



## INVESTMENT CONCEPT NOTE

### Human Development Monitoring and Evaluation Services (Papua New Guinea)

#### A. Development Context

##### *Issue*

The bilateral relationship between Papua New Guinea and Australia has transitioned to a contemporary economic and strategic partnership, rather than one dominated by aid. Australia's Foreign Policy White Paper 2017 recognises that a stable and prosperous Papua New Guinea, with a growing economy, is one of Australia's highest foreign policy priorities. Papua New Guinea and Australia have a long history of cooperation in both health and education and these form key aspects of the ongoing partnership. The White Paper emphasises the importance of working with partner governments to strengthen people to people links, skills, leadership and supporting human development outcomes.

The health and, education and leadership portfolios both include flexible, adaptive and iterative programs that are adjusted as circumstances change in PNG, as well as more traditional, defined aid projects. Combined, DFAT's 2018-19 health and education budget is 26 percent of the PNG bilateral program.

Accountability, monitoring and results reporting are key pillars of DFAT's development work and of its bilateral relationships. The Australian Government is committed to ensuring that aid program funds are being well managed and achieving progress towards key goals. This work is essential to satisfy value for money and transparency principles, quality assure other investments, and ensure robust information is available to inform strategy and adaptation. These priority areas are directly relevant to supporting the Government of Papua New Guinea deliver against the Papua New Guinea Vision 2050 statement, priorities made under the Alotau Accord II and the Medium Term Development Plan 2018-2022.

#### B. Strategic Intent and Rationale (Why?)

The overall purpose of the external, independent Monitoring and Evaluation (M&E) Services Contractor (the Contractor) will be to provide DFAT and GoPNG with high quality advice and independent assessment about the performance of DFAT's health and, education and leadership portfolios, in line with DFAT's Health Portfolio Plan 2018-2023 and the Education and Leadership Portfolio Plan 2018-2023<sup>1</sup>.

Education and Leadership, and Health are separately managed within DFAT, with separate sets of relationships, implementing partners, budgets and priority areas. The M&E needs have also been identified as different.

In **health**, there is a need for M&E support at all levels. An interim M&E Framework has been developed as part of the Health Portfolio Plan, which outlines program and strategy over the 2018-2023 period, but there is a need for independent, external M&E services to support DFAT's M&E capability and improve health portfolio performance at activity and investment levels. There is also a need for an external, independent mechanism to conduct periodic assessments to inform the Portfolio.

In **education and leadership**, activity and investment level M&E will largely be the responsibility of a new, separate facility. However, there is a need for ready-access to an external, independent mechanism to conduct periodic assessments about individual investments within the Portfolio, as well as provide oversight to whole-of-Portfolio

<sup>1</sup> <https://dfat.gov.au/about-us/publications/Pages/australia-partnering-with-png-through-education-leadership-supporting-growth-stability-prosperity.aspx>

M&E. In practice, this would involve providing advice on the robustness and implementation process for the Education and Leadership Portfolio Plan M&E Framework, spot-checking the work of existing or new investments, and reporting annually on implementation of the Portfolio.

### C. Proposed Outcomes and Investment Options (What?)

#### M&E Services Purpose

The overall purpose of the Human Development Monitoring and Evaluation Services (MEHD Program) in PNG will be to **provide high-quality advice and independent monitoring and evaluation services at the investment and whole-of-program level** to the Health, and Education and Leadership programs.

The M&E Functions required are outlined below.

M&E function	Health	Education and Leadership
a. Advise and verify <b>baselines and M&amp;E frameworks of investments</b>	✓	✓
b. Conduct <b>annual reporting on Portfolio Program progress</b>	✓	✓
c. Produce <b>high quality, tailored communications products</b> based on analysis	✓	✓
d. Quality assure <b>analyses and reports produced by DFAT, and by partners as directed by DFAT</b>	Selected	Selected
e. Conduct <b>independent evaluations of DFAT investments, as directed by DFAT</b>	Selected	✓
f. Ad hoc <b>M&amp;E support to PNG Government partners, as directed by DFAT</b>	✓	

#### Scope of Services

The M&E Services Contractor will conduct monitoring and evaluation functions fully independent from implementation activities of health and, education and leadership programs which will be implemented by a range of service providers including managing contractors, NGOs and multilateral organisations.

Four key principles should underpin the approach:

1. The M&E Services Contractor must be independent and not have any real, apparent or potential conflicts of interests.
2. M&E should be conducted with a view to supporting national monitoring systems and building national capacity wherever possible.
3. M&E assignments should not duplicate existing planned investment-specific monitoring and assignments in health, and education and leadership programs, but instead build upon and leverage existing work, and take a collaborative approach to working with partners.
4. DFAT's M&E standards should be applied as well as the OECD Development Assistance Committee Guidelines and Principles for development cooperation.

The M&E services required will include:

Function A: Advise on M&E frameworks for each Portfolio and advise and verify baselines for investments

*Health and Education and Leadership*

- Review and validate the draft M&E Framework (including indicators, baselines and targets) for the Health Portfolio Plan and the Education and Leadership Portfolio Plan and, following approval by DFAT, advise DFAT on operationalisation; and
- Advise on the methodology for longitudinal studies and evaluation, including on the feasibility, potential value to DFAT, methodology, and potential cost.

*Health only \**

- Advise DFAT on setting baselines, targets and indicators for assessing performance of investments with a strong focus on gender equality;
- Advise DFAT on M&E frameworks of investments to align with the Health Portfolio Plan M&E framework and accordance with whole of program performance assessment frameworks and Government of PNG policies such as the Medium Term Development Plan III (2018-2022); and
- Collect, collate and validate project and investment baselines to support the development of the overarching Health Portfolio Plan M&E Framework.

\*In education and leadership, these functions will be undertaken by new, separate facility.

Function B: Annual reporting on Portfolio Plan progress

*Health and Education and Leadership*

- Compilation of an annual monitoring report for the health program which includes sex disaggregated data and which can track key gender outcomes for men and women;
- Compiling and completing relevant additional annual reports to feed into DFAT APPR, Aid Quality Check, Partner Performance Assessments, Aggregate Development Results and other reports.

*Education and Leadership Only*

- Compilation and/or verification of an annual monitoring report for the education and leadership program which includes sex disaggregated data and which can track key gender outcomes for men and women; and
- Conduct an annual review of efficiency and effectiveness of key programs under the Education and Leadership Portfolio Plans as tasked.

Function C: Communication products

*Health and Education and Leadership*

- The M&E Services Contractor will be resourced to provide short, concise pieces on the performance of the health and, education and leadership programs, and the investments under them, for internal DFAT and external consumption. These products will be tailored to different audiences, as required, including Ministers, senior management and the public in both Australia and Papua New Guinea.

Function D: Quality assurance of key program management and implementation products

*Health only\**

At the request of DFAT, provide the following quality assurance input:

- Quality assure key program management documents such as concepts and designs for new investments or activities, monitoring and evaluation plans, and communication or dissemination strategies; and
- Quality assure key program implementation documents including performance reports, and key pieces of analysis or research.

\*In education and leadership, this function will be undertaken by a new, separate facility.

Function E: Independent reviews and evaluations of investments, as directed by DFAT

*Health and Education and Leadership*

- Develop and undertake for each portfolio, a plan of reviews and evaluations to inform learning and management.
- Advise DFAT on methodologies for quantitative and qualitative measurement and evaluations including for the policy engagement elements of both Portfolio Plans;
- Conduct mid-term reviews of the Portfolio Plans to assess progress of implementation, learn lessons on factors and actions supporting or impeding progress, and make recommendations for adjustments to the PNG Health Program; and identify key barriers to implementation and identify remedial action; and
- Conduct end-of-Portfolio Plan evaluations to assess achievements, learn lessons and make recommendations for future DFAT development cooperation.

The evaluation plan and all evaluations and reviews must be conducted in adherence to the DFAT Monitoring and Evaluation Standards (2017) and the OECD Development Assistance Committee Guidelines and Principles for development cooperation. It is anticipated 14 reviews for health and 7 reviews for education and leadership will be required within the first four years of the contract.

Indicative list of reviews and evaluations:	Health	Education and Leadership
DFAT Tuberculosis investments mid-term and end review	✓	
ADB Health Sector Services Development Project mid-term and end review (joint with Asian Development Bank)	✓	
Clinical Specialist Support Project mid-term and end review	✓	
WHO - DFAT Partnership mid-term and end review	✓	
DFAT policy engagement approach review (focus on Human Resources for Health and health financing)	✓	
Mid-term review of new Australia-PNG Health Managing Contractor	✓	
Papua New Guinea Partnership Fund (PPF) efficiency review	✓	✓
Individual PPF grants for both health and education and leadership	✓	✓
Review of Disability Inclusive Development Fund		✓
Mid-term review of new facility		✓
Independent Mid-Term Evaluation of Australia Awards		✓
Independent End-of-Project Evaluation of Australia Awards		✓
Review of Kina-for-Kina university quality program		✓

Function F: Possible M&E support to PNG Government partners, as directed by DFAT

*Health only\**

- The M&E Services Contractor may be directed by DFAT to work with Government partners in particular, the National Department of Health, on discrete outputs or capacity building tasks. Regardless of tasking, the M&E Contractor will be expected to work collaboratively with GoPNG counterparts, and build strong relationships with counterparts to draw on under the various Functions. This is likely to be a minor function overall. The Contractor will be tasked by and will report to DFAT. All support must assist with the implementation of DFAT's Health Portfolio Plan, which is closely aligned with PNG Government priorities.

\*In education and leadership, this will be a function of a new, separate facility.

## D. Implementation Arrangements and Delivery Approach (How will DFAT engage?)

### Roles and responsibilities

#### DFAT:

- DFAT has overall responsibility for delivering the results and outcomes under the Health Portfolio Plan 2018-2023 and the Education and Leadership Portfolio Plan 2018-2023.
- DFAT is responsible for ensuring work provided by the M&E Service Contractor is high quality and meets the requirements of the specific terms of reference.
- DFAT's health team will be the lead contact for the Contractor. Health and Education and Leadership teams will consider the most appropriate approach to manage and task the Contractor.

#### Implementing partners (e.g. managing contractors, multilaterals, non-government organisations or individuals):

- Implementing Partners will be accountable for delivering the outcomes and outputs from their projects that contribute to the Health, and Education and Leadership Portfolio Plans.
- Implementing Partners will be responsible for putting in place their own reporting, monitoring and evaluation systems against their monitoring and evaluation plans.
- For education and leadership, the new facility will play a role in cross-portfolio M&E, complementary to the M&E Services Contractor.

#### M&E Services Contractor:

- The M&E Services Contractor's responsibility is to provide advice and services to DFAT and implementing partners under each of the six Functions outlined above.
- The M&E Services Contractor will not duplicate the reporting and monitoring of implementing partners. It will draw primarily on their M&E systems and data, and national information systems data. It will supplement these with additional primary and secondary data collection if required.
- The role of the M&E Services Contractor will be to verify the data from these other providers and compile into reports for DFAT.
- The M&E Services Contractor will be required to work with partners on DFAT's advice with regard to the mid-term and end-of-project evaluations of DFAT investments.
- The M&E Services Contractor will draft Terms of Reference and detailed work plans for all activities with DFAT's input. These will be in accordance with DFAT M&E guidelines and will be shared with DFAT for approval before commencement.
- The M&E Services Contractor will report to DFAT and address its reports to DFAT.

The M&E Services Contractor will have expertise and experience in, but not limited to:

- Experience of leading and conducting independent evaluation functions including in the health and education and leadership sectors.
- Ability to communicate results effectively to Ministers, senior managers and the public.
- World-class expertise from both within and outside the Australasia/Pacific region relevant to the range of education and leadership and policy dialogue issues to be addressed.
- Strong relationships management skills with a track-record in building constructive, productive relationships through monitoring and evaluation engagements with client and those being assessed, working in participatory ways wherever appropriate.
- Knowledge and experience of similar developing countries to PNG.
- Ability to work effectively in complex governance environments and an understanding of the challenges and requirements of working in the health and education and leadership sectors in PNG.
- Commitment to addressing and actively promoting women's empowerment and equality, and disability inclusion, within advisory and M&E engagement.

## Mobilisation

The M&E Services Contractor will begin with a six-week mobilisation phase. During this phase the M&E Contractor will consult with key stakeholders, primarily DFAT staff and project implementers, and develop two detailed annual work plans (separately for health and, education and leadership) which identify key deliverables as well as detailed assignment work plans for the first priority assignments (including refining the M&E Framework for the Health and Education and Leadership Portfolio Plans). These documents will be submitted for DFAT approval at the end of the six week period.

### *Governance and Management*

The HDMESP program will be governed by a Program Steering Group (PSG) comprising relevant representatives from Health and Education sectors and the PNG Government. The PSG will not duplicate functions or discussions of existing governance arrangements that are in place between DFAT and the PNG Government or other development partners.

It will: provide high level advice on the management and delivery of the HDMESP; provide performance information for discussions in existing governance structures between DFAT and the PNG Government and other development partners; monitor the delivery of key whole of program outcomes; monitor and provide strategic advice on key risks and compliance requirements; approve reports submitted by the Contractor; meet quarterly with the Contractor; and, undertake contractor performance assessments. The Terms of Reference for the PSG will be developed in consultation with the PNG Government, following signing of the agreement.

Membership would include: the Responsible Officers from the Public Policy and Health Security Programs and education at PNG post, Counsellors for the Health, Education and Leadership teams, and a representative from the Program Strategy team at Post, as well as PNG branch in Canberra. It would also include relevant Government of PNG representatives.

## Performance Management

A Results Framework will be developed by the Contractor during the mobilisation phase, for approval by DFAT, to assess the performance of the Contractor/Contract over the life of the MEHD Program. This will include:

- Clear and achievable M&E-related end-of-project outcomes, intermediate outcomes and outputs, as well as indicators and targets to measure performance against these; and
- Indicators and targets to measure the individual and collective quality (including adherence to international M&E standards), timeliness and cost of services and products provided. There will be a specific focus on the quality of services and products to ensure these are adhering to strong international M&E standards and practices, including being based on robust methodologies and triangulated/validated evidence.

The Contractor will be held accountable for delivering high quality M&E services and products. The principles of performance-based payments will be applied, with a proportion of management fee to be tied to the achievement of particular outcomes and results.

DFAT will review of the quality and effectiveness of the services after one year and annually thereafter, including an end of contract assessment, consistent with DFAT processes. These will be organised by DFAT and will include feedback from recipients of the services.

## Cross-cutting principles

### *Risks*

Tenderers should explain their proposed approach to risk management. This could include consideration of risk at the following levels:

- availability of data for implementation, given the breadth and demand-led nature of the services required and challenges of the operating context in PNG;
- conflict of interest;

- relationship management, given the need for constructive working relations with implementing partners while providing authoritative and independent evaluations and advice to DFAT;
- the wider operating environment, including political and personnel security risk.

#### *Duty of Care and Security*

This procurement will require the M&E Services Contractor to potentially operate in conflict-affected areas and insecure areas. Contractor personnel may be required to undertake field visits to provincial areas of PNG. The Contractor should be comfortable working in such an environment and should be capable of deploying to any areas required within the country in order to deliver the contract (subject to their own security / travel clearance).

The Contractor will be responsible for ensuring that appropriate arrangements, processes and procedures are in place for the safety and well-being of their personnel and Third Parties affected by their activities under the contract, taking into account the environment they will be working in and the level of risk involved in delivery of the contract. The Contractor must ensure their personnel receive the required level of training prior to deployment.

#### *Anti-Fraud*

The M&E Contractor will develop and implement systems and processes that guard against fraud, nepotism and corruption as per the standard DFAT contract requirements. This will include:

- A 'zero tolerance' position on fraud;
- Using Commonwealth Procurement Rules for all contractual arrangements and exercising due diligence over any sub-contractors;
- Suitable financial management procedures clearly articulated, 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.

#### *Gender and Inclusiveness*

The Australian Government recognises that gender equality and equality of opportunity for people living with disabilities is critical to development and has committed to ensuring it is a key part of aid programming. Access to gender and disability expertise will be an important element of the services provided by the M&E Contractor. In addition, bidders should explain how they propose to address gender and inclusiveness issues in the seven functions of the required support as well as their own management and operational processes.

#### *Child Protection*

DFAT has over-riding policies associated with child protection with all funded Service Providers, bound by strict policies in relation to managing and reducing risks of child abuse by persons engaged in delivering DFAT activities. This includes a 'zero tolerance' approach on all issues relating to child abuse and child pornography. The M&E Services Contractor will reflect this clear, unambiguous policy in planning, operations and management. All contracted staff to the M&E Contractor required to visit Papua New Guinea will be briefed on DFAT's Child Protection policies<sup>2</sup> and the Contractor's approach incorporated into an operating guide.

#### *Value for Money*

Value for money is a key consideration for DFAT. Value for money is not delivered as a one-off exercise but is a continuous management process. The M&E Services Contractor will be required to demonstrate clear value for money for all activities supported by the Contractor. This will include demonstrating that administrative costs are minimised; that management processes (including procurement procedures, if any) are designed to maximise cost effectiveness; that commercial risks are managed sensibly in a geographically challenging operating environment; and that funds are allocated based on evidence of results to ensure the greatest possible impact.

<sup>2</sup> <https://dfat.gov.au/international-relations/themes/child-protection/Pages/child-protection.aspx>

## E. Budget and Resources (What will it cost?)

The indicative budget required for the M&E Services Contractor is up to \$2m/year for health, and up to \$1m/year for education and leadership, totalling up to \$12m over 4 years<sup>3</sup>. This represents about 3 per cent of the Health Portfolio Plan's anticipated annual spend, and about 1 per cent of the Education and Leadership Portfolio Plan's annual spend (noting some M&E services in education and leadership will be provided by a different contractor).

DFAT Health team has allocated a fulltime Program Manager (LES) to manage this activity with oversight by a Second Secretary (A-based) and additional advisory input by the Health Specialist Adviser. DFAT Education and leadership team will provide a part-time Program Manager (LES) and a part-time time Second Secretary (A-based).

### *Procurement and Contracting Arrangements*

Tender documentation will be developed by DFAT's Aid Business Branch (ABB) in consultation with post. Canberra will provide additional support and advice through ABB for tendering and contract management. The Contractor will be engaged for an initial period of four years from 1 July 2019 to 30 June 2023, with an option to extend for a further four years until 30 June 2027.

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<sup>3</sup> Complete Steps 1-3 of the *Guidance Note: Establishing Child Protection Risk Context* to assess the overall child protection risk.

## F. Risk Assessment Approach (What might go wrong?)

- An initial risk assessment has been undertaken. The approach has been assessed as low risk. Further risks were identified during Peer Review of the concept note and have been added to the risk register. The Senior Responsible Officer for this investment will be DFAT’s Counsellor, Public Policy and Health Security, AHC, Port Moresby.
- Investment level risks will be incorporated into the pre-existing Risk Registers of the health and education and leadership programs, which will be reviewed quarterly.
- The main risks include implementation, given the breadth and demand-led nature of the services required and challenges of the operating context in PNG; conflicts of interest; relationship management, given the need for constructive working relations with the two teams at the AHC and authoritative and independent advice to AHC and GoPNG; mission creep, given the potential demand for expert advisory inputs beyond the investment scope; and risks related to the wider operating environment, including political and personnel security risk.
- The main safeguard issues include children, vulnerable and disadvantaged groups; indigenous peoples; health and safety. Note that the vast majority of beneficiaries of Australia’s support to the health and education and leadership sectors (including this investment) are Indigenous Peoples and as such, our support meets the Indigenous Peoples Strategy 2015-2019 by addressing the social, economic and power imbalances of Indigenous peoples.
- The M&E Services Contractor will be required to adhere to relevant DFAT policies, such as DFAT’s M&E standards, the Child Protection Policy and the 2018 Environmental and Social Safeguard Policy for the Aid Program. These will be built into contractual and reporting arrangements between DFAT and the Contractor, which will be cleared through the Contracting and Aid Management Division. DFAT will provide all the relevant policies to the Contractor and arrange for risk and safeguards briefings to the Contractor by the relevant Canberra areas at the start of the contracting phase to ensure these are incorporated appropriately. Workplans should outline potential risks and mitigation measures and reports should detail how risks have been managed.
- The Risk and Safeguard Screening Tool is at Annex 1.

## G. Annex 1

### Risk and Safeguard Screening Tool.

Table 1: Safeguard Screening Checklist

Environmental and Social Safeguards	No, Yes Unsure	If Yes or Unsure		Risk rating before controls <sup>4</sup>
		Likelihood	Consequence	
<b>Environmental protection</b>				
<b>1.1</b> Could the investment have an adverse impact on the environment? For example, by supporting or providing advice on any of the following: <ul style="list-style-type: none"> <li>• infrastructure development, such as roads, bridges, airports, railways, ports, dams, water, sanitation and hygiene (WASH), waste management, telecommunications, energy production and distribution facilities, urban development.</li> </ul>	No			

<sup>5</sup> Complete Steps 1-3 of the *Guidance Note: Establishing Child Protection Risk Context* to assess the overall child protection risk.

Environmental and Social Safeguards	No, Yes Unsure	If Yes or Unsure		Risk rating before controls <sup>4</sup>
		Likelihood	Consequence	
<ul style="list-style-type: none"> <li>• construction/renovation/refurbishment/demolition of buildings such as schools, hospitals, health facilities or any of the infrastructure above</li> <li>• diversion of water, including for water supply, irrigation, flood-mitigation, or aquaculture</li> <li>• rural development, agriculture, food production, or forestry activities</li> <li>• activities in the extractives (oil, gas, mining), manufacturing, transportation and tourism sectors.</li> </ul>				
<p><b>1.2</b> Could the investment increase environmental, climatic and/or social vulnerability, including by (but not limited to):</p> <ul style="list-style-type: none"> <li>• increasing emissions of greenhouse gases (e.g. energy intensive process will lead to an increase in Green House Gas production)</li> <li>• reducing incentives to adapt (e.g. change in social norm away from responsible water conservation to increased consumption)</li> <li>• increasing the vulnerability of people (particularly the most vulnerable) or the environment to climate change (e.g. pesticides, used to eradicate mosquitoes that carry dengue fever, damage native insect populations which reduces agricultural productivity, leading to food insecurity)</li> <li>• increasing the impact of disasters, e.g. will infrastructure building codes and specifications be adequate for the intensity of disasters/hazards experienced in the investment area (e.g. floods, earthquakes, cyclones), will the investment impact the food security of a vulnerable population</li> <li>• setting paths that limit future choices (e.g. large capital and institutional commitment reduces portfolio of future adaptation options).</li> </ul>	No			
<b>Children, vulnerable and disadvantaged groups</b>				
<p><b>2.1.</b> Could the investment have an adverse impact on vulnerable and/or disadvantaged groups including children, women, people with disabilities, minority groups, or the elderly?</p>	No			
<p><b>2.2.</b> Could the investment involve contact with children or working with children? <sup>5</sup></p>	No	N/A		

<sup>5</sup> Complete Steps 1-3 of the *Guidance Note: Establishing Child Protection Risk Context* to assess the overall child protection risk.

Environmental and Social Safeguards	No, Yes Unsure	If Yes or Unsure		Risk rating before controls <sup>4</sup>
		Likelihood	Consequence	
<b>Displacement and resettlement</b>				
<b>3.1</b> Could the investment involve activities or provide advice about an activity that will: <ul style="list-style-type: none"> <li>displace people, either physically or economically</li> <li>exclude or reduce people's access to land they live on or used to generate livelihoods</li> <li>exclude or reduce people's access to land that is of cultural or traditional importance to them?</li> </ul>	No			
<b>Indigenous peoples</b>				
<b>4.1.</b> Could the investment involve activities that adversely impact the: <ul style="list-style-type: none"> <li>dignity, human rights, livelihood systems or culture of indigenous peoples</li> <li>land or natural and cultural resources that indigenous peoples own, use, occupy or claim?</li> </ul>	No			
<b>Health and safety</b>				
<b>5.1.</b> Could the investment involve activities that adversely impact the health and safety of workers and/or communities?	No			
<b>5.2.</b> Could the investment involve DFAT workers?	Yes	N/A		
<b>5.3.</b> Could the investment involve risk of exposing workers and/or communities to asbestos?	No	N/A		

**Table 2: Investment Risk Summary**

	Highest individual risk rating in each category (before controls)
<b>1. Operating environment:</b> What factors in the operational or physical environment (political instability, security, poor governance, lack of essential infrastructure, gender inequality etc.) might impact directly on achieving the objectives?	<b>High</b>
<b>2. Disaster risk:</b> Is the investment or intended outcomes exposed to disasters that typically occur in the investment area and/or country? Disaster impacts could include the risk of damage to infrastructure, loss of life, and other economic and social impacts.	<b>Low</b>
<b>3. Development Results:</b> How realistic are the objectives and can they be achieved within the timeframe? Are the objectives/results sustainable? Would the failure to achieve the results in the proposed timeframe, or at all, affect the targeted beneficiaries directly? What factors may prevent the objectives being met?	<b>Medium</b>

<p>4. <b>Partner capacity and relations:</b> Could a relationship breakdown occur with key partners or stakeholders and would this prevent the objectives/results from being achieved? Does the intended partner (if known) have the capacity to manage the risks involved with this investment? Could differing risk appetites affect the relationship? Do all partners have the capacity and capability to manage their role/work involved in this investment?</p>	<p>Low</p>
<p>5. <b>Fiduciary and fraud:</b> Are there any significant weaknesses which mean funds may not be used for intended purposes, not properly accounted for or do not achieve value for money? (Fraud Control and Anti-Corruption Strategies and Assessments of National Systems will assist in identifying significant risks.)</p>	<p>Low</p>
<p>6. <b>Compliance:</b> Is there a risk that poor program management may lead to a breach of investment accountability, legislative/ contractual or security obligations? Is there a risk that DFAT aid program funding could be diverted for use by terrorists? (Refer DFAT's <i>Approach to Managing Terrorism Financing Risk</i> policy)</p>	<p>Low</p>
<p>7. <b>Reputation:</b> Could any of the risks, if they eventuated, cause damage to DFAT's reputation? Could any aspect of implementation damage bilateral relations?</p>	<p>Low</p>
<p>8. <b>Environment and Social Safeguards:</b> Do any of the activities involved in this investment have the potential to cause harm to the environment and people - (environmental protection; children, vulnerable and disadvantaged groups; displacement and resettlement, indigenous peoples; health and safety)?</p>	<p>Low</p>
<p>9. <b>Other:</b> Are there any other factors specific to this investment that would present a risk (e.g. this is a new area of activity or it is an innovative approach; are DFAT resources (budget, people, or timeframes) critically constrained)?</p>	<p>Low</p>
<p>10. Overall Risk Rating:</p>	<p>Low-risk</p>