



Australian Government
Department of Foreign Affairs and Trade



AID PROGRAM, PERFORMANCE REPORT 2015-16

Pakistan

September 2016



KEY MESSAGES


This Aid Program Performance Report (APPR) assesses the performance of Australia's aid program in Pakistan in 2015-16 against the strategic objectives of DFAT's Pakistan Aid Investment Plan. This report finds:

- Australian aid continued to make a sound contribution to development outcomes in Pakistan in 2015-16. Our investments in agriculture and market development led to over 8,800 people increasing their incomes and trained over 7,500 people (67 per cent women) in advanced agricultural technologies and practices. Over 37,000 children (16,100 girls) were supported to get access to quality education in Khyber Pakhtunkhwa; our ending violence against women investment resulted in over 3,800 women survivors of gender-based violence getting access to temporary safe housing, counselling, health and legal services, and livelihoods support; and our nutrition investment supported provision of Vitamin A Supplementation to over 300,000 children.
- These successes were tempered by persistent operational challenges for aid delivery in Pakistan. The security environment and capacity of provincial governments continued to affect progress and management of investments in 2015-16. Our economic growth objective is on track, with most of our agriculture and rural development investments delivering strong results. Against our social development objective, our key investments in education and challenging gender-based violence are performing well. However, there have been serious delays in implementation of our nutrition investment, particularly in Khyber Pakhtunkhwa province. Similarly, as a result of the Government of Pakistan's stricter regulation of International NGOs, our infant, maternal and child health investment had to close in Balochistan in 2015 and transfer to Sindh Province in 2016.
- While achieving important gains in some investments, promoting gender equality and women's empowerment continued to be challenging in the conservative contexts in which Australia's aid program operates. Strengthening gender equality and women's empowerment was a key focus of our work this year, with opportunities to improve several investments identified, and sustained advocacy with partners ongoing.
- In 2015-16, Australia's bilateral aid program decreased by 40 per cent to \$39.4 million from \$65.6 million in 2014-15, in line with the global reduction of Australia's aid budget. Consequently, this was a year of consolidation and re-prioritisation, in line with Australia's aid policy. Our support in education and health was rationalised to maintain core investments in nutrition, education, and stabilisation, while we increased our focus on aid for trade support. The program managed this change well, but has identified scope for further evolution, including to maintain consistent Australian support for protracted humanitarian crises in Pakistan.
- While the program performed well this year, achieving 6 out of 7 benchmarks, in many cases exceeding targets, our quality assessments indicate a number of investments can be strengthened to ensure we achieve overall program objectives and desired development outcomes. Similarly, we have identified further opportunities to adjust our strategy to reflect program consolidation. This includes revising the program performance framework to better reflect the ambitions of our evolving program.

CONTEXT

Pakistan is confronted by significant economic, governance and security challenges to sustainable development. **Pakistan is the sixth most populous nation in the world** with an estimated population of 190





million¹. With an annual population growth rate of 1.92 per cent, this is expected to double by 2050.

Economic growth continues to be constrained by energy and infrastructure deficits, skills shortages, regional instability, population pressures and other barriers to trade. Pakistan's trade as a percentage of GDP stands at around 31 per cent, well behind the average across South Asia of around 50 per cent². The Pakistan Government is making efforts to strengthen its economy, assisted by lower international oil prices and the implementation of the IMF's reform program. In 2015 GDP growth increased to 4.2 per cent and is expected to reach 4.5 per cent in 2016³. While continuing to make incremental gains, Pakistan needs to double the current rate of inclusive economic growth to make positive headway in the face of population growth.

Agriculture is central to Pakistan's economy, accounting for 44 per cent of the labour force and 25 per cent of Gross Domestic Product (GDP). Growth in the sector needs to be more inclusive and is undermined by weak markets, production inefficiencies, land ownership issues, unregulated labour conditions, adverse weather conditions and significant water shortages. Despite having sufficient national production to meet the needs of the current population, Pakistan struggles with extreme levels of food insecurity.⁴ Rapid population growth will intensify shortages in basic services and commodities, food, water and energy, and will impede Pakistan's chances of realising the Sustainable Development Goals (SDGs).

Pakistan's low human development indicators undermine its economic growth and labour force productivity. In 2015, Pakistan ranked 147 out of 188 countries on the Human Development Index, classifying Pakistan as a Low Human Development Country⁵, well behind most South Asian countries. Pakistan's access to a strong and healthy workforce is affected by high malnutrition rates, poor water and sanitation practices and other health issues. **Poor nutrition is estimated to cost the economy up to 3 per cent of GDP, more than the energy deficit.** Stunting affects some 45 per cent of children under five⁶. Only 52 per cent of births are attended by a trained medical professional⁷ and it is estimated that for every 100,000 live births, 260 women die from pregnancy related causes.⁸ Pakistan has some of the poorest education indicators in the world. It is estimated that over 45 per cent of the adult population is illiterate⁹ and 12 million children are out of school of which 75 per cent are girls¹⁰. In addition, 48 per cent of government schools lack basic facilities.

Despite steps to improve gender equality – for example, the passing of Punjab Protection of Women Against Violence Act 2016 - **Pakistan remains one of the most inequitable countries in the world for women.** In 2015, Pakistan ranked 121 out of 155 countries on the Gender Inequality Index¹¹. Up to 90 per cent of Pakistani women are estimated to experience gender-based violence.¹² Women's participation in labour markets is 24.4 per cent compared to 82.9 per cent for men and only 19.3 per cent of girls complete secondary education compared to 46 per cent males.¹³ Women are further constrained by cultural values inhibiting access to health and other essential services and are marginalised in the formal economy and decision making.

Conflict in regions bordering Afghanistan significantly impedes development and has caused large scale

¹ UN Women Asian and the Pacific; <http://asiapacific.unwomen.org/en/countries/pakistan>

² World Bank: World Development Indicators: Trade as a % of GDP 2014

³ World Bank: Pakistan Overview 2016; <http://www.worldbank.org/en/country/pakistan/overview>

⁴ Food and Agriculture Organisation of the United Nations, 2016; <http://www.fao.org/pakistan/fao-in-pakistan/pakistan-at-a-glance/en/>. As a result of climate change, it is expected wheat production will decrease by 50% by 2050, further exacerbating food insecurity. Jinnah Institute 2015, *Agriculture in Pakistan 2015*; <http://jinnah-institute.org/agriculture-in-pakistan-2015/>

⁵ UNDP 2015 Human Development Report, http://hdr.undp.org/sites/default/files/hdr15_standalone_overview_en.pdf

⁶ Global Nutrition Report, 2014

⁷ Pakistan Demographic and Health Survey 2012-2013

⁸ UNDP Human Development Report 2014

⁹ United Nations Educational, Scientific, and Cultural Organisation, 2015; illiteracy rate


¹⁰ UNICEF: Out of School Children in the Khyber Pakhtunkhwa, Punjab and Sindh, 2013

Provinces of Pakistan 2013; http://www.unicef.org/pakistan/overview_8436.htm

¹¹ UNDP 2015 Human Development Report, <http://hdr.undp.org/en/2015-report>

¹² Thomas Reuters Foundation, Trust Law, 'FACT SHEET – The world's most dangerous countries for women'. June 2011

¹³ UNDP Human Development Report 2014



human displacement. Overlapping this, **Pakistan also has the world's second largest and longest protracted refugee situation** (37 years)¹⁴, with approximately 1.5 million registered Afghan refugees and an estimated 0.75 million unregistered, placing pressure on the country's already stretched social and public infrastructure. Although there has been a reduction in violent attacks since mid-2014, following the Zarb-e-Azb military campaign and the Government's National Action Plan, the security situation in Pakistan remains volatile.¹⁵ Ongoing security operations in the North West of the country resulted in 1.6 million people becoming displaced. In 2016, it is estimated 3.6 million people will require some form of humanitarian assistance.¹⁶

Pakistan is exceptionally vulnerable to frequent natural hazards, including floods, earthquakes, droughts and cyclones. It is estimated that between 1990 and 2013, over 71.2 million people were affected by natural disasters¹⁷. As a consequence, Pakistan experiences an estimated annual average loss of USD1.3 billion (equivalent to 4.4 per cent of 2013 public expenditure)¹⁸.

The **Government of Pakistan's introduction of stricter regulation of International NGOs (INGOs)** during 2015, including a mandatory re-registration process and civil society framework to guide INGO activities, was a key change in the reporting period. This significantly affected Australian partners and investments, including deferral of some proposed projects under the Australian NGO Cooperation Program. While re-registration proceeds, INGOs have been granted interim permission to continue operations though a number, including some of Australia's partners, had to cease operations in some locations. A number of Australia's partners await the outcome of their applications.

AUSTRALIAN AID PROGRAM

Australia maintains strong interests in Pakistan given its size, economic potential and strategic position in South Asia. Australia is committed to supporting Pakistan to build stability and economic prosperity and reduce poverty through sustainable development. Our aid program aligns with the Australian Government's policy, *Australian aid: Promoting prosperity, reducing poverty, enhancing stability*¹⁹, and the Government of Pakistan's *Vision 2025: one nation-one vision* development priorities.²⁰

In 2015-16, Australia's bilateral aid program decreased by 40 per cent to \$39.4 million from \$65.6 million in 2014-15. Consequently, the program consolidated and re-prioritised its investments, as presented in our Pakistan Aid Investment Plan (2015-19).²¹

Australia's contribution to Pakistan's development has two strategic objectives:

1. Generating sustainable, inclusive growth and employment through improved agricultural productivity and market development, increased trade and investment, and water resources management
2. Investing in Pakistan's people through health and education

Through all of our aid investments and policy engagement Australia emphasises support for women's empowerment, stability and governance in Pakistan.

¹⁴ Pakistan Humanitarian Bulletin December 2015; https://www.humanitarianresponse.info/en/system/files/documents/files/humanitarian_bulletin_dec_jan_2016.pdf

¹⁵ Pakistan National Action Plan: http://infopak.gov.pk/InnerPage.aspx?Page_ID=46

¹⁶ UN Office for the Coordination of Humanitarian Affairs 2015; <http://www.unocha.org/pakistan/>

¹⁷ LEAD Pakistan, 2015; <http://www.preventionweb.net/publications/view/43595>

¹⁸ *Global Assessment Report on Disaster Risk Reduction 2015*. See: <http://www.preventionweb.net/english/hyogo/gar/2015/en/home/data.php?iso=PAK>

¹⁹ <http://dfat.gov.au/about-us/publications/Pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx>

²⁰ www.pc.gov.pk/wp-content/uploads/2015/05/Pakistan-Vision-2025.pdf

²¹ <http://dfat.gov.au/about-us/publications/Pages/aid-investment-plan-aip-pakistan-2015-19.pdf>

Overall, Australian Official Development Assistance (ODA) in 2015-16 was approximately 0.03 per cent of Pakistan's estimated 2014 GDP.

EXPENDITURE

Table - Total ODA Expenditure in FY 2015-16

| Objective | A\$ million | % of total ODA |
|--|-------------|----------------|
| Bilateral | | |
| Generating sustainable growth and employment | 19.7 | 37% |
| Investing in Pakistan's people | 26.7 | 50% |
| Sub-Total Bilateral | 46.4 | |
| Regional and Global | 6.9 | 13% |
| Other Government Departments | 0.2 | 0.3% |
| Total ODA Expenditure | 53.5 | |

PROGRESS TOWARDS OBJECTIVES

This report assesses progress and results against the Pakistan Aid Investment Plan, 2015-16 to 2018-19 (AIP) strategic objectives. Ratings are based on assessments against the program's Performance Assessment Framework (PAF) and investment quality reporting.

Table 1 Rating of the Program's Progress towards Australia's Aid Objectives

| Objective | Previous Rating | Current Rating |
|--|-----------------|----------------|
| Objective 1: Generating sustainable inclusive growth and employment through improved agricultural productivity and market development, increased trade and investment, and water resources management | Amber | Green |
| Objective 2: Investing in Pakistan's people through health and education | Amber | Amber |

Note:

- **Green.** Progress is as expected at this stage of implementation and it is likely that the objective will be achieved. Standard program management practices are sufficient.
- **Amber.** Progress is somewhat less than expected at this stage of implementation and restorative action will be necessary if the objective is to be achieved. Close performance monitoring is recommended.
- **Red.** Progress is significantly less than expected at this stage of implementation and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

OBJECTIVE 1: Generating sustainable inclusive growth and employment through improved agricultural productivity and market development, increased trade and investment, and water resources management

This objective is rated green with the majority of our agriculture and rural development investments delivering strong results against the PAF. However there were challenges with linking our successful agricultural research to broader development outcomes, and our trade policy program experienced some delays. In addition, some investments rated unsatisfactorily on gender equality.

Outcome one: Poor women and men have increased incomes

Australian investments in this area focus on improving rural livelihoods through improved market access and



development. Our investment with the Food and Agriculture Organisation (FAO) continued to affect farmers positively in six districts of Balochistan. In 2015-16, our investment exceeded targets for the overall number of people who increased their incomes (8,830 people, including 4,415 women, against a target of 6,179(927 women)).²² In addition, 37 small businesses were established (against a target of 25), including meeting the gender target (two businesses established against a target of two). A mid-term review in late 2015 found that to continue delivering positive outcomes for the poor, the program needed to shift its focus from food security to include agribusiness, markets and value chain developments, with a specific focus on women's empowerment.²³ In response, DFAT granted the program an extension through to July 2017 in order to commence this transition while a follow on phase is designed.

Despite slower than expected initial progress, the Market Development Facility (MDF) exceeded targets to leverage co-contributions of over USD1,200,000 (against a target of USD800,000), and generate a nett income of USD2,409,000 (including USD531,000 for women). An independent advisory mission in late 2015 noted an increase in pace of activities was required to reach end-of-investment targets.²⁴ However, by the end of December 2015, our investment had facilitated income generating opportunities for 4,750 poor people (2,350 women). A recent (July 2016) independent advisory mission concluded progress has accelerated and that the program is facilitating entrepreneurial and innovative solutions to impediments to inclusive development in the dairy, meat, leather and horticulture sectors.²⁵ There has also been a positive cross-program investment between MDF and the FAO program.

In September 2015, the Sarhad Rural Support Program (SRSP) Project for Women's Economic Empowerment and Market Development commenced in Khyber Pakhtunkhwa Province (KP), building on the previous Australian funded Livelihood Strengthening Program Phase 1. The project is tracking well and contributes to women's economic empowerment and participation in household and community decision-making.²⁶

Nevertheless, ensuring women benefit from investments under this objective remained a challenge. Where women's empowerment was an explicit objective of investments, results were more positive. Our investments with FAO and SRSP have improved their performance on gender equality; however attention is required to entrench positive practices. In comparison, our Agriculture Sector Linkages Program (ASLP) concluded with limited evidence of benefit for poor small-holder farmers, particularly women. The Market Development Facility struggled to translate its analysis into practice, however establishment of the first women-only stitching line in a shoe factory may demonstrate broader potential for participation of women in the manufacturing sector. We will continue to advocate for improved performance on gender equality with program partners, including collection of sex disaggregated data, explicit gender targets and indicators in reporting, and adequate gender expertise in investment delivery.

In 2015-16, we continued to strengthen partner collaboration and integration of investments across this portfolio, to make best use of each partners' knowledge and expertise for better outcomes. This culminated in a workshop with partners to exploit synergies, with a specific focus on gender outcomes and the link between nutrition, agricultural development, water resources management and economic growth.

Outcome two: Governments, enterprises and smallholders adopt evidence based agriculture, water and trade policy reforms

Australia continued its policy engagement to support reforms in agriculture, water and trade. Our co-investment with FAO supported two conferences (farmers and livestock) in Balochistan in recognition of 2015 as the Year of Agriculture. These conferences brought together government and farmers to identify solutions to stimulate agricultural development and to reach a consensus between livestock farmers and the federal and provincial governments on key issues that hamper livestock development in Balochistan. In


²² Australia Balochistan Agribusiness Program (AusABBA) 2015-16 Annual Report, August 2016

²³ Australia Balochistan Agribusiness Program (AusABBA) Mid Term Review Debrief, December 2015

²⁴ Market Development Facility (MDF) Independent Advisory Group Mission, November 2015

²⁵ Market Development Facility (MDF) Independent Advisory Group Mission, July 2016

²⁶ Sarhad Rural Support Program Project for Women's Economic Empowerment and Market Development Monitoring Mission, June 2016



addition, FAO almost doubled program targets for training farmers in advanced agricultural technologies and practices (training 7,582 people against a target of 3,810) and achieved a female participation rate of 67 per cent (well above the target of 40 per cent).

Australia continued to build networks with Pakistan's water management sector. Through the Australia-Pakistan Indus Water Resource Management Project, delivered by CSIRO, Australia is supporting the Pakistan Government to implement a new National Water Policy which includes a proposal to establish a National Water Commission drawing out the model of Australia's Murray Darling Basin Authority.²⁷

2015-16 was the final year of the Agricultural Sector Linkages Program (ASLP) Phase II, delivered by the Australian Centre for International Agricultural Research (ACIAR). Over eight years and two phases, the program generated significant government buy-in, with Pakistan investing \$178 million in complementary projects modelled on ASLP since the program was initiated in 2006.²⁸ While delivering good research outcomes and increased agricultural capability, the program could not demonstrate improved livelihoods for poor smallholder farmers as intended. Consequently, DFAT worked closely with ACIAR in design of the new Agricultural Value Chain Collaborative Research Program (AVCCR) to focus on pro-poor value chains, understanding and increasing benefits to women, and appropriate monitoring and evaluation.

Outcome three: Reduction in the time, cost and bureaucracy of movement of goods across target borders

Progress over the first year of Australia's partnership with the World Bank to support efforts to increase regional trade and investment has been slower than expected. Commencement was delayed by several months. Several studies have been completed or are underway to inform a comprehensive mid-term regional trade strategy. This will form the basis of a review of the Ministry of Commerce to provide recommendations to improve trade policy in Pakistan, as a program objective. Due to the complex political and security environment, the program would benefit from a political engagement component to maximise the technical research and improve the institutional capacity being delivered.²⁹

Analysis produced as a component of the project supported recommendations on mainstreaming gender in trade; insights into the customs cargo clearance regime between Pakistan and Afghanistan; and export competitiveness and transit trade and quantitative analysis of the first round of Pakistan China Free Trade Agreement. Implementation is expected to catch up as the program supports development of policies based on this analysis.³⁰ In 2016-17, DFAT will conduct an independent review of the program to examine progress and effectiveness, including options for improving its impact through greater political engagement.

OBJECTIVE 2: Investing in Pakistan's people through health and education

Our key education and ending violence against women investments are performing well, achieving their targets in the Performance Assessment Framework. However, this objective rated amber because while we saw some renewed progress in our nutrition investment in Balochistan in 2016, there remain serious delays in its implementation, particularly in KP, due to weak government capacity and political impasse. In addition, our infant, maternal and child health investment was disrupted by sudden closure in Balochistan in 2015, and a later shift to Sindh Province in 2016, as a result of increased regulation of INGO operations in Pakistan.

Outcome four: More girls and boys in target districts complete basic education, and have higher learning outcomes

Our education portfolio was consolidated significantly in the reporting period, following the conclusion of several investments and budget re-prioritisation. We retain one major investment in delegated cooperation with the UK— the Khyber Pakhtunkhwa Education Sector Program (KESP). Five years into this program, we are seeing progress in strengthening the provincial education system in a challenging environment. In 2015-


²⁷ Part of the South Asia Sustainable Development Investment Portfolio regional program.

²⁸ Agricultural Sector Linkages Program Phase II Completion Report

²⁹ DFAT, Pakistan Trade and Investment Policy Program, Aid Quality Check 2015-16

³⁰ World Bank, Pakistan Trade and Investment Policy Program Progress Report February-June 2016





16, we began to see the benefits of a shift in the program's focus from governance to providing access to quality education. Overall, KESP is supporting over 4 million children in KP to get access to improved education. Australia's contribution directly supported an additional 37,569 children, including 16,100 girls³¹, enrolling in school, exceeding the target of 23,000 children including 10,000 girls.

Helping to ensure there were sufficient schools for students to attend across the province with qualified teachers remained a priority. In 2015-16, KESP supported the reopening of 58 per cent of non-functional schools (against a target of 50 per cent) reducing the number of non-functional schools to 257; over 55 per cent of surplus teachers were re-deployed to primary schools with teacher shortages with the aim of ensuring a minimum ratio of 1 teacher per 40 students; and 81 per cent of teachers in target districts received training.

We continued to advocate for girls education. Across KP, 1,413 Girls Community Schools were established to reduce gender disparity and promote access to education for children, particularly girls, in under-served areas of the province. Over 68,399 students (45,368 girls and 23,031 boys) are enrolled and a recent study confirmed grade 2 students in girls' community schools performed on par with government schools.³² Australia will continue to advocate for inclusive education systems to ensure gender equality is prioritised.

The school infrastructure component, a focus of Australian support, is two years behind due to difficulties in government approvals and an increase in construction costs. As at June 2016, construction had commenced in 241 schools (65 high schools and 176 primary schools) with 87 schools completed, of a target of 320. With the scope of construction now agreed with the Government of Khyber Pakhtunkhwa (GoKP), we expect progress will pick up rapidly. A contract extension will be negotiated in 2016-17 to compensate for delays. Conditional grants were issued to 15,736 Parent Teacher Committees (against a program target of 4500) to improve small-scale school infrastructure including electricity, water, toilets and boundary walls.

KESP is beginning to show some significant signs of success, including improved sector planning and budget execution. This momentum will now need to be maintained over a longer period to embed changes and implement education access and quality reforms, particularly for girls.

Outcome five: More citizens, particularly women and children, in target districts receive nutrition-related services

Australia works with the World Bank to increase capacity of governments in the provinces of Balochistan and KP to address poor nutrition. Our Nutrition Trust Fund investment faced continued challenges and overall deterioration of progress in the year, working through low capacity government systems, but nevertheless made some incremental gains in provincial government capacity. While well behind schedule, nutrition related service delivery commenced in Balochistan in 2016. Over 304,000 children aged 6-59 months were provided with Vitamin A supplementation, almost doubling the first year's program target of 155,940.³³ Education and information sharing on nutrition related practices has commenced in all 55 basic health units across seven districts through the lady health visitors component of the People's Primary Health Care Initiative³⁴.

The Government of Balochistan's (GoB) commitment to nutrition increased substantially over the past year, indicating the GoB is realising the development significance of under-nutrition. 2015-16 was the first year the GoB released budget of PKR 106 million (approx. AUD 1.4 million) for nutrition in its Annual Development Plan and in 2016-17 an additional PKR 96 million (approx. AUD 1.2 million) was allocated. However, service delivery in Khyber Pakhtunkhwa has not commenced as a revised province-wide integrated health and nutrition development plan has not been approved. Through its Nutrition Trust Fund engagement and in direct discussion, Australia will continue to engage with the GoKP to advocate for approval of the health and nutrition plan.


³¹ Khyber Pakhtunkhwa Education Sector Programme – Performance Assessment Framework, June 2016

³² Adam Smith International – KESP Annual Review 2015/16

³³ World Bank MDTF-N Implementation Status Results Report, April 2016

³⁴ World Bank Implementation Support Mission, July 2016





An internal management review of our nutrition investment in 2015 resulted in successful negotiation with the World Bank on management reforms to improve strategic and stakeholder management. Australia also worked closely with the Bank to establish an overarching results framework for the program. We have driven inclusion of gender equality indicators and sex disaggregated data in District Health Information Systems in very conservative areas of Pakistan, but it will take time to embed these changes in Balochistan and KP provincial government monitoring systems. Overall, the diverging experiences of KP and Balochistan suggest some re-scoping of the Fund's activities, objectives and financial projections is now necessary.

Australia's Nutrition Trust Fund investment is complemented by an Australian-funded World Food Programme (WFP) food fortification program. In 2015-16, WFP deployed ten nutrition experts across four provinces to promote food fortification with federal and provincial governments and private sector partnerships for food fortification. A National Food Fortification Strategy (including fortification standards), is being developed in consultation with provinces, federal government and development partners and is on track.³⁵ These efforts are showing early signs of take up. In addition, Australia has led efforts to link WFP with our MDF partners to contribute to improved nutrition through food products. There is an opportunity for increase nutrition-sensitive programming in Australia's other aid investments with strong potential for nutrition outcomes, and to coordinate with DFAT's centrally managed, Civil Society Water, Sanitation and Hygiene Fund in Pakistan.

Outcome six: Women have increased access to social services specific to their needs (maternal and neonatal health, counselling, and support services)

Australia's Challenging Gender-Based Violence program continued to perform well in its second year. The program exceeded targets, with 3,813 survivors of gender-based violence accessing quality support including temporary safe housing, counselling, health and legal services and livelihood support, against a target of 2,560.³⁶ This is an increase of 33 percent from 2014-15. In addition, 1045 police, judiciary, medical and legal officers were trained in handling gender based violence cases sensitively. However, institutionalising and integrating gender sensitive training into police officer training courses remains very challenging, and it was also difficult to engage judges. The program launched a nationwide media campaign in November 2015, calling youth, men and women to affirm a commitment to challenge gender norms and practices that perpetuate and sustain the cycle of gender-based violence, with public service messages launched in early 2016 using TV, radio and print. As a result, there has been a 34 per cent increase in witnesses to someone speaking out or taking action against gender-based violence in their communities.³⁷

Australia's investment in maternal, neonatal and child health in Balochistan, managed by Save the Children (STC), closed prematurely in October 2015 due to changes in the Pakistan Government's regulation of INGO operations. STC has since relocated the project to Sindh Province, re-commencing in June 2016. Disruption of the program began in May 2015, causing an almost twelve month hiatus. Prior to the closure, IMNCH had performed well, exceeding its targets. Some examples include: immunisation rates in target districts increased by 23 per cent amongst children aged 12-23 months (against a target of 20 per cent on initial program closure), 50 per cent increase in women undertaking ante-natal check-ups (against a target of 20 per cent).³⁸ However, sustainability of these gains has been jeopardised by the sudden closure.

Outcome seven: Targeted education and health departments have increased expertise and incentives to improve policy/service delivery


In the education sector, Australia maintained strong relationships with provincial governments enabling us to engage on education policy matters. In late 2015, following a two year tenure as co-chair of the KP Education Development Partner Group, Australia passed on the role to the United Kingdom. As co-chair we saw donors and the Government of Khyber Pakhtunkhwa working more closely to advance education reforms and build

³⁵ World Food Programme, Strengthening Policy, Advocacy for legislation and Coordination Capacity of the National Fortification Alliance to Scale Up Fortification Initiatives in Pakistan – Progress Report March 2016

³⁶ Trocaire, Ending Violence Against Women Annual Report, 2015-16

³⁷ Trocaire, Ending Violence Against Women Annual Report, 2015-16

³⁸ IMNCH Balochistan Completion Report, March 2016



the capacity of KP's 120,000 teacher and the 28,000 Parent Teacher Committees. We also worked with the KP Education Department to establish taskforces to review KP's Teacher Capability Framework and aspects of the KP curriculum. Australia's contribution was highly regarded by the Government of Khyber Pakhtunkhwa and donors. There has been a clear commitment to reform. The Government of Khyber Pakhtunkhwa was issued a 14 per cent increase in the education budget for education in 2016-17³⁹. In 2015-16 the Government of Khyber Pakhtunkhwa, finalised costings to achieve the outcomes set in the KP Education Sector Plan to 2020. Progress against the KP Education Sector Plan is closely monitored through a Joint Review Framework covering teacher, infrastructure and data management reforms with annual targets mutually agreed between the Government of Khyber Pakhtunkhwa, Australia, the UK and the EU.

Our previous investment in the Education Development and Improvement Program in Gilgit Baltistan (GB) provided support for the review and revision of the Gilgit Baltistan Education Strategy. As a result, the Government of Gilgit Baltistan has remained committed to improving education and plans to launch the strategy formally in early 2016-17.

In the health sector, prior to closure of the Balochistan IMNCH project, there was a 98 per cent increase in the health facilities reporting on a district health information systems assisting with planning and policy development.⁴⁰ It is uncertain whether this can be consolidated and sustained. Australia remained an active participant in donor coordination fora including the Health Partners Nutrition and Population Group and the Pakistan Health and Population Interagency Coordination Consortium which consists of donors and the Ministry of Health.

Our support through EAW assisted in drafting Rules of Business for Domestic Violence and Child Marriage Restraint Act 2013, which has been approved by the Sindh government; however there have been setbacks for domestic violence legislation in KP with the drafts of both the Domestic Violence Bill and Child Marriage Act strongly opposed by the Council of Islamic Ideology.

MULTI-SECTORAL PRIORITIES

Complementing and supporting Australian investments under our two strategic objectives, we support stabilisation in crisis affected provinces, humanitarian assistance, energetic policy advocacy for gender equality and women's empowerment, and human resource development through our Australia Awards program.

Stabilisation

The World Bank managed Multi-Donor Trust Fund for KP, FATA and Balochistan (Border Areas) is Australia's key stabilisation investment in Pakistan. It responds to the reconstruction and service needs of crisis affected populations, following protracted conflict, military counter-insurgency campaigns and natural disasters, leading to large scale population displacement of up to 3 million people, destruction of infrastructure and loss of livelihoods. As a long term multi-donor investment mechanism, implemented across two project rounds – Round I (2010-2016) and Round II (2016-2020) - the Fund provides on-budget assistance for health, education, small scale infrastructure, community rehabilitation, livelihoods and governance assistance. It also seeks to support the establishment of an ongoing and legitimate state presence in KP, FATA and Balochistan by building the capacity of provincial governments to deliver services and support economic development.

Australia has contributed \$41million to the Fund, of a total of USD183 million from 13 donors to date, with cumulative benefits including service delivery and local infrastructure improvements for 5.7 million people (2.7 million women) and improved livelihood opportunities for approximately 140,000 people.⁴¹ An annual review of the Fund in early 2016⁴², and DFAT's own internal management review in late 2015, concurred


³⁹ Adam Smith International – KESP Annual Review 2015/16

⁴⁰ IMNCH Balochistan Completion Report, March 2016

⁴¹ World Bank Roadmap for MDTF-BA Round II, 2016

⁴² DFID Annual Review – World Bank Multi-Donor Trust Fund, 2016





that the investment could do more to build synergies across various projects to serve the overarching objective of building state-citizen trust in a post crisis environment - working with low capacity governments to strengthen approaches to gender, youth, public-private partnerships and fragility and conflict. In 2015-16, we committed to Round II which will commence in 2016-17, with a greater focus on (i) service delivery, (ii) job creation and (iii) policy reform and good governance, introducing a competitive window that will reward innovation and performance. Round II emphasises greater programme coherence and alignment to the dual goal of sustainable development and improved citizen-state trust.

Humanitarian assistance

In line with Australia's *Humanitarian Strategy*, Australia continued to provide effective and appropriate humanitarian assistance to displaced populations in Pakistan. In 2015-16, Australia provided \$3million to the World Food Programme's (WFP) interventions to support the Government's Sustainable Returns and Rehabilitation Strategy, supporting stability of the border areas between Pakistan and Afghanistan. Our funds covered milling, fortification, transportation and distribution of wheat donated by the Pakistan Government to support 102,000 internally displaced persons and returnees in the Federally Administered Tribal Areas (FATA).

Australia Awards

Australia Awards scholarships support Australia's development, economic and public diplomacy agenda in Pakistan. Twenty (12 female) graduate scholarships were awarded in 2015-16, in: governance (7); economic growth (6); education (3); mining (1); public health (2); and water resources management (1). They joined sixty ongoing awardees studying in Australia. We have taken a number of steps to ensure strong female representation in all components of the Australia Awards program, including by providing foundation awards to women to ensure they are well prepared for their scholarships; working with women-focused organisations to promote the Awards; and encouraging participation in the Australia Awards South and West Asia Women in Leadership Alumni.

Short Courses and Informal Learning Opportunities (ILOs) are an expanding feature of the Australia Awards in Pakistan, and are an effective tool to support Australia's foreign policy, economic diplomacy and aid objectives in Pakistan. In 2015-16, the Pakistan program ran two Awards Short Courses on: i) Business Incubation Management, co-funded by the Pakistan Higher Education Commission, which provided Pakistani academics and professionals practical guidance on managing, growing, and sustaining effective business incubation centres; and ii) Effective and Efficient Management of Parliamentary Committees for mid-senior Pakistani public servants working in national and provincial assemblies. This training has sparked an ongoing program of in-house sessions on a range of issues aimed at improving parliamentary business. In addition, we supported eight ILOs with activities largely focused on women's empowerment; strengthening governance in education and nutrition; and innovation. There are ongoing opportunities for more strategic use of these mechanisms to complement and enhance Australian aid and economic diplomacy objectives.

Gender Equality & Women's Empowerment

Australia is considered one of the key donors promoting gender equality and women's empowerment, supporting local leadership and initiatives in Pakistan. In 2015-16, the Australian High Commission instituted an Australian whole-of-government Pakistan Gender Strategy (2016-19). As part of the strategy Australia was appointed as donor Co-Chair (with UN Women) of the Inter-Agency Gender and Development Group (INGAD), enabling Australia to take a leadership role in stakeholder engagement on gender. We hosted a high-level panel debate on women's leadership and political participation, to enhance dialogue between the government and international community on gender equality, and plan panels on other topics in 2016-17.

PERFORMANCE BENCHMARKS




In 2015-16, Australia achieved 5 of 6 benchmarks identified in the AIP. An overview of achievements against each performance benchmark can be found at **Annex B**.

The benchmark on conducting a review of the Ministry of Commerce was partially met noting this is an end-of-program objective for the Pakistan Trade Policy and Investment Program, which is still early in its implementation. As part of review of our Performance Assessment Framework, more appropriate annual benchmarks for our trade policy work will be established. The table below identifies benchmarks and targets for the remainder of the AIP 2018/19. As a number of investments end in the next two years, benchmarks and targets appropriate to future investments and the evolving program will be updated progressively.

Performance Benchmarks 2016-17 to 2018-19

| | | 2016-17 | 2017-18 | 2018-19 |
|------------------------------|---|--|--|---|
| Aid objective | <i>Generating sustainable growth and employment</i> | | | |
| Performance benchmark | <i>Number (% women) of poor farmers and small business owners who have increased their income</i> | 6480 pro poor farmers (48% women) | 1525 pro poor farmers (86% women) | TBC |
| Performance benchmark | <i>Community or Farmers' Organisations, including women's organisations, are effectively supported to build community cohesion to advocate for their needs or to gain control in marketing their products</i> | 1210 (44% women) | 1200 (44% women) | TBC |
| Aid objective | <i>Investing in Pakistan's people through health and education</i> | | | |
| Performance benchmark | <i>Eligible women and children in target districts receive nutrition related services</i> | 77,970 | TBC | TBC |
| Performance benchmark | <i>Number of boys and girls directly supported by the program, enrolled in basic education</i> | 4.4 million (including 1.91 million girls) | 4.5 million (including 1.97 million girls) | 4.7 million (including 2.1 million girls) |
| Performance benchmark | <i>Number of women survivors of violence accessing quality support services in target districts</i> | 1800 | 2040 | TBC |
| Multi-sectoral: | <i>Stabilisation</i> | | | |
| Performance benchmark | <i>Number of Round-II programs initiated in Balochistan, Khyber Pakhtunkhwa and FATA (the three border areas).</i> | <i>Seven programs initiated in service delivery (two programs each in KP and FATA), job creation (two programs each in KP and FATA) and good governance (one program each in KP, FATA and Balochistan)</i> | TBC | TBC |



MUTUAL OBLIGATIONS

Australia's aid program has been delivered in line with the objectives of its Pakistan Aid Investment Plan 2015-2019, which is responsive to the Government of Pakistan's development priorities outlined in its development strategy, *Vision 2025*. Senior officials talks in June 2016 included a portfolio review of the Australian aid program, reaffirming mutual commitment and a consultative approach to development cooperation. In 2015-16, we initiated renewal of a Development Cooperation Memorandum of Understanding with Pakistan and expect the MoU will be signed in early 2016-17.

In 2015-16, Australia signed two subsidiary arrangements with the Government of Pakistan for the Sustainable Development Investment Portfolio and Agricultural Value Chain Collaborative Research Program - facilitating water resources management and agriculture productivity support to Pakistan.

At the Provincial level, whilst there have been delays in the formal approval of the Balochistan Agricultural Policy (developed with support from AusABBA⁴³) due to a transition in the Government of Balochistan (GoB), support for the policy is evident and the GoB has begun implementing its recommendations. GoB budgetary commitment to nutrition also increased substantially over the past year. The Government of Khyber Pakhtunkhwa (GoKP) has, however, yet to approve its integrated health and nutrition development plan, delaying service delivery. Australia continues to engage with the GoKP to advocate for approval.

The Government of Pakistan remained committed to providing twinning of wheat for 50:50 funding of humanitarian efforts through the World Food Programme, effectively doubling the contribution. DFAT is exploring opportunities to maintain consistent support to protracted humanitarian crises within the Pakistan bilateral aid program, while leveraging additional Australian humanitarian funding as need arises.

Australia recognises the important role of a strong civil society in supporting Pakistan's development. We will continue to support local NGOs and engage the Government of Pakistan, with like-minded donors, on its regulation of INGOs. This is a significant matter for Australian NGOs impacting the effectiveness of our aid.

PROGRAM QUALITY AND PARTNER PERFORMANCE

Consolidating and re-prioritising Australia's aid program in Pakistan was a significant feature of program quality and management in 2015-16. With several investments nearing completion, planning and designing new programs will be a key focus in 2016-17, as will a planned mid-term review of the Aid Investment Plan which presents an opportunity for further adaptation of our aid strategy. Meanwhile, re-calibration and evolution of the program is ongoing, including restoring more consistent bilateral funding for protracted humanitarian crises. We conducted a management review of our World Bank trust fund investments in late 2015, given their increased proportion of a reduced aid portfolio and in light of some performance concerns, to verify whether they remained appropriate and effective and that DFAT's management of these partnerships was optimal. This led to agreement with the Bank on some management reforms for the Nutrition Fund and informed our continued investment in the Border Areas Trust Fund Round II.

Pakistan is a difficult operating environment for aid delivery. The security environment often limits the ability of Australia and its partners to directly monitor programs necessitating continued reliance on third party monitoring. There is still a need for a more strategic approach to managing performance and getting better data within these constraints. In 2016-17, one investment evaluation was conducted (see Annex C), and we participated in annual multi-donor reviews for the Border Areas Trust Fund and KESP. Findings have informed ongoing management of investments and future programming.

We strengthened attention to gender equality and results in all investments with support from DFAT's Senior Gender Advisor, complemented by the High Commission's broad, ongoing advocacy for gender equality as a

⁴³ Australian Assistance to Agriculture Development in Balochistan Border Areas





core Australian foreign policy priority. We strengthened integration of gender equality and women's empowerment in design of new investments (in agricultural productivity, market development, and stabilisation) and worked with partners to improve performance on gender equality. Our capacity and evidence base to support gender analysis has been enhanced, but the corollary has been heightened critical assessment and lower satisfaction with the performance of several investments. Practical actions and ongoing support is required to embed strong practices in our own and partners' program management, while acknowledging that the entrenched, challenging context for outcomes on gender requires realistic expectations, long-term goals and sustained effort.

Similarly, while some investments have started to address disability inclusive development we can be more systematic in program design and delivery, and advocacy with partners, and will address this in 2016-17.

The Pakistan Performance Assessment Framework guided performance reporting at a high level, however some indicators need recalibration where investments have changed and/or targets were easily achieved. We will revise and adapt the Framework to fit our evolving program in 2016-17.

Australia maintained strong relationships with likeminded donors to advocate for Australia's aid policy priorities. We worked to maintain visibility and influence in partner programming and policy decisions by engaging in advisory and governance mechanisms, and in sectoral partner coordination groups.

ANALYSIS OF AID QUALITY CHECKS (AQCS)

In 2015-16, we conducted Aid Quality Checks (AQC) for 11 investments. Eight were ongoing investments and three were investments that concluded in 2015-16. Three investments in early stages of implementation were exempted. A summary of AQC ratings is at **Annex D**. Overall, performance was mixed, and the program did not meet Australia's aid program strategic targets for value for money and gender equality.

Mixed performance in new investments and fewer investments (a reduction of 45 per cent) meant effectiveness ratings reduced from 95 per cent in 2014-15 to 82 per cent in 2015-16. Quality ratings reduced for relevance, effectiveness, monitoring and evaluation, and gender, and increased or stayed the same for efficiency, sustainability and risk management. This in part resulted from a shifting portfolio rather than deterioration in the performance of individual investments per se. More direct investments with partners rated better than pooled investments with multilateral and bilateral donor partners. Similarly, investments that are on-budget or rely on government reform processes were less efficient. This is to be expected given government capacity in many areas where Australian aid investments are delivered.

Overall performance of the portfolio on gender equality showed a more marked decline from 80 per cent in 2014/15 to 55 per cent in 2015/16. Our investments that explicitly targeted women - Challenging Gender-Based Violence, and Integrated Maternal, New born and Child Health - rated well. However five other investments' ratings were unsatisfactory. In 2014/15, four DFAT-funded education investments concluded, all of which achieved highly in effectiveness and gender. The shift in the composition of the portfolio in 2015-16 has resulted in a larger proportion (31 per cent) of our funding being channelled through multilateral partners which have historically addressed gender equality issues less well. Another factor was monitoring and evaluation not adequately capturing gender results. In 2016-17, we will focus with partners on practical actions for incremental improvement on gender equality results and outcomes.

PERFORMANCE OF KEY DELIVERY PARTNERS

Due to security and fiduciary risks in Pakistan, Australia works with highly experienced partners to deliver our aid. In 2015-16, 31 per cent of Australia's bilateral aid program was delivered through agreements with multilateral organisations, 26 per cent was delivered through delegated cooperation with the United Kingdom (DFID), 21 per cent was delivered by commercial suppliers, 14 per cent was delivered through NGOs and civil society and 8 per cent was delivered through Australian government agencies. In total, the program completed eight Partner Performance Assessments (PPAs); four for NGOs and four for multilateral



organisations. We have separately worked closely with ACIAR and CSIRO to increase communication, collaboration and integration within the Economic Growth portfolio.

Pooling funding through our investments with the World Bank and DFID enabled our aid to be harmonised and reduced transaction costs for governments while providing substantial management efficiencies. In 2015-16, we focused on optimising our investments through the World Bank. We conducted an internal review and targeted performance and quality support which led to an adjusted management approach and improvement of the Nutrition Trust Fund’s monitoring and evaluation. However, scope remains for multi-lateral partners to improve gender equality and conflict sensitive approaches in designs and implementation.

As noted in the program quality discussion, NGO partners continued to demonstrate strength in advancing gender equality and women’s empowerment.⁴⁴ However, the Pakistan Governments increased regulation of INGOs hindered some partners’ progress and results.

RISKS

Table 3 Management of Key Risks to Achieving Objectives

| Key risks | What actions were taken to manage the risks over the past year? | What further actions will be taken to manage the risks in the coming year? | Risk Rating (low, medium, high, very high) |
|---|--|--|--|
| Deteriorating security environment challenges program delivery and effective monitoring of programs, particularly in the border provinces | <ul style="list-style-type: none"> Ongoing monitoring of security and response to DFAT security advice Development of a program M&E plan Monitoring missions undertaken where possible and the use of third party monitoring where appropriate | <ul style="list-style-type: none"> Explore innovative ways to evaluate programs in insecure areas Continue monitoring partners’ security plans Select partners that can operate in restricted areas and use models of delivery suitable for insecure environments | High |
| Revised INGO regulations limit Australia’s ability to partner effectively with INGO’s to implement development programs | <ul style="list-style-type: none"> Programs were transferred to less sensitive locations Worked with like-minded donors to advocate for an efficient, timely and transparent registration process | <ul style="list-style-type: none"> Continue working with government and INGOs to manage the impacts of the registration process Continue advocating for the registration of all Australian implementing partners | High |
| Government capacity to plan and manage basic service delivery and undertake reforms undermines the effectiveness of Australian aid | <ul style="list-style-type: none"> Regular and active engagement with government at federal and provincial levels on Australian aid interventions Strong partnerships with multilateral and bilateral partners with proven capacity for effective program delivery in Pakistan | <ul style="list-style-type: none"> Ongoing monitoring of low capacity and structural weaknesses affecting programs, to allow adaptive management decisions Advocacy with government for the development and implementation of policies | Medium |

MANAGEMENT RESPONSES


Engaging with the Government of Pakistan

- Finalise a Development Cooperation MOU and maintain high level consultations with the Ministry of Finance Economic Affairs Division to consult on and guide the aid program
 - including continued advocacy for INGOs’ important role as development partners in Pakistan.

Strengthening performance on gender equality in the aid portfolio

- Continue to strengthen cross-program performance on gender equality:


⁴⁴ Save the Children, Trocaire, Fred Hollows Foundation, Sarhad Rural Support Program

- 
- conduct select investment clinics, identifying practical actions to strengthen investments' performance in collaboration with partners and Australian specialists; and ensure designs, monitoring missions and reviews utilise appropriate gender expertise.

Improving results in economic and human development

3. Further strengthen coordination and collaboration between partners and investments within the economic growth objective, in close alignment with Australian economic diplomacy priorities.
4. Review, with the World Bank, the scope of our nutrition investment in light of delayed progress; and develop options for integration of nutrition sensitive programming across the wider portfolio.

Portfolio development and performance management

5. Review and update the program Performance Assessment Framework (PAF), setting appropriate benchmarks, progress targets, and indicators to serve the evolving portfolio.
 6. Prepare for a mid-term review of the Pakistan Aid Investment Plan in 2017:
 - Review the scope and outcomes of 'Objective 2 – Investing in people' in light of program consolidation in the health and education sectors
 - Examine options for an additional program strategic objective for stability and resilience, incorporating existing and potential future investments.
- 

ANNEX A - PROGRESS IN ADDRESSING MANAGEMENT RESPONSES

Management responses identified in 2014-15 APPR

Closely monitor the Nutrition Multi-Donor Trust Fund to ensure the pace of delivery picks up, including holding formal quarterly steering committee meetings, finalising a results framework and undertaking an internal management review of the investment to inform our engagement and advocacy with partners.

Increase implementation of actions to deliver development returns for women as a matter of priority across the aid portfolio, particularly in the agriculture, industry and trade portfolios, in parallel with implementing a strategic approach to addressing gender equality across all aspects of Australia's engagement with Pakistan.

Build mechanisms to better engage with other development partners and government in water, gender equality and women's empowerment, and Australia Awards, either taking the lead or encouraging others to do so. This should include finalising our *Australian Economic Growth Collaboration Plan* and establishing a network of Australian Government, Pakistani government (national and provincial), and NGO partners to share good practice and coordinate our work.

Make the Aid Investment Plan central to regular dialogue with the Government of Pakistan on the aid program and determine the most appropriate arrangement to guide Australia's development cooperation with Pakistan.

Identify better approaches to monitoring our investments and undertaking independent evaluations in insecure areas to ensure they go ahead as planned and that we have sufficient data on the impact of our work.

Look for opportunities to trial new ideas and innovations that can increase the impact of Australia's aid investments, by leveraging both bilateral and DFAT regional/global ODA funding, ODA delivered by other Australian agencies and private sector investment. These should be closely aligned to our *Aid Investment Plan* and existing investments to ensure the portfolio remains manageable and that innovations are consistent with and support strategic objectives.

Rating

Achieved

Achieved

Partially
Achieved

Achieved

Achieved

Achieved

Progress made in 2015-16

The Nutrition Multi-Donor Trust Fund was closely monitored throughout 2015-16. We participated in quarterly steering committee meetings, agreed on a results framework and commissioned an internal management review which resulted in important reforms to the Funds Management. As result, progress in this investment has picked up. .

There was a strong focus on gender in the aid portfolio including the institutionalisation of gender score cards to assess progress on gender equality. In addition, gender was strengthened new program designs in the agriculture, industry and trade portfolio (AVCCR & SRSP) and formed a key component of evaluations. Post developed a Pakistan Gender Strategy and Gender Action Plan to guide gender equality work moving forward.

Australia continued to engage in donor coordination mechanisms in the education and health sectors. However, it was determined the *Australian Economic Growth Collaboration Plan* was no longer required. Instead, the Pakistan program held Inter-Departmental Committee Meetings and hosted a workshop for partners to coordinate and align our economic growth partners.

The Pakistan AIP was central to our high level dialogue with the Government of Pakistan, resulting in the request to establish a formal Development Cooperation MoU– this is currently under negotiation with the government.

Monitoring and evaluation has been a priority over the past year. A dedicated performance and quality role was established and M&E plans and checklists were developed to ensure M&E missions proceeded, where possible. Where security is a concern we worked with partners to identify effective approaches to remote M&E (third party monitoring).

The bilateral program was successful in gaining additional central/global ODA funding to trial innovative ideas in collaboration with the private sector – i.e. the Better Cotton Initiative which will begin implementation in 2016-17. We also secured additional funds from the Gender Equality Funding to increase gender empowerment in two investments. In addition, our new DRR investment had a core innovative approach to disaster risk financing that engages the private sector.

Note:

- Achieved. Significant progress has been made in addressing the issue
- Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
- Not achieved. Progress in addressing the issue has been significantly below expectations

ANNEX B - PROGRESS TOWARDS PERFORMANCE BENCHMARKS IN 2015-16

| Aid objective | 2014-15 benchmark | Rating | Progress in 2015-16 |
|---|---|--------------------|--|
| Strategic Objective One: Generating sustainable growth and employment | Leverage USD800,000 in additional private sector investment through business partnerships to facilitate the development of pro-poor value chains | Achieved | Australian aid exceeded this target, leveraging over USD 1,420,000 in additional private sector investment through the Market Development Facility and Australia-Balochistan Agribusiness Project. |
| | Complete a review of the Ministry of Commerce including recommendations to improve trade policy implementation | Partially Achieved | The development and adoption of evidence based medium term regional trade framework is an end of project benchmark. Terms of Reference for all analytical studies to inform the trade framework have been prepared and 3 studies have been delivered. Work will be done to identify suitable annual targets as part of PAF revision. |
| Strategic Objective Two: Investing in Pakistan's people through health and education | Over 23,000 children directly supported by the program (including 10,000 girls), enrolled in basic education | Achieved | Australia exceeded this target, supporting over 37,500 children, including 16,100 girls to benefit from quality education basic education. |
| | Nutrition experts are deployed in the Fortification Alliance Offices of the Federal Government and 4 Provincial Governments to support implementation of the nutrition and fortification agenda | Achieved | A total of 10 nutrition experts have been deployed in the Fortification Alliance Offices, with 2 nutrition experts at each Provincial Fortification Alliance and 2 nutrition experts at the national Fortification Alliance, supporting the implementation of the nutrition and fortification agenda. |
| | Over 1000 women survivors of violence accessed quality support services in target areas | Achieved | A total of 3,813 women survivors of gender based violence accessed support through the Ending Violence Against Women programme, almost quadrupling the target of 1000. Support included access to temporary safe housing, counselling, health and legal services and livelihoods support. |
| Management Efficiency | Portfolio of investments reduced to at least 17 | Achieved | In 2015-16 the Pakistan bilateral aid program reduced the number of program initiatives to 14 from 22 |

Note:

- Achieved. Significant progress has been made and the performance benchmark was achieved
- Partly achieved. Some progress has been made towards achieving the performance benchmark, but progress was less than anticipated.
- Not achieved. Progress towards the performance benchmark has been significantly below expectations

ANNEX C - EVALUATION PLANNING

List of evaluations completed in the reporting period

| Investment number and name | Name of evaluation | Date completed | Date Evaluation report Uploaded into AidWorks | Date Management response uploaded into AidWorks | Published on website |
|----------------------------|--------------------|----------------|---|---|----------------------|
| INK575 FAO AusABBA | Mid-term Review | November 2015 | N/A | N/A | N/A |

List of program prioritised evaluations planned for the next 12 months

| Evaluation title | Investment number and name (if applicable) | Date – planned commencement (month/year) | Date – planned completion (month/year) | Purpose of evaluation | Evaluation type |
|--|--|--|--|--|------------------------|
| Pakistan Ending Violence Against Women | INL236 | October 2016 | December 2016 | Assess results achieved to date, inform program delivery over next two years, and design of second phase | Joint evaluation |
| Pakistan Trade Investment Policy Program | INL301 | December 2016 | February 2017 | Verify program performance | Independent evaluation |

FAQC RATINGS

Final AQC's assess performance over the lifetime of the investment (ratings are not compared to previous years).

| Investment name | Approved budget and duration | Overall rating | Relevance | Effectiveness | Efficiency | Monitoring and Evaluation | Sustainability | Gender equality | Risks and Safeguards |
|--|------------------------------|----------------|-----------|---------------|------------|---------------------------|----------------|-----------------|----------------------|
| Maternal Newborn Health in Balochistan | \$13.6m 2012-16 | 4 | 6 | 4 | 4 | 5 | 3 | 5 | 5 |
| Phase2 – Agriculture Sector Linkages Program | \$13.8m 2009-15 | 3 | 5 | 3 | 4 | 3 | 4 | 2 | 5 |
| Citizen Engagement for Social Delivery III | \$15.8m 2012-16 | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 4 |

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas. 5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas. 1 = Very poor; does not satisfy criteria in many major area.