



**Australian Government**  
**Department of Foreign Affairs and Trade**



# **AID PROGRAM PERFORMANCE REPORT 2017-18**

**Pakistan**

September 2018



## SUMMARY

This report assesses the performance of Australia's aid program in Pakistan from July 2017 to June 2018 against the *Pakistan Aid Investment Plan (AIP) 2015-16 to 2018-19*. It is the final APPR to report against this AIP, as a new AIP will be in place from early 2019.

**2017-18 has been a year of strategic review and planning to lay the foundations for the next AIP (2019-23)**, including an internal Aid Health Check in November 2017, evaluation of the economic growth portfolio in early 2018, climate change stocktake, review of our gender strategy and review of policy priorities. Reflecting recommendations of the Aid Health Check and the four tests of Australian aid, the new AIP will help Australia deliver on a more consolidated, targeted and proportionate aid program for the coming five years. It will enable us to continue delivering strong results in assisting Pakistan to address its development challenges.

Despite notable improvements in the security environment, Pakistan remains a difficult place to deliver aid. **Australia's aid program has continued to deliver services to the most vulnerable and has contributed to important system and policy reforms at provincial and national levels.** A number of additional complexities arose during this reporting period: uncertainty over INGOs' ability to continue operating in the country; Pakistan's national elections; heightened security concerns in Balochistan, ongoing fragility and the decision to merge the Federally Administered Tribal Areas (FATA) into Khyber-Pakhtunkhwa Province (KP).

Against this backdrop, the past year has seen **good progress towards the three AIP objectives, particularly Objective 1 and Objective 2.** Most targets outlined in the Performance Assessment Framework have been met or exceeded. Performance on gender equality improved, following significant investment in strengthening performance in this area, with all but one investment now assessed as satisfactorily addressing gender issues in implementation. Performance on monitoring and evaluation (M&E) and efficiency also improved. However ratings for effectiveness declined modestly— with some of our mature multi-donor investments not tracking as well as expected towards end-of-program outcomes.

We undertook an independent evaluation of ***Objective 1: Generating sustainable inclusive growth and employment***, as part of our work to consolidate investments in the economic growth portfolio under the new AIP. The evaluation's positive assessment of the portfolio as a whole, combined with effective remediation of the two Investments Requiring Improvement (IRIs), led to a green rating for Objective 1.

As we near the end of the current AIP, progress towards ***Objective 2: Investing in Pakistan's people with a focus on women and girls*** has accelerated. For the second successive year, Australia's education, nutrition and ending violence against women investments all exceeded their targets, delivering valuable, lasting policy contributions.

***Objective 3: Supporting stabilisation and resilience*** achieved an amber rating this year, down from a green rating last year, with benchmarks only partly achieved. Our World Bank multi-donor trust fund investment in two of the border provinces (Khyber Pakhtunkhwa and Balochistan) has progressed well but the program in FATA has not started. Despite these challenges, our aid program continues to provide effective humanitarian assistance to the most vulnerable, including the school feeding program in FATA (World Food Programme) and registering almost a million displaced Afghans in Pakistan for Afghan Citizen Cards (International Organization for Migration). In March 2018, we launched our new Regional Humanitarian Strategy for Afghanistan and Pakistan.

**Australia remains a top ten donor to Pakistan**, behind larger donors such as the UK, USA, Japan, EU and Germany. Australia's Official Development Assistance (ODA) accounted for 0.8 percent of total ODA to Pakistan – and a tiny percentage of Pakistan's national budget (USD43 billion in 2017-18). The new AIP will maximise the value-add of Australian aid to Pakistan by giving full play to our comparative advantages – those areas where Australia's deep technical and policy expertise can best contribute to successful on-the-ground programs. The new AIP will also reinforce our value to Pakistan as an agile, pragmatic, medium sized donor focused tightly on some of the country's most pressing development challenges: gender inequality, agriculture and water management.

## EXPENDITURE

Table 1 Total ODA Expenditure in FY 2017-18

Objective	A\$ million	% of total ODA
Objective 1: Generating sustainable inclusive growth and employment	19.6	39%
Objective 2: Investing in Pakistan's people	10	20%
Objective 3: Supporting stabilisation and resilience	10.2	21%
<b>Sub-Total Bilateral</b>	<b>39.8</b>	<b>80%</b>
Regional and Global	6.8	14%
Other Government Departments	3.1	6%
<b>Sub-Total non-Bilateral</b>	<b>9.9</b>	<b>20%</b>
<b>Total ODA Expenditure</b>	<b>49.6</b>	<b>100%</b>

## PROGRESS TOWARDS AIP OBJECTIVES

Table 2 Rating of the Program's Progress towards Australia's Aid Objectives

Objective	Previous Rating	Current Rating
Objective 1: Generating sustainable inclusive growth and employment	Amber	Green
Objective 2: Investing in Pakistan's people with a focus on women and girls	Green	Green
Objective 3: Supporting stabilisation and resilience	Green	Amber

**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.

## CONTEXT

Pakistan is the world's sixth-most populous nation, with a population of around 208 million. Almost three in ten Pakistanis live in poverty and 6 percent—almost 13 million people—living in extreme poverty. The newly elected Government, led by Prime Minister Imran Khan, has pledged to fight corruption and tackle poverty. Prime Minister Khan has committed his administration to creating millions of jobs and building world-class hospital and school systems.

As well as a year of political transition for the country, 2018 has also been a year of transition for the Australian aid program to Pakistan. This is the final year of our current Aid Investment Plan (AIP) and from next year, we will start implementing a new five-year aid strategy.

The new AIP will build on the achievements of the current one, for example, empowering women, and helping Pakistan's new Government increase agricultural productivity and better manage its scarce water resources.

This APPR, then, is both a management and accountability tool to outline how our aid has contributed to current objectives over the past year, as well as a final point-in-time stocktake of the totality of work under the current AIP. Seen in that way, this APPR is will provide a useful point of comparison. In twelve months' time, when we are assessing the performance of the first year of the new strategy's implementation, this document will provide a benchmark against which to measure early progress, reflecting our efforts to tighten program priorities and deliver an even more effective and efficient aid program to Pakistan.

### 2017 Pakistan Aid Program Health Check

*An internal aid health check conducted in November 2017 commended the Pakistan aid program for delivering on a range of development policy priorities. It also recommended using the next AIP to consolidate the aid program to Pakistan. The program committed to develop a new AIP by December 2018, using the four tests of Australian aid to inform programming choices.*

*In line with health check recommendations, the new AIP will:*

- *prioritise objectives nested within Australia's broader bilateral and regional strategic interests;*
- *focus on no more than two to three policy priorities where we can exert influence;*
- *consolidate work programs and reduce transaction costs to free up resources for higher-level policy engagement.*


## OBJECTIVE 1: GENERATING SUSTAINABLE INCLUSIVE GROWTH AND EMPLOYMENT<sup>1</sup>



Australian aid is engaging the public and private sectors to address constraints to increased trade and investment, improved agricultural productivity and market opportunities, and water resource management.

Over the past year, **progress towards Objective 1 has accelerated**, leading to a green rating for 2017/18, up from amber last year. An evaluation of the economic growth portfolio commissioned in February 2018 (see text box below) found the portfolio was 'appropriately targeted on issues affecting achievement of sustainable inclusive growth in Pakistan and on areas of significant poverty and exclusion', 'generating significant leverage over critical growth constraints' and 'creating significant levels of Australian value add'. This rating also reflects effective remediation of our trade policy and agricultural research investments –

<sup>1</sup> Objective 1 contributes to the Pakistan Government's Vision 2025 Strategic Priorities - Pillar 4 (Energy, Water and Food Security), Pillar 5 (Private Sector, and Entrepreneurship Led Growth) and Pillar 6 (Developing a Competitive Knowledge Economy through Value Addition).



which were assessed as Investments Requiring Improvement (IRIs) in 2017. Furthermore, the past year saw continued strengthening of linkages between partners contributing to this Objective.<sup>2</sup>

Under **Outcome 1 – Selected value chains are more inclusive**, the Market Development Facility (MDF), Sarhad Rural Support Program’s Women’s Empowerment and Market Development activity (SRSP WEEMD) and Food and Agriculture Organisation’s (FAO) AusABBA II all exceeded their targets of increased incomes for women and men,<sup>3</sup> with an overall increase in the percentage of women who have benefited.

#### **Evaluation of the Economic Growth Portfolio**

*In 2018 DFAT conducted an evaluation of the Sustainable and Inclusive Economic Growth portfolio (Objective 1). The Evaluation found that:*

- *Australian has a good reputation in agriculture, water resource management and women’s economic empowerment and we should build on this. There are three main investments that are serving us well in this regard that should continue under the next AIP – MDF, SDIP and FAO AusABBA.*
- *Our aid activities provide us with a well-grounded understanding of the constraints the poor face and the results our programs deliver earn us credibility among public and private sector decision makers. This information and credibility are assets that our aid programs could utilise more to shape longer term systemic changes that enable inclusive growth.*
- *Our aid activities also provide us with a unique understanding of the emerging business and economic environment. This is an asset that Australia could utilise more to support economic and commercial diplomacy.*
- *There is value in continuing to engage with policy related aid programs because they keep us up to date with emerging issues and opportunities.*

The Pakistan program has steadily increased its focus on **women’s economic empowerment (WEE)** in recent years, both in terms of increased incomes for women and more systemic change within market systems. For example, 58 percent of women engaged in WEEMD activities reported increased participation in household level decision making and 100 percent of the women’s organisations engaged by the project actively participated in planning and implementation of local development programs.<sup>4</sup>

The **Market Development Facility (MDF)** stimulated investment, business innovation and regulatory reform to create income for the poor. MDF is looking beyond women’s workforce participation to women’s agency and minimising the potential for unforeseen risks from WEE. So far this has seen manufacturing business introduce women-only work spaces, financial products that give women more control over the money they earn, commercially sustainable agricultural extension services provided by women for women, and the introduction of child care facilities at places of employment.

Under the first phase of **Food and Agriculture Organisation’s (FAO)** agribusiness program in remote areas of Balochistan (AusABBA), average daily incomes of over 11,000 households increased from USD2.62 to USD7.48.<sup>5</sup> Australia’s Gender Equality Fund is

contributing to ‘**Empowering women in Balochistan through Agri-Entrepreneurship**’ project (2017-2019) under AusABBA. The project is operated by a women only team focused on assisting women to enter the market in such areas as seedling, sheep, and dried apricot farming in three Baloch districts. The impact of the project will be assessed at the end of project survey in 2019.

Substantial progress has also been made under **Outcome 2 - Governments, enterprises and smallholders are adopting evidence-based agriculture, water and trade policy reforms as a result of Australian investments.**

Pakistan announced its first ever National Water Policy in April 2018, providing a comprehensive framework

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<sup>2</sup> There is evidence of collaboration between a number of our economic growth portfolio partners, including MDF and FAO, MDF and ACIAR, FAO and ACIAR and MDF and Fred Hollows Foundation.

<sup>3</sup> MDF reported that 31426 men and 19309 women had increased incomes against targets of 21,100 men and 12400 women; SRSP reported 439 people (363 women, 76 men) against targets of 250 women and 155 men and AusABBA reported 3978 people (2223 men and 1755 women) has increased incomes as a result of program interventions.

<sup>4</sup> SRSP WEEMD 2<sup>nd</sup> Annual Progress Report

<sup>5</sup> AusABBA Phase 1: Evaluation and Impact Assessment Report

for water management, including people's rights and obligations, environmental protection and investment needs. CSIRO is helping Pakistan develop an advanced water data management and modelling system to allow them to make evidence-based decisions. The Pakistan Water Commission was formed just before the July 2018 elections. Pakistan's Cabinet also approved the proposed **Australia-Pakistan Integrated Water Resource Management MOU** in June 2018, which was then signed in September 2018.

The **Better Cotton Initiative (BCI)** under the Business Partnerships Platform trained 55,000 Pakistani cotton farmers in water stewardship, minimising harmful impact of crop protection practices, care for the health of soil and promoting decent work conditions. ACIAR's Irrigation Efficiency Improvement Program helped farmers save up to USD 500 per cropping season by reducing water and fertilizer waste.<sup>6</sup>

**Pakistan Trade and Investment Policy Program (PTIPP)** received a satisfactory assessment in the 2018 Aid Quality Check process. DFAT and ACIAR are establishing a new partnership approach in Pakistan capitalising on the two organisations' strengths. DFAT is, accordingly, exiting ACIAR's Agricultural Value Chain Collaborative Research Program (AVCCR).

We continued to **integrate nutrition-sensitive approaches with a focus on our agriculture investments**. Nutrition clinics were delivered in October 2017, with good progress since then against agreed nutrition integration action plans. SRSP has implemented nutrition training for communities benefitting 3610 women; MDF is partnering with Telenor Pakistan to deliver nutrition advice through their mobile agriculture service in KP and Balochistan; and AusABBA commenced its pilot activity, an '*Enhanced nutri-homestead food production model*', in collaboration with the Market Development Trust Fund – Nutrition (MDTF-N) Balochistan project.

The percentage of Pakistan **aid program funding to aid-for-trade programs has increased significantly over past years and is currently at 34 percent** (above the Department-wide target of 20 percent). The new AIP is expected to lead to a rebalancing of aid expenditure across objectives. Over the next reporting period we plan to: increase the scale of results by expanding MDTF to allow better reach into Balochistan and Sindh; stay closely engaged on the World Bank PTIPP program; finalise the ACIAR partnership; and continue to deepen integration of nutrition, gender and disability considerations.

### **Australia's Market Development Facility**

*This facility supports the private sector to develop new business models that improve the lives of the poor. One example is a new **silage production business model that benefits small holders**. In Pakistan, it is mostly women who care for livestock and there are cultural and security limits to their travelling unaccompanied to market to buy silage (feed) for their animals. As well, the size of the commercially available silage bales are too large for easy transport.*

*As a result of MDF's efforts, Pioneer, a multinational agribusiness, is now selling seeds for silage production to small-medium entrepreneurs, taking MDF's pilot of smaller bale silage production to scale. Pioneer is also using the point of sale to provide technical support to help ensure silage production remains an effective and growing enterprise. The program has helped establish over 100 independent silage enterprises and that number is growing. Milk yields for smallholder farmers purchasing silage have approximately doubled, with 11,000 farmers benefitting to date.*

<sup>6</sup> Report from ACIAR: Irrigation Efficiency Improvement Project – LWR-074/3014

## OBJECTIVE 2: INVESTING IN PAKISTAN'S PEOPLE, WITH A FOCUS ON WOMEN AND GIRLS<sup>7</sup>



Australia is providing support to provincial governments to deliver nutrition, education and gender-based violence services, with a particular focus on women and girls. Accelerating progress in these areas will promote inclusive economic growth and contribute to Pakistan's stability.

Under **Outcome 3 - Women and Girls have better access to education, nutrition, counselling and support services** – all targets in the PAF were met or exceeded. Our investment in the DFID-led Khyber Pakhtunkhwa Education Sector Program (KESP) contributed to assisting 4.6 million children (over 2 million girls) to access better quality education and supported the Government of KP to deliver better quality education to more children across the province. The student attendance rate in the province has been increasing from 71 percent in 2013/14 to 78 percent in 2017/18.

The World Bank's Multi-Donor Trust Fund for Nutrition (MDTF-N), far exceeded the performance benchmark target for nutrition services in Balochistan. A UNICEF survey showed that prevalence rates of severe acute malnutrition in our target districts reduced from baseline 7 percent (NNS 2011) to 5.8 percent<sup>8</sup>. The project reached 286,782 beneficiaries (against the target of 80,000), including 83,837 women, 14,002 adolescent girls and 93,127 girls and 95,816 boys under 5 years of age and 166 persons with disability, 115 women. The World Bank's Implementation Support Mission (ISM) verified that the Balochistan project is on-track. The Khyber Pakhtunkhwa nutrition project was finally approved in February 2018 after a lengthy process.

Australia's **Ending Violence Against Women (EVAW)** investment, 'Challenging Gender Based Violence in KP and Sindh', continues to achieve high quality outcomes and exceed targets in most cases, despite uncertainty about the future of the program throughout the reporting period as a result of INGO registration issues.<sup>9</sup> In the reporting period, 2544 women survivors of violence in KP and Sindh provinces (21 with disabilities) received services such as shelter, counselling, legal and health services. The program has also been successful in securing government budget allocations to support some of the program services, such as GBV helplines, beyond the life of the program. The EVAW program continues to rate highly on internal quality assessments.

Under **Outcome 4 - Governments are adopting policy reform around inclusive education, nutrition and EVAW as a result of Australian engagement**, advocacy from Australian partners and the Australian High Commission have again led to significant policy outcomes. Under KESP, the KP Government (GoKP) year-on-year budgets for education have increased at an average of 15.3 percent per annum from 2013/14 to 2017/18. The KESP Annual Review finalised in September 2017 assessed that the Sector Budget Support component of KESP is tracking well. However, the infrastructure component is lagging. In the reporting period, DFID placed the contractor for the infrastructure component on an Improvement Plan (equivalent to our IRI) and commenced an independent review of end-of-program infrastructure targets. Administrative changes due to the election period have also affected the pace of reform, for example recruitment of new teachers was put on hold.

<sup>7</sup> Objective 2 supports Pillar 1 of the Pakistan Government's Vision 2025 – Developing Human and Social Capital.

<sup>8</sup> UNICEF Pakistan SMART survey, February 2018

<sup>9</sup> Our international NGO implementing partner was one of a number of INGOs that lost accreditation in December 2017. Following advocacy from the international community, including Australia, INGOs which had lost registration were able to continue operating throughout the appeals process. The appeals process is ongoing and Australia has provided a two year extension to the EVAW program while investigating arrangements for the longer term.

During the reporting period a focus on provincial level advocacy efforts led to strong progress. **Local partners contributed to implementation of two EAW-related laws** in Sindh: (1) the Women's Parliamentary Caucus Sindh Bill 2014; and (2) the Sindh Provincial Commission on the Status of Women (SPCSW) Bill 2015. The Sindh advocacy network is supporting SPCSW to examine the Acid Crime Prevention Act 2016 and Dowry Act 2017 and to monitor the implementation of Domestic Violence and Child Marriage Restraint Act.

**Parliamentarians are increasingly active in advocating for EAW-related laws.** In KP legal protection laws have been extended to Swat district (the Swat Valley), formerly managed through Provincially Administered Tribal Areas (PATA). KP province is also very close to passing their domestic violence law. EAW remains sensitive, however the program continues to demonstrate that progress can be made by working with the right partners and seizing opportunities as they arise. The incoming national and provincial governments offer opportunities to continue our efforts for policy reform in this sector.

Combined partner advocacy efforts have led to a **gradual increase in emphasis on nutrition in the political discourse**, evident in early speeches delivered by incoming Prime Minister Imran Khan. Australia Awards delivered a short course on multi-sectoral nutrition in 2017 and supported training for government officials and journalists on the issue of malnutrition. MDTF-Nutrition advocacy has mobilised funding for nutrition across multiple provincial governments. The Government of Punjab has contributed an additional USD15 million commitment for nutrition specific interventions, and the Government of Balochistan has co-financed additional nutrition interventions.

Our policy investment with the World Food Programme (WFP) has contributed to capacity of federal and provincial food fortification agencies, along with progress on **food fortification policy reform and private sector engagement**. Progress includes: the design of a fortification intervention for *chakkies* (small scale wheat grinding units), development of the Government of Punjab's fortification strategy and legislation on mandatory fortification (Food Fortification Act); the harmonisation of national wheat and oil fortification standards; successful tax exemption on import of nutrient concentrates (pre-mixes) for fortification; and exemption of duty and tax on the import of equipment for the fortification of wheat flour with premix.

### **Promoting inclusive education**

Australia is investing \$63.85m (2012-20) in the ***Khyber Pakhtunkhwa Education Sector Program (KESP)*** to support provincial education reform, in partnership with the UK. Through our engagement on the program, Australia has prioritised girls' education. A comprehensive survey found that 2.6 million children (23 percent) are currently out of school in KP, of which two thirds are girls.

As a direct result of Australia and the UK's joint messaging on gender equality, the ***Khyber Pakhtunkhwa (KP) Education Department's Equity Strategy*** was launched in 2017 to improve access to quality education for girls, children with disabilities, minorities and other vulnerable groups. GoKP allocated USD 15.7 million in 2017/18 to implement the Strategy and recognises itself as the leading provincial government in promoting equitable education. The Government aims to enrol an additional 400,000 children in school by 2021.

Under the Equity Strategy, the GoKP will implement innovative solutions to address barriers to education for marginalised children, including partnerships with the private sector. The approved Public Private Partnership Strategy provides short and long-term options to increase enrolments for out of school children, including the Accelerated Education Program (AEP) and evening shift schools.



## OBJECTIVE 3: SUPPORTING STABILISATION AND RESILIENCE<sup>10</sup>



Pakistan's stability is critical to economic growth and human development, and to regional security. Australia prioritises development assistance to Pakistan's insecure and disadvantaged border areas - Khyber Pakhtunkhwa (KP), the Federally Administered Tribal Areas (FATA) and Balochistan. Our aid is promoting human development and economic growth in these regions, especially amongst the most vulnerable. We also support community organisations and government to deliver services, including during crises. This objective is cross-cutting in nature, but reporting focuses on Australia's humanitarian assistance, disaster risk reduction work and support to improve governance and state-citizen trust in the border regions.

The Regional Humanitarian Strategy for Afghanistan and Pakistan 2018-2020, launched by Foreign Minister Bishop in March 2018, is Australia's first multi-year multi-country humanitarian strategy. It is enabling an integrated response to humanitarian challenges across Afghanistan and Pakistan. In Pakistan our key partners under the Strategy are WFP and UNFPA.


However, Objective 3 received an **amber rating this year due to persistent challenges with implementation in the FATA region** for the two of our major investments under this objective – the World Bank Multi Donor Trust Fund – the Border Areas (MDTF-BA) and the WFP School Feeding Program. Both benchmarks were only partly achieved. Both investments struggled with implementation in FATA due to weak government capacity and the challenging security situation.

Under **Outcome 5: Enhanced Stability in Pakistan's Border Areas**, with Australia's support the **International Organisation for Migration (IOM)** assisted 878,604 undocumented Afghans in Pakistan to receive Afghan Citizen Cards between July 2017 and May 2018. IOM also compiled undocumented Afghan return needs and intentions. The project provided humanitarian support to 217,256 people (51 percent women) against a target of 142,000 (50 percent women), including health care that benefited more than 19,000 undocumented Afghans (10,541 women and girls) and refurbishing a medical facility in FATA. The investment also delivered a three-month skills and empowerment-training program for a cohort of 40 young Afghan girls in Peshawar. Under the new Regional Humanitarian Strategy, Australia's funding will support **UNFPA** to provide sexual and reproductive health services in FATA and Balochistan.

The **World Bank MDTF-BA** continued to deliver policy and technical support to provincial governments in the fragile and conflict affected border regions of Balochistan and KP, including FATA. The program contributes to building state-citizen trust through improved service delivery, economic growth and governance. Despite strong results in some areas (refer to outcome 6), the DFID-led annual review in January 2018 assessed MDTF-BA effectiveness as unsatisfactory. This assessment was largely due to inability to progress Round II implementation in FATA. We note World Bank and UN efforts this year to finalise the FATA vulnerability assessment, which is being used as baseline data for the 3-year FATA Transition Plan – a small but significant contribution to monitoring longer term stability and humanitarian operations in the region. Given the persistent challenges and changing context, the World Bank's mid-term review of MDTF-BA in 2019 is timely.

In 2017 the **World Food Programme (WFP) School Feeding Program in FATA** continued to assist school-going children across FATA and contribute to enrolment and retention rates. In 2017-18 the program achieved 5.7 percent increase in enrolment and 80 percent retention in assisted schools, in a region where 50 percent of children remain out of school and 68 percent drop out annually. By working through the country system, the WFP's school feeding initiative has indirectly contributed to institutional strengthening such as the ability of

<sup>10</sup> Objective 3 supports Pillar 3 of the Pakistan Government's Vision 2025 – Democratic Governance, Institutional Reform and Modernisation of the Public Sector, as well as Pillars 5 and 1.



the FATA Education Directorate to implement school meal operations independently and increase awareness of nutrition, basic health and hygiene among students.

However, WFP was unable to deliver on most targets due to **operational challenges in FATA and funding constraints**. During the reporting period, WFP assisted 293,504 students (113,645 girls and 179,859 boys): 72.5 percent of the annual target of 404,800. WFP distributed 1,116.5 metric tonnes of multi-nutrient biscuits, 21 percent of the annual target of 5,248 metric tonnes. Under the cash-based assistance outcome, WFP disbursed 3,941 stipends in 134 schools across three FATA agencies achieving only 30.7 percent of the annual target of 12,800. An evaluation of WFP's Food Assistance to Displaced Persons reported positive beneficiary feedback, good alignment to the Pakistan Government's FATA Sustainable Return and Rehabilitation Strategy, but reiterated that access in FATA was the key limitation to program delivery.

In March 2018, we expanded our support to WFP's Country Strategic Plan (CSP) for Pakistan, including school feeding, food security and nutrition assistance and disaster risk reduction and climate change adaptation/mitigation work. This shift to a broader WFP partnership was recommended in the Health Check.

Under **Outcome 6: Enhanced Resilience in Pakistan's Border Areas**, despite challenges in FATA, MDTF-BA has continued to make progress in Balochistan and KP and has met or exceeded targets in both provinces. During the reporting period, the World Bank undertook a gender audit and a women's workforce study. Gender Action Plans were implemented – noting that it is difficult to verify the impact of these actions on gender equality and women's empowerment in the border areas. The KP Digital Economy (KPDEP) and the Balochistan Livelihood and Entrepreneurship (BLEP) projects were initiated during the reporting period – with a focus on women's economic empowerment through skills development and employment.

In KP, the **World Bank MDTF-BA** supported 90 small and medium enterprises (SMEs) with business development grants contributing to economic growth and livelihoods generation. The program also worked with rural communities to build transportation, sanitation and water supply infrastructure in KP and geo-tag education and water-sanitation facilities, supporting 337 (annual target 534) Community Organisations and Economic Interest Groups (COs/EIGs), 73 infrastructure schemes (target 125) and food assistance for 157 households (target 443). The MDTF-BA has also helped to strengthen public finance and investment management systems in KP, and establish a KP district judiciary secretariat.

SRSP also supported over 1000 women's organisations in KP province, exceeding their target and mobilising additional organisations to expand coverage of village banking.<sup>11</sup>

Australia's funding to the **Asian Development Bank for the National Disaster Risk Management Fund (NDRMF)** is a key disaster risk mitigation and risk reduction investment in Pakistan. During the reporting period, the NDRMF was launched and has been registered as a public sector company. The NDRMF will lend financial assistance to public and private sector entities in support of the Pakistan's Flood Protection and Disaster Risk Reduction plans until 2025. Australian funding for the NDRMF ends in September 2019. In addition, Australia funded the Asian Disaster Preparedness Centre (ADPC) to help Pakistan's National Disaster Management Authority develop foreign assistance guidelines for natural disasters. The guidelines, launched in June, were the first of their kind under the Heart of Asia Istanbul-Process.

#### **ADB-supported National Disaster Risk Management Fund (NDRMF)**

*This fund aims to build physical and fiscal resilience against disasters. This is critical given Pakistan's vulnerability to natural disasters, including sudden on-set disasters like earthquakes and floods. Pakistan suffered losses of around USD19 billion in flooding in 2010-18. The NDRMF will co-fund disaster preparedness and resilience building initiatives by government agencies, NGOs and civil society organisations.*

*The NDRMF is a public-sector entity established to support the country's plans on Disaster Management (2013-22) and Flood Protection (2016-25). The Pakistan Government has planned a USD1 billion fund between 2016 and 2026, including USD256m during the inception phase (2016-19). Of this, the ADB has lent USD200m credit and the Pakistan Government has committed USD53m. Australia has contributed AUD4.5m and the Swiss government USD1.5m.*

<sup>11</sup> SRSP project database

## CROSS CUTTING POLICY PRIORITIES

Under **Outcome 7: Australia Awards alumni are using their skills, knowledge and networks to contribute to sustainable development in Pakistan**, supporting aid program priorities and Australia's broader strategic interests in Pakistan. Six major Australia Awards alumni activities were delivered in the reporting period including a Mentorship Development Program in March 2018 under the Women in Leadership Network (WiLN) Pakistan Chapter for 25 alumnae.

Under Australia Awards, 45 people received long-term scholarships, of which 23 (51 per cent) were women. Five people with disability were awarded scholarships for the 2018 intake compared with none in the 2017 intake. Next year will see **increased efforts to include more women and people with disability** in short course Award opportunities, with a target of 50 percent women (currently 40 percent).

A variety of short courses and other training were delivered during the reporting period that support our priority areas under the AIP. For example, in July 2017, an Australia Awards Short Course on *Strengthening TVET: Policy and Management* promoted linkages between Australia and Pakistan and led to an MOU being signed between TAFE Directors Australia and the Pakistan National Vocational and Technical Training Commission (NAVTTTC). In support of our EAW commitments, seven women from the Strategic Reforms Unit in the Government of Punjab visited Australia in November 2017 to share their experiences on combatting violence against women in the province and to learn from Australian experience, particularly in relation to police and judicial approaches.

The program has made good progress towards **Outcome 8: Improved integration of gender equality into aid investments**. **Performance on gender equality has gradually improved** from a low of 55 per cent of initiatives rated as satisfactory two years ago to over 90 percent this year. This is due to strong leadership and increased resourcing over a number of years to improve performance in this area. An internal review of Post's Gender Strategy in 2017 commended Post's progress, including its whole-of-Post approach to gender equality. Only one investment received an unsatisfactory rating for gender equality this year and the program has now exceeded the 80 percent target. The new AIP will see an ongoing focus on gender equality and women's empowerment outcomes.

World Bank investments continue to present a challenge in terms of gender equality outcomes. The Pakistan program is working closely with other parts of the department to refine our **approach to working with the World Bank on gender equality**, drawing on the findings of a paper commissioned last reporting period and updated in June 2018. This is an iterative process that is starting to see changes in the way we work with the World Bank in Pakistan (and Afghanistan) for better gender equality as well as M&E outcomes.


Australia also contributed to gender equality outcomes through **centrally funded programs such as the Australian NGO Cooperation Program (ANCP)**. Oxfam's *She Can Lead Project* (2017-2020) aims to strengthen democracy in Pakistan, by focusing on gender responsiveness in electoral processes, promoting women's political emancipation and leadership, and ensuring their equal participation in decision-making, utilising established Women Leaders Groups. In the lead up to the general election, Oxfam launched a 'Rickshaw' campaign, which displayed messages calling for women's meaningful participation in the general elections.

### *The Australia Awards Program*

*Australia Awards have supported a number of **women leaders** who are now in influential positions. For example, advocacy for gender and social inclusion in the Election Reform Bill by Australia Award alumna, Ms Nighat Siddique, Additional Director General – Gender Affairs at the Election Commission of Pakistan, was a major contributor to increased women's participation in the general elections in July 2018.*

### *Promoting transformative change*

*Under the World Bank's MDTF-Nutrition, Australia's advocacy has led to improved gender equality outcomes for women in Balochistan Province which borders Iran and Afghanistan. The program has led to a transformative change with an increasing number of women engaged by the Health Department at higher-level positions. Furthermore, contracts with service provider NGOs now include targets of hiring 50 percent women to deliver services in the community. These results, while seemingly modest, are highly significant in the Balochistan context.*



Under **Outcome 9: Improved integration of disability in Australian aid investments**, last year's management response focussed efforts on education and EAW programs. Significant gains have been made in these sectors. For example, Washington Group **questions on disability have now been included in the Annual School Census (ASC)** undertaken by the KP Government under KESP. The ASC found more than 37,000 children with disability in schools (including 33 per cent girls). Results will be used to inform the future programming on disability. The teacher's induction program now includes modules on pluralism, gender, dyslexia and disability.

Under the extension phase of EAW, the program has strengthened engagement with Disabled People's Organisations (DPOs) and is engaging a DPO as a full time partner – the next APPR will report on the impact of that partnership. The KP Bar Association also introduced accessibility aids for people with disability wanting to access legal aid services.

Small steps have also been made in other areas. For example, MDTF-Nutrition now collects disability disaggregated data. MDF has a disability focal point and the results measurement system is now capturing data on people with disabilities. Under the Direct Aid Program, we have funded Livelihood Centre for Disability and Development Program to undertake skills development programs for persons with disability.

However, the program has not met its broader (aspirational) target of 50 percent of investments receiving satisfactory assessments for disability inclusiveness in this year's AOCs. Only 30 percent of investments were assessed as satisfactory, although KESP and EAW continued to score satisfactorily. Under the new AIP, the **program will promote incremental improvements in disability inclusive development**, including through increased engagement with DPOs.

Under **Outcome 10: Australia's aid program in Pakistan is more consolidated over time**, the November 2017 internal health check emphasised the need for consolidation and greater refinement of policy priorities. The new AIP will outline a process to consolidate significantly by 2021, with several programs phased-out over the next two years. The 2018 investment quality reporting process will inform decisions around consolidation of investments under the new AIP such that we have a smaller portfolio of high quality programs by 2020/21.


## MUTUAL OBLIGATIONS

Australia's aid program in Pakistan supports Australia's national interests outlined in the Foreign Policy White Paper, the Sustainable Development Goals and Pakistan's Vision 2025 development agenda. Implementation is guided by the principles for cooperation outlined in the **Australia and Pakistan Aid Partnership Arrangement (2016-2025)** that was renewed in December 2016. The new AIP will also sit under this arrangement and will align with the Pakistan election cycle. It will support the new Government's anticipated policy priorities for water and food security, nutrition, and addressing population growth.

At the federal level, the National Water Policy, draft Agriculture, Food and Rural Transformation Strategy, and National Agriculture Policy were important steps towards improved water resource management and food security in the country and provide formal frameworks to sharpen policy engagement. We look forward to finalisation and implementation of the gender-sensitive Strategic Trade Policy Framework.

Pakistan has a decentralised federal governance structure, and as such **policy reform at the provincial level** in support of Australian and Pakistan development objectives is critical. During the reporting period, several significant reforms were approved at provincial level, for example the Balochistan Agriculture Policy, Balochistan Infant and Young Child Feeding Strategy, and KP Protection Laws extension to Swat. During the reporting period the decision was taken to merge FATA into KP Province in a bid to promote stability, a decision which will bring both opportunities and additional challenges.

Important additional **budget commitments at the provincial government level** included the KP Government's budget allocation for its Education Equity Strategy, developed under the KP Education Sector Program. The Balochistan Government's budget allocation of AUD5.6 million for nutrition-related interventions in health



and education sectors up to FY18/19 is a key result of our World Bank nutrition partnership, including the first ever nutrition sensitive project in the education sector.

Strong **advocacy on gender equality, women's empowerment and disability inclusive development** continued across the High Commission's engagement, led by the High Commissioner. For example, in 2017, the High Commission co-sponsored an event with Trocaire, our EAW program partner, to recognise and honour the achievements of women with disabilities and voiced our strong support for recent efforts to draft the first comprehensive bill on disability. The High Commission hosted a visit by Elizabeth Broderick to explore private sector interest in establishing a Male Champions of Change Pakistan Chapter, and the High Commissioner launched, with the World Bank, the Pakistan Women Entrepreneurs Network for Trade (WE-NET) under the PTIPP Program.

Australia remains committed to **supporting a strong and vibrant civil society** in Pakistan. Australia has consistently been a strong advocate with the Government of Pakistan throughout the INGO registration process. In addition to joining other donors in direct representations, the Australian High Commissioner recently hosted Oxfam Australia's Chief Executive in an event celebrating civil society in Pakistan.

The general election period and changeover in the High Commissioner in Canberra has effected implementation of the aid program to some extent, including delays in program implementation and ability of officials and contractors to obtain visas to Pakistan.

## PROGRAM QUALITY

**Eleven investments were subject to quality assessments** (including one Final Aid Quality Check) as part of the 2017/18 Investment Quality Reporting round. There was **steady improvement in the Pakistan program's performance on 'gender equality', 'M&E' and 'efficiency'** with increased management attention and allocation of resources to address issues identified in the previous round, including the two IRIs. The program has now met the 80 percent target for gender equality (see outcome 8 above). Improved efficiency ratings (now comparable to ratings 2 years ago) are based on factors including better disbursement rates, improved management systems and acknowledgement that certain modalities (for example, working with the World Bank to provide budget support to local governments in the border regions) are fit-for-purpose despite presenting ongoing challenges. The **dip in effectiveness reflects a stronger focus on outcome-level reporting** and our assessment that some mature multi-donor programs (particularly those operating in challenging border areas) are not where we would expect them to be, in terms of progress towards end-of-investment outcomes.

Of the two IRIs from 2016/17, management was closely involved to bring about change. The IRI involving the World Bank improved performance over the past year and received satisfactory ratings for effectiveness, efficiency and gender. The ACIAR investment continued to deliver below expectations and was again deemed an IRI in the 2017/18 round. Both DFAT and ACIAR have acknowledged that the AVCCR modality was not fit-for purpose, and are now pursuing an alternative partnership arrangement which is expected to be signed by the end of 2018. This partnership will position ACIAR as a policy rather than an implementing partner.

The updated Performance Assessment Framework (PAF) put in place last September has improved the performance culture across the program and led to a greater focus on outcome reporting – which partly explains the lower effectiveness scores this year. In the past year, we carried out 11 monitoring visits but ongoing insecurity has hampered access to program implementation sites in the border areas, in particular FATA and Balochistan. The Pakistan program will link into remote monitoring work being undertaken by the Afghanistan program to mitigate risks associated with restricted access to program sites.

The Pakistan program is also prioritising a smaller number of evaluations in line with the Evaluation Policy. This year we undertook an evaluation of the economic portfolio as a whole; next year we will prioritise review and evaluation that supports learning for the new AIP.

## MANAGEMENT ACTIONS

Over the next reporting period, we will finalise and publish the new Pakistan Aid Investment Plan (2019-2023) and associated Performance Assessment Framework. In support of this, the following strategic and operational management actions have been agreed for the 2018-19 reporting period:

### Strategic level management actions:

1. We will continue to deliver a body of work to implement Health Check recommendations and to assist with **transition to the new AIP**, including:
  - a) Liaise closely with the Economic Affairs Division (EAD), particularly as the new Government settles in, and with other development partners to manage expectations on the direction of the next AIP
  - b) Continue to assess and recalibrate DFAT's engagement with partners, with an emphasis on World Bank, ACIAR and WFP, to ensure we are collaborating as effectively as possible
  - c) Finalise and implement a pipeline and budget transition plan, reducing the number of bilateral investments over the next three years
  - d) Continue to manage carefully change in our programming and strategic approach with DFAT staff, at Post and Canberra, including developing capability where necessary
  - e) Develop policy engagement plans for our priority areas of gender equality and water and agriculture policy engagement plan, both linking to our forthcoming Post public diplomacy strategy and reflecting the importance of provincial and federal level stakeholders
  - f) Commence design on new investments, such as the gender portfolio, knowledge partnership and small grants fund, to ensure seamless transition of programming 2019/20 and 2020/21
  - g) Ensure systems, resources and strategies are in place to maintain solid gender performance across the aid program in 2018/19 and throughout the next AIP, including increasing our emphasis on managing risks to gender equality work and monitoring for unintended consequences. This includes finalising a Post Gender Strategy and Action Plan
  - h) Give considered focus to the cross-cutting issues of systems strengthening, conflict sensitivity, gender equality, climate change and disability under the next AIP, including working with DFAT specialists and partners for policy impact
  - i) Ensure risk management and innovation continues to be at the core of our operations.

### Operational level management actions:

2. We will pursue a number of operational level actions over the next reporting period, including:
  - a) Continue to advocate for a robust civil society in Pakistan, including closely monitoring and preparing for the outcome of the INGO registration process for Trocaire (our lead EAWW implementing partner), The Asia Foundation and other INGO partners (Objective 2)
  - b) Work with UNFPA and WFP under the new Afghanistan Pakistan Humanitarian Strategy, closely monitoring implications of the FATA merger with KP, and future plans for MDTF-BA (Objective 3)
  - c) Develop and monitor strategies to increase the percentage of women receiving short course awards (Objective 2)
  - d) Build on efforts to strengthen links with the South Asia Regional Sustainable Development Investment Portfolio (SDIP) program (Objective 1)
  - e) Conduct a climate change workshop at Post and establish a climate change/DRR focal-point
  - f) Refresh skills and preparedness on humanitarian response in the event of a large-scale emergency.

## ANNEX A – PROGRESS IN ADDRESSING MANAGEMENT ACTIONS

### Management actions identified in 2016-17 APPR

Undertake strategic program review and pipeline planning including Gender Strategy Review, DFAT Aid Health Check and AIP review to feed into Australia's next Aid Investment Plan for Pakistan

Define annual policy priorities (particularly in gender equality, agriculture, water, trade and economic improvements and nutrition) for inclusion in the Pakistan Performance Assessment Framework by December 2017

Progress nutrition sensitive programming through conducting nutrition clinics with selected development partners.

Sustain and enhance the Pakistan program's performance in the area of gender equality by defining gender resource requirements for the program and ensuring technical expertise on selected review teams; implementing recommendations from the gender strategy review and defining our approach to gender through our World Bank investments. The two IRIs will receive close oversight from senior management including through quarterly program meetings for the duration of the FY.

Progress the integration of disability inclusive development approaches with an emphasis on ensuring integration of disability inclusiveness in Gender-based violence and education programs.

### Rating

Achieved

Partly Achieved

Achieved

Achieved

Partly Achieved

### Progress made in 2017-18

We have undertaken a number of reviews to inform future strategic priorities, consolidation options and pipeline planning for the next AIP. It includes: Aid Health check; Review of Post's Gender Strategy; Analysis of development donors and Pakistan's development outlook; and Economic Growth Portfolio Review.

This management action was put on hold pending the outcome of the AIP planning process. Significant progress has been made in refining policy priorities, but annual priorities have not yet been articulated. A smaller number of policy priorities will be identified in the new AIP/PAF, and annual policy engagement plans will be developed within the next reporting period.

Nutrition clinics were carried out in October 2017 with select programs including AusABBA (partner FAO), MDF (partner Palladium), WEEMD (partner SRSP), KESP (partner DFID), Australia Awards (partner Scope Global) and AVCCR (partner ACIAR). Specific actions were identified for each program to undertake nutrition-sensitive work.

Post's performance on gender equality in aid investments has visibly improved with a score of 90.9 percent on gender equality in the recent AQCs round against the department's target of 80 percent. The higher rating is the result of increased management attention, staff efforts and technical assistance, including a visit from DFAT's Senior Gender Specialist. Other specific measures which were undertaken include: arranging for the Gender Specialist to participate in the joint donor annual review of MDTF-BA; review of Post's Gender Strategy; paper on improving gender performance of World Bank investments. The gender score of one of the IRI (PTIPP) improved and was rated satisfactory (score 4) in the recent AQC round. For the second IRI (AVCCR), the gender rating was unsatisfactory (score 3).

As outlined under Outcome 9, overall we did not meet the 50 percent target for disability. There is a need to build the capacity of our implementing partners to better integrate disability into their programming and also to report on disability disaggregated data. However, positive progress was made by the two investments specifically identified for disability inclusiveness, ERAW and KESP. The ERAW program continues to incorporate disability into the services offered at shelters, including through the provision of accessible rooms on the ground floor, ramps and other forms of wheelchair access for women/girls with disabilities. The program provided several wheelchairs, walking sticks, walkers, and hearing aids to the Peshawar District Bar to enable survivors with disabilities to access courts. KESP undertook important initiatives for disability inclusion in the education sector, including the development of an equity strategy which focuses on marginalised children, especially girls and children with disability. The KP Education Department allocated AUD 160,000 in 2018/19 to mainstream support for dyslexic students. The Annual School Census for the first time used the Washington Group Questions to collect data on disability- the results will inform future programming on disability.

# ANNEX B – PERFORMANCE BENCHMARKS

## Progress towards Performance Benchmarks in 2017-18

Aid objective	Performance Benchmark	Rating	Progress in 2017-18
Objective 1: Generating sustainable inclusive growth and employment	Number (per cent women) of poor farmers and small business owners who have increased their income	Achieved	14830 people (including 7540 women) increased their incomes in the reporting period against the target of 33,900, which is well above the target. Women’s participation is also more than the set target of 35 percent. This reporting data comes from SRSP (3,103 women; 122 men) MDF 50,735 (19,279 women; 31,456 men).
	Evidence that Australian engagement has contributed to policy reform on agriculture, water and trade policy	Achieved	The benchmark target for this year was ‘Evidence that trade analytics have contributed to a more gender sensitive Pakistan Strategic Trade Policy Framework 2018-21’. PTIPP analytics have been used to develop the trade strategy. The Ministry of Commerce has confirmed to the World Bank that a chapter on gender is included in the new trade policy as per the target set for FY 2017-18. The draft trade strategy was scheduled to be launched on the Ministry of Commerce’s website for consultations by the end of July however due to general elections the launch has been delayed. Given that there was no gender reflected in the earlier trade policy, inclusion of a chapter on gender in the new policy is a significant achievement in itself in this context. This, combined with other policy reform contributions, has led to a green rating.
Objective 2: Investing in Pakistan’s people	Eligible women and children in target districts receive nutrition related services.	Achieved	286,782 eligible women and children received nutrition related services in the target districts surpassing the target of 80,000. The figure includes (83,837 women, 14,002 adolescent girls and 188,943 children under five (93,127 girls & 95,816 boys).
	Number of boys and girls directly supported by the program, enrolled in basic education.	Achieved	4.63 million children enrolled in basic education were directly supported by the Khyber Pakhtunkhwa Education Sector Program. Of these 2.03 million were girls (against the target of 2 million girls).
	Number of women survivors of violence accessing quality support services in target districts.	Achieved	2,544 women survivors of violence accessed the program services in 2017-18, exceeding the target of 2000.
Objective 3: Supporting stabilisation and resilience	# of additional women and men benefitting from improved services, local infrastructure and livelihoods opportunities in areas affected by conflict and natural disaster.	Partly Achieved	150,000 people benefitted from improved services, local infrastructure and livelihoods opportunities in areas affected by conflict and disasters. The target of 175,000 could not be achieved due to a stalled FATA portfolio. Gender disaggregated data was also not available for this benchmark.



Aid objective	Performance Benchmark	Rating	Progress in 2017-18
	# of community organisations, including percent women’s organisations (WOs), which are effectively supported to build community cohesion and advocate for their own needs.	Partly Achieved	1,477 Community Organizations (COs) including 45 percent Women Organizations (WOs) were supported to build community cohesion and advocate for their own needs against the target of 1,565 COs including 34 percent WO. Though the overall target was partly achieved, there was a 5 percent increase in the number of WO, which were supported. The data comes from SRSP (1,050 COs including 50 percent WO) and MDTF-BA [427 COs including 30 percent WO against the target of 560 COs (8 percent WO)].

**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

### Performance Benchmarks for remainder of Aid Investment Plan

Benchmarks for out years are currently being developed and will be published in the new AIP and Performance Assessment Framework (PAF) to be released by early 2019.

## 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
Investments under Objective 1	Economic Growth Portfolio Evaluation	September 2018	October 2018	By end 2018	By end 2018
INK420 – Khyber Pakhtunkhwa Education Sector Program (KESP)	KESP Annual Review (DFID-led)	20 September 2017	2 March 2018	N/A	N/A
INK576 Multi-Donor Trust Fund KP/FATA/Balochistan (MDTF-BA)	MDTF BA Annual Review (WB-led)	15 March 2018	16 March 2018	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
Evaluation of Women’s Economic Empowerment and Market Development (SRSP) project, or Evaluation of Women’s Economic Empowerment activities (TBC)	INL272 Women’s Economic Empowerment and Market Development (SRSP) or all Investments with a component on Women’s Economic Empowerment	Early-mid 2019	By end 2019	Assess investment results, identify lessons learnt and best practices regarding Women’s Economic Empowerment	Independent Evaluation
Khyber Pakhtunkhwa Education Sector Program - Annual Review	INK420 – Khyber Pakhtunkhwa Education Sector Program	July 2018	September 2018	The KESP Annual Review is a DFID led review, which takes a strategic look at the achievements of the program against the targets and looks at challenges, and risks.	Annual Review
Mid-Term Review of the MDTF-BA (WB)	INK576 Multi-Donor Trust Fund KP/FATA/Balochistan (MDTF-BA)	2019 (month TBC)	2019 (month TBC)	Review investment performance and implementation, and put in place a remediation plan	Partner (World Bank) led; once during program cycle

# ANNEX D – AID QUALITY CHECK RATINGS

## AQC RATINGS

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
INM356 Pakistan Market Development Facility Phase II	\$15.28m	2018 AQC	6	5	5	5	5	5	n/a
		2017-22	2017 AQC	n/a	n/a	n/a	n/a	n/a	n/a
INL301 Pakistan Trade and Investment Policy Program	\$9.9m	2018 AQC	5	4	4	3	3	4	n/a
		2014-18	2017 AQC	5	3	3	3	4	3
INL272 SRSP Project for Women’s Empowerment	\$5.7m	2018 AQC	5	5	5	5	4	5	n/a
		2015-19	2017 AQC	5	5	5	5	4	5
INL271 Agricultural Value Chain Collaborative Research	\$9.4m	2018 AQC	4	3	3	3	3	3	n/a
		2016-20	2017 AQC	5	3	3	3	3	3
INK420 Khyber Pakhtunkhwa Education Sector Program	\$63.8m	2018 AQC	5	4	5	5	5	5	n/a
		2012-20	2017 AQC	5	5	4	5	5	4
INL236 Pakistan Ending Violence Against Women Program	\$8.6m	2018 AQC	6	5	4	5	5	6	n/a
		2014-18	2017 AQC	6	5	5	5	5	6
INL074 World Bank MDTF Partnership for Nutrition	\$41m	2018 AQC	5	3	4	4	4	5	n/a
		2013-20	2017 AQC	5	4	3	4	4	5
INK576 WB Multi-Donor Trust Fund Balochistan, FATA and KPK	\$46.8m	2018 AQC	5	3	4	4	4	4	n/a
		2012-20	2017 AQC	5	4	4	3	4	3
INL302 Humanitarian Assistance and Disaster Risk Reduction	\$10.5m	2018 AQC	5	3	4	4	4	4	n/a
		2014 -19	2017 AQC	n/a	n/a	n/a	n/a	n/a	n/a

## HAQC RATINGS

Investment name	Approved budget and duration	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Connectedness	Protection	Gender equality	Risks and Safeguards
		INM095 Pakistan Humanitarian Support WFP & IOM	\$10m 2016-19	5	4	4	5	5	5

## FAQC RATINGS

Investment name	Approved budget and duration	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
		INK363 Integrated Maternal Newborn Health Program	\$13.7m 2012-2017	4	4	5	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.

## ANNEX E – PERFORMANCE ASSESSMENT FRAMEWORK 2016-17 TO 2017-18

Relevant Vision 2025 Strategic Priorities	End-of-Aid Investment Plan Outcomes (2018-19)	Indicators (Indicators in bold are Performance Benchmarks)	2016/17 target	2017/18 target
<b>Pillar 4 – Energy, Water and Food Security</b> Investing in proven methods and technologies to improve efficient use and allocation of water resources. Goals include establishing institutional mechanisms such as a National Water Commission (Water Goals 2, 3 & 4). Creating a modern, efficient and diversified agriculture sector, including improvement of food production and supply chains. (Food Security Goals 2, 3, 4).	<b>Outcome 1:</b> Selected value chains are more inclusive	1. Number of poor women and men with increased incomes (ADR)[1] Data Sources: AusABBA 1 & 2; AVCCR; SRSP WEEMD annual reports, MDF	MDF (14,700 men, 8600 women) AusABBA 1 (4428 men; 4402 women) SRSP (170 men; 280 women)	MDF (21,100 men, 12,400 women) AusABBA (TBC) SRSP (155 men; 250 women)
		2. Value of Private Sector investment leveraged for inclusive, pro-poor growth (ADR) Data Sources: AusABBA 1 & 2, AVCCR, MDF	1,097,240 (AusABBA 1) AUD 862,376 (MDF)	AUD 608,736 (MDF) PTIPP analytics inform Trade Strategy
<b>Pillar 5 – Private Sector and Entrepreneurship Led Growth</b> Creating employment through supporting Small and Medium Enterprises. Goals include that by 2025, 2m SMEs (from a baseline of 1.73m) will provide 25m jobs (from a baseline of 14.9m), contributing PKR16 trillion to GDP (from a baseline of PKR9.4 trillion) and generating USD54bn in exports (from a baseline of USD18.2bn)	<b>Outcome 2:</b> Governments, enterprises and smallholders are adopting evidence-based agriculture, water and trade policy reforms as a result of Australian investments	3. Evidence that Australian engagement has contributed to policy reform on agriculture, water and trade policy Data Sources: PTIPP, SMART Punjab, AVCCR, AusABBA 2, SRSP, Business Partnership Platform (Better Cotton Initiative and Better Seeds).	Annual qualitative assessment	Water: Signing of MOU; Holding first Advisory Committee Meeting.

<p><b>Pillar 6 – Developing a Competitive Knowledge Economy through Value Addition</b> Enhancing competitiveness, including through reducing the time and cost of trading across borders, improving collaboration between private firms, government and academic institutions, developing value chains, and applying knowledge for increased productivity in Agriculture.</p>	-	<p>4. Reduction in the time, cost and bureaucracy associated with movement of goods across target border/s. Data source: PTIPP Biannual Progress Report</p>	N/A	<p>15% reduction in the time to comply with business regulations; and ii) reduction in # of documents to trade through Wagah by 2.</p>
		<p>5. % of Pakistan development program funding committed to aid-for-trade programs (AID PROGRAM STRATEGIC TARGET – AID FOR TRADE) Data source: all aid for trade investments</p>	22%	25%
		<p><b>Pillar 1 – Developing Human and Social Capital</b> Raising the level of public health spending from a baseline of 0.5% of GDP to 3%. Reducing the maternal mortality ratio from a baseline of 276 to less than 140, including by increasing the proportion of births attended by a skilled birthing attendant from 52.1 to above 90.  Reducing infant mortality rate from a baseline of 74 to less than 40. Reducing the proportion of the population below minimum level of dietary energy consumption from 30% to below 10%.</p>	<p><b>Outcome 3:</b> Women and girls have better access to education, nutrition, counselling and support services</p>	<p>6. Number of boys and girls directly supported by the program, enrolled in basic education Data Source: This is a shared outcome, as Australian aid is delivered through a Sector Wide Approach with UK Department for International Development and the Government of KP. Results and Projections shared by DFID based on the Education Management Information System</p>
<p>7. No of eligible women, adolescent girls and children under five in target districts receiving nutrition-related services Data source: MDTF-N Annual and Periodic Reporting</p>		77,970	80,000	

Raising the level of public education expenditure from a baseline of 2% of GDP to 4%. Increasing primary school enrolment and completion rates to 100% and literacy rate to 90%, and improving teacher training and education governance. Increasing gender parity in education – to 1.0 on the gender parity index.	-	8. Number of women survivors of violence receiving services such as counselling (ADR) Data source: Trocaire progress reports	1800	2000
	-	9. Percentage of women awarded scholarships/short course awards Data Source: Australia Awards	50%	50%
<b>Pillar 3 - Democratic Governance, Institutional Reform &amp; Modernization of the Public Sector</b>  Place in the top 50th percentile for Political Stability (from bottom 1 percentile), No Violence/Terrorism (from bottom 1 percentile), and Control of Corruption (from bottom 13th percentile) as measured by the World Bank's Worldwide Governance Indicators.	<b>Outcome 4:</b> Governments are adopting policy reforms around inclusive education, nutrition and EAW as a result of Australian engagement  <b>Outcome 5:</b> Enhanced Stability in Pakistan's border areas	10. Evidence that Australian engagement has contributed to policy reform on education, nutrition and EAW Data Source: KESP, WFP Food Fortification (Six-monthly report), MDTF-N annual/periodic reporting, EAW	Qualitative Assessment	Nutrition: National Fortification Standards agreed.
		11. # of additional women and men benefiting from improved services, local infrastructure and livelihoods opportunities in areas affected by conflict and natural disaster Data source: MDTF-BA Annual Report	35,000	175,000
	-	12. # of women and men in crises provided with humanitarian support Data source: WFP; IOM	WFP: 356,000	WFP: 40,4000 IOM: 142000 (50% women)

<p><b>Pillar 5 – Private Sector and Entrepreneurship Led Growth</b> Creating employment through supporting Small and Medium Enterprises. Goals include that by 2025, 2m SMEs (from a baseline of 1.73m) will provide 25m jobs (from a baseline of 14.9m), contributing PKR16 trillion to GDP (from a baseline of PKR9.4 trillion) and generating USD54bn in exports (from a baseline of USD18.2bn)</p>	<p><b>Outcome 6:</b> Enhanced Resilience in Pakistan’s Border Areas</p>	<p>13. Number of community organisations, including women’s organisations, which are effectively supported to build community cohesion and advocate for their own needs</p> <p>Data source: SRSP, MDTF-BA Annual Report (3x Round II projects, SADP, RLCIP), AusABBA I &amp; II.</p>	<p>SRSP: 1005 (including 493 Women’s Organisations) BA: 640 (178 or 27% WOs)</p> <p>AusABBA Ph I: MCOs 361; WCOs 235 (39% WOs)</p>	<p>SRSP: 1005 (including 493 Women’s Organisations) BA: 560 (48 or 8% WOs)</p> <p>AusABBA</p>
<p><b>Pillar 1 – Developing Human and Social Capital</b> Raising the level of public health spending from a baseline of 0.5% of GDP to 3%. Reducing the maternal mortality ratio from a baseline of 276 to less than 140, including by increasing the proportion of births attended by a skilled birthing attendant from 52.1 to above 90. Reducing infant mortality rate from a baseline of 74 to less than 40. Reducing the proportion of the population below minimum level of dietary energy consumption from 30% to below 10%.</p>	<p><b>Outcome 7:</b> Australia Award Alumni are using their skills, knowledge and networks to contribute to sustainable development in Pakistan</p>	<p>14. Evidence that Alumni are contributing to development outcomes in Pakistan Data source: Alumni Development Impact Survey (ADIS) – Biannual: March and December. Alumni from intake 2011 onwards.</p>	<p>Annual Assessment</p>	<p>Annual Assessment</p>
<p>Raising the level of public education expenditure from a baseline of 2% of GDP to 4%. Increasing primary school enrolment and completion rates to 100% and literacy rate to 90%, and improving teacher training and education governance. Increasing gender parity in education – to 1.0 on the gender parity index.</p>	<p><b>Outcome 8:</b> Improved integration of gender equality into aid investments</p>	<p>15. % of investments receiving satisfactory ratings for gender equality in annual Aid Quality Checks (AID PROGRAM STRATEGIC TARGET – GENDER EQUALITY) Data source: AQC analysis</p>	<p>80%</p>	<p>80%</p>



	<b>Outcome 9:</b> Improved integration of disability into investments	16. % of investments receiving satisfactory ratings in annual AQCs Data source: AQC analysis	45%	50%
	<b>Outcome 10:</b> Pakistan Aid Program is more consolidated over time	17. # of initiatives in the Pakistan development program fund (AID PROGRAM STRATEGIC TARGET - CONSOLIDATION) Data source: PK1 Program Fund Plan	14 initiatives	14 initiatives

# APPENDIX 1 – 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

 <p><b>1</b> NO POVERTY</p>	End poverty in all its forms everywhere	 <p><b>10</b> REDUCED INEQUALITIES</p>	Reduce inequality within and among countries
 <p><b>2</b> ZERO HUNGER</p>	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	Make cities and human settlements inclusive, safe, resilient and sustainable
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being at all ages	 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns
 <p><b>4</b> QUALITY EDUCATION</p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	 <p><b>13</b> CLIMATE ACTION</p>	Take urgent action to combat climate change and its impacts
 <p><b>5</b> GENDER EQUALITY</p>	Achieve gender equality and empower all women and girls	 <p><b>14</b> LIFE BELOW WATER</p>	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
 <p><b>6</b> CLEAN WATER AND SANITATION</p>	Ensure availability and sustainability management of water and sanitation for all	 <p><b>15</b> LIFE ON LAND</p>	Protect, restore and promote sustainable use of terrestrial ecosystems
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	Ensure access to affordable, reliable sustainable and modern energy for all	 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies for sustainable development and provide access to justice for all
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	Promote sustained, inclusive and sustainable economic growth, full and productive employment	 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	Strengthen the means of implementation and revitalise the global partnership for sustainable development
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote inclusive and sustainable Industrialisation and foster innovation		