risks for the E4G Component. A separate risk matrix setting out risks at the Program level is included in the overarching AADP IDD. The Australia Awards IDD also includes a risk matrix specific to its requirements. The MC will be required to analyse risks and refine this risk matrix for the E4G Component during the first three months of combined implementation.

Key risks and mitigation measures for the AADP are described in the table below.

Key:

P = Level of probability of risk eventuating (1 = Rare, 2 = Unlikely, 3 = Possible, 4 = Likely, 5 = Almost certain)

I = Impact if the risk eventuates (1 = Negligible, 2 = Minor, 3 = Moderate, 4 = High, 5 = Severe)

R = Risk rating – product of **P X I** (2 = Negligible: 6 = Minor: 11 = Moderate: 15 = High: 20 = Severe)

Entity = Entity responsible for managing the risk

Key Risks	P	I	R	Impact	Entity(s)	Mitigation	Residual Rating
Operational Environment Risks							
Political, social, environmental instability in targeted countries and especially three Focus Countries	3	3	9	Potential for civil and / or political unrest in any of the focus or targeted countries, or in any country in which AADP activities take place is significant and may affect the health and safety of MC and sub-contracted staff. There may be a need for heightened security measures and this may cause delay, postponement or cancellation of AADP activities in affected country.	MC DFAT	Monitoring and early identification of risk to enable realignment of AADP program. DFAT monitoring of security situations in Program Countries, especially during any election periods and, if necessary, increased security measures. MC has a rapid reaction protocol established to respond to increased security threats.	Minor
Significant downturn in global and African demand and future investment for extractive	3	3	9	Slow in demand by African governments and private sector agencies working in extractive-related industries in Africa may slow AADP delivery, particularly for E4G; minimal impact on awards is anticipated.	MC DFAT	Monitoring and early identification of risks to enable recalibration of AADP program. MC's trend analysis and strategic advice critical to this recalibration.	Moderate
Reputational risk to DFAT over perceived conflict of interest with private sector engagement	3	4	12	Perceptions may grow that Australia seeks to look after its own and is not being transparent in the delivery of aid.	MC DFAT	Clear guidelines established for private sector engagement, including areas of potential involvement. Protocols developed to deal with potential or actual conflicts of	Moderate

Key Risks	P	I	R	Impact	Entity(s)	Mitigation	Residual Rating
						<p>interest from private sector involvement.</p> <p>Reports include clear statements about actual or perceived conflicts of interest.</p> <p>Communication strategy to specifically address how perceptions of conflicts of interest would be dealt with.</p> <p>Private sector agencies required to indicate how they would deal with actual / potential conflicts of interest when being evaluated for engagement on activities / projects.</p>	
Reduced GoA commitment, including financial commitment, to Africa	3	3	12	Program work may not be realised; reduction in the number of Awards delivered.	DFAT	DFAT to monitor and provide earliest possible guidance to MC.	Moderate
Insufficient aid management experience and support for DFAT HoMs at post, and few DFAT staff in Africa with detailed understanding of extractive sector	3	4	12	<p>HoMs support may dwindle for the utility of the AADP for both development and economic diplomacy objectives.</p> <p>The AADP will struggle to foster good relations with private sector and to work with the AMDC.</p>	DFAT	<p>DFAT briefing of HoMs on new roles</p> <p>DFAT AFB consider provision of transitional support (DFAT staff or contracted personnel e.g. via Australia Awards) to HoMs</p> <p>Provision of Guidelines / Toolkit for HoMs on AADP</p> <p>The MC will need to charge its providers with the task of developing extractive sector knowledge.</p>	Moderate
Program Risks							
Lack of participation by key government, community and private sector partners, (i.e. skills development pilots fail to attract private sector investment)	3	4	12	Poor outcomes and / or program stagnation. Some activities may need to be abandoned.	MC DFAT	MC and DFAT exchange information about level of participation by private sector and governments regularly. To be addressed through DFAT-MC management meetings. Where participation low, new initiatives proposed by MC.	Moderate
Poor or miscommunications due to changed DFAT and MC staff and contract management arrangements.	3	4	12	<p>E4G Component responsiveness slows due to time-difference between Africa and CBA.</p> <p>Leverage opportunities missed.</p> <p>MC not aware of key E4G Component decisions and upcoming demands / activities.</p>	MC DFAT	Design / contract management arrangements for frequent DFAT-MC meetings at operational level implemented. Priority given to MC developing a relevant Communications Plan covering the E4G Component and Plan accepted by DFAT.	Moderate
Fragmentation and reduced cohesion of E4G Component activities due to a large number of small Extractive activities initiated by HoMs across a number of countries in Africa.	3	4	12	E4G Component outcomes would be poor. A scattered delivery of E4G Component activities, which may be required to support HoMs bilateral objectives, will diminish the opportunities for program cohesion and for that cohesion to be leveraged for both development and economic diplomacy.	DFAT	<p>DFAT AFB has primary role in screening proposed E4G Component activities.</p> <p>Provision of E4G Component Activity Programming Guidelines / Toolkit for HoMs to maximise Program cohesion and opportunity for mutual leveraging.</p>	Moderate
Reputational risk to DFAT over potential negative	3	4	12	E4G Component activity	DFAT	DFAT commission development of Strategic Environmental	Moderate

Key Risks	P	I	R	Impact	Entity(s)	Mitigation	Residual Rating
environmental or social impact of E4G Component activities.				implementation slows and / or expected outcomes not achieved due to actual or perceived controversy associated with E4G Component activities.		Risk Assessment criteria and process to assess potential risks and, to incorporate recommendations into E4G Component activities' operational procedures, if required. All E4G Component activities vetted against Environmental and Reputational Risk criteria, including AAPF activities rolled over to AADP (i.e. pilot activities in Focus Countries).	
Transition Risks for E4G Component							
Protracted AADP tender process and contract negotiation impact adversely on transition arrangements and E4G Component activity implementation	3	5	15	E4G Component activity implementation would slow. Exemption Minutes for extensions required by January 2014 if tender timetable slips.	DFAT	Draw up draft Exemption Minutes in contemplation of timetable slippage. Minimum three month MC-MC handover period.	High
Loss of experienced staff from existing AAPF MC adversely affects AADP implementation	3	4	12	E4G Component activity implementation would slow if key E4G Component staff decide to leave prior to re-contracting.	DFAT	Preferred Option: Incoming AADP MC retains Pretoria as Program Implementation Unit location Subject to legal advice, novation of existing AAPF staff to AADP MC	Moderate
Value for Money							
E4G Component sub-contractors' / private sector agencies' poor performance	3	4	12	E4G Component sub-contractors/ private sector agencies unable to demonstrate performance or value for money outcomes to DFAT. Risk of Fraud or lowering of service levels / quality received from providers.	MC	Ongoing monitoring of the quality of work and level of service provision. Use Operations Manual and finance procedures to confirm quality before payment. Use of Outputs-based contracting preferred for sub-contractors. Monitor performance of all providers against the sub-contractors' Terms of Reference and contract.	Moderate
Financial Management and Fraud							

AusAID Risk Matrix Rating Descriptors

	Consequences				
	Negligible (1) A NEGLIGIBLE IMPACT on AusAID which should be possible to be handled at the operational level.	Minor (2) A MINOR IMPACT on AusAID. It could involve such things as: Minor delays in providing services or achieving objectives Minor dissatisfaction of clients or stakeholders AusAID suffers a minor adverse financial impact (<\$50K) Minor breach of public sector accountability requirements	Moderate (3) A MODERATE IMPACT on AusAID. It could involve such things as: Significant delays in providing services or achieving key objectives Limited dissatisfaction of clients and stakeholders A minor breach of physical or information security AusAID is exposed to minor criticism and adverse publicity AusAID suffers minor damage to its reputation AusAID suffers a moderate adverse financial impact (\$50–250K) Moderate breach of public sector accountability requirements	Major (4) A MAJOR IMPACT on AusAID. It could involve such things as: Major delays in providing services or achieving key objectives Significant dissatisfaction of clients and stakeholders A major breach of information security which adversely affects relationships with other agencies A physical security incident resulting in injury to an employee AusAID is exposed to significant criticism and moderate adverse publicity AusAID suffers moderate damage to its reputation AusAID suffers a significant adverse financial impact (\$250–500K) AusAID breaches legislative or contractual obligations Major breach of public sector accountability requirements	Severe (5) A SEVERE IMPACT on AusAID. It could involve such things as: A critical business failure resulting in non-achievement of key business objectives Extensive loss of stakeholder support Loss of Government confidence in and / or support for AusAID An extensive breach of information security which damages Australia's interests A breach of physical security resulting in the death of an employee AusAID is exposed to extensive criticism and adverse publicity AusAID suffers extensive damage to its reputation AusAID suffers a major adverse financial impact (>\$500K) Extensive breaches of legislative or contractual obligations by AusAID Extensive breach of public sector accountability requirements Establishment of Parliamentary or other external inquiry
Likelihood					
Almost Certain (5) Expected to occur in most circumstances	Moderate	Moderate	High	Very High	Very High
Likely (4) Will probably occur in most circumstances	Moderate	Moderate	High	High	Very High
Possible (3) Could occur at some time	Low	Moderate	High	High	High
Unlikely (2) Not expected to occur	Low	Low	Moderate	Moderate	High
Rare (1) May occur only in exceptional circumstances	Low	Low	Moderate	Moderate	High

Annex H: Indicative Budget and Cost Estimates

AADP Financial Envelope

The proposed financial envelope for the AADP is AU\$210 million over the four year term and AU\$62 million for the E4G Component. The value of the E4G Component of the AADP contract is estimated at \$50 million over four years. Indicative Program activity costs for the E4G Component is set out below. (Table 2). It is important to note that some Program activity costs, although funded from the Program's financial envelope, will lie outside DFAT's contract with the MC⁴⁵.

Table 2: Indicative AADP Funding

Item	Annual	Over 4 Years
Value of DFAT-MC AADP Contract Throughput		
Australia Awards Activity Costs	\$17 million	\$68 million
E4G Activity Costs	\$12.5 million	\$50 million
Sub-Total:	\$29.5 million	\$118 million (\$120 million)
Value of DFAT AADP Direct Costs		
Scholarships Payments to Universities	\$18 million	\$72 million
Direct extractive costs	\$2 million	\$8 million
DFAT Program Management costs (DFAT staff)	\$2 million	\$8 million
Sub-Total:	\$22 million	\$88 million (\$90 million)
Total AADP Financial Envelope	\$51.5 million	\$206 million (\$210 million)

Program Management Costs

No cost estimates for Program management staffing are provided in this IDD. Given the desire to seek cost efficiencies, synergies, and leveraging of benefits across both the E4G and Australia Awards Components, the RFT will require tenderers to submit a proposal for staffing structure and costs for a combined **Program Implementation Unit**, including full-time program management and administration staff who would also manage a panel of expert TA personnel (African Program Support Group) used on an on-call basis, as well as a Program Director.

Table 2: Indicative E4G Component Activity Costs

E4G Component	2015–2016	2016–2017	2017–2018	2018–2019
(A) Multi-Country				
Study Tours	1,400,000	1,400,000	1,400,000	1,400,000
Infrastructure Planning Skills	2,000,000	2,000,000	2,000,000	2,000,000
Negotiation Skills Support	250,000	500,000	500,000	500,000
Sub Total (A)	3,650,000	3,900,000	3,900,000	3,900,000
(B) Pilots Skills and Communities	3,000,000	4,500,000	4,500,000	4,500,000
(C) Bilateral (Posts)				
Nairobi	625,000	750,000	750,000	750,000
Pretoria	1,000,000	750,000	750,000	750,000
Harare	625,000	750,000	750,000	750,000

⁴⁵ These will not be considered DFAT-MC contractual

E4G Component	2015–2016	2016–2017	2017–2018	2018–2019
Accra	500,000	500,000	500,000	500,000
Abuja	500,000	500,000	500,000	500,000
Addis Ababa	300,000	300,000	300,000	300,000
Port Louis	300,000	300,000	300,000	300,000
Sub Total (C)	3,850,000	3,850,000	3,850,000	3,850,000
Total (A)+(B)+(C)	10,500,000	12,250,000	12,250,000	12,250,000

Annex I: List of Persons Consulted During Design

DFAT Canberra

Mr Adam McCarthy	Assistant Secretary, AFB
Ms Catherine Gill	Director, Pan Africa and Effectiveness, AFB, DFAT Canberra
Mr Andrew Barnes	Director for Southern Africa, AFB, DFAT Canberra
Mr Paul Harrigan	Executive Officer, Southern Africa and Indian Ocean Section, AFB, DFAT Canberra
Mr Matt Kellam	Executive Officer – Southern Africa, AFB, DFAT Canberra
Mr James Roop	Environment Safeguards Team
Ms Esther Ewagata	Executive Officer, Environment and Safeguards Section, Canberra
Ms Kate Thelander	Senior Policy Officer, Environment and Safeguards Section, Canberra
Ms Natasha Allit	Africa Performance and Quality Manager, AFB
Ms Rebecca Bryant	Assistant Secretary, Assistant Secretary, Economic Engagement Branch, Trade and Economic Diplomacy Division)
Mr Jim Downey	Private Sector Team
Mr Robert Tulip	Resources and Energy Section
Ms Michela Luzzi Tulip	Resources and Energy Section
Mr Rohan Nandan	Infrastructure Team
Ms Tracey Austwick	Infrastructure Team
Mr Brian Hearn	Contract Services Branch
Mr Michael Pilbrow	Independent consultant charged with exploring design options for Phase II of IM4DC
Ms Ishara Davey	DFAT Resources and Energy Section
Ms Emma Stone	Program Manager, Pan Africa and Effectiveness Section
Mr Tim Vistarini	Investment Design Section
Mr Chad Clark	Investment Design Section
Mr Michael Carnahan	Chief Economist, Development

Australian High Commission, Pretoria, South Africa

Mr Chris Munn	Deputy High Commissioner, Australian High Commission, Pretoria
Mr Jaimie Isbister	Minister Counsellor (Development Cooperation) Africa
Mr Andrew Edge	Counsellor (Development Cooperation), Australian High Commission, Pretoria
Ms Toni Redden	First Secretary (Development Cooperation) Program Effectiveness, Agreements and Compliance – Africa Region, Australian High Commission, Pretoria (AAPF)
Mr Alan Yuen	Program Effectiveness, Agreements and Compliance Officer, Australian High Commission, Pretoria
Ms Gaye Moore	First Secretary – Development Cooperation, Department of Foreign Affairs and Trade (Awards)
Ms Karen Scoble	Operations Manager (Development Cooperation), Australian High Commission, Pretoria
Ms Anita Menete	Program Manager (Development Cooperation), Australian High Commission, Pretoria
Ms Anna Kabalu	Program Coordinator (Development Cooperation)-Awards, Australian High Commission, Pretoria
Ms Jane Kabaki	Program Manager (Development Cooperation)-Awards, Australian High Commission, Pretoria

AusTrade, Southern Africa

Mr Patrick Hanlon	Assistant Trade Commissioner – Southern Africa, AusTrade
Ms Elizabeth Dietrichsen	Business Development Manager-Education, AusTrade

GRM International, Pretoria

Ms Fiona Pakoa	Team Leader, Australia Awards, Pretoria, GRM International
Ms Tracey Johnson	Deputy Team Leader, Australia Awards, Pretoria, GRM International

CEM Pretoria

Mr Gerome Rich	Facility Manager, AAPF, Pretoria, Cardno Emerging Markets
Mr Laurent Coche	Deputy Facility Manager, AAPF, Pretoria, Cardno Emerging Markets

Annex J: List of Reference Documents

DFAT

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