



Australian Government

Department of Foreign Affairs and Trade



AID PROGRAM PERFORMANCE REPORT 2017-18

South Asia Regional Program

September 2018



SOUTH ASIA REGIONAL AID PROGRAM PERFORMANCE INFORMATION 2017-18

SUMMARY

This report summarises the performance of Australia's regionally-focused aid program in South Asia from July 2017 to June 2018 against the South Asia Regional Aid Investment Plan 2015-16 to 2018-19.

South Asia's economy has the fastest growth rate (at 6.9 per cent¹ in 2018) of any region, yet remains the least integrated – with rates of intra-regional trade at less than five per cent compared to 30 per cent for Association of Southeast Asian Nations (ASEAN). While the region's economic outlook is positive it also faces complex political, social and environmental challenges. As the world's most populated region (1.6 billion people), South Asia has more than 300 million people living in on less than USD2 a day (30 per cent of the world's poor). Many more people, particularly women, live just above the poverty line.

In line with the 2017 Foreign Policy White Paper, the regional program is contributing to stability and prosperity by addressing cross-border challenges to sustainable development and improving regional connectivity.

Objective 1: Increased water, food and energy security in South Asia to facilitate economic growth and improve the livelihoods of the poor and vulnerable (particularly women and girls)

This objective is advanced through DFAT's Sustainable Development Investment Portfolio (SDIP). In 2017-18, SDIP commenced the second phase (2016-2020) of an intended 12-year engagement strategy. SDIP works with seven Australian² and South Asian delivery partners across the three major Himalayan River Basins (the Indus, Ganges and Brahmaputra), to deliver initiatives aimed at integrating food, water and energy security.

Objective 2: Increased regional connectivity through trade facilitation and infrastructure connectivity

Through two World Bank-led programs – Infrastructure for Growth (IFG, 2012-2018) and the South Asia Regional Trade Facilitation Program (SARTFP, 2015-2020), Australia contributes to preparatory work for World Bank loan projects in Bangladesh, Bhutan, India and Nepal (BBIN). By providing analysis and technical advisory services, building capacity and generating knowledge and policy dialogue SARTFP aims to improve cross-border trade and connectivity, particularly where this can benefit women. IFG activities contribute to improving connectivity and integration in the energy and transport sectors across South Asia.

Overall, programs under both objectives performed well in 2017-18 and are rated 'green' (performing as expected). SDIP has substantially progressed or achieved key deliverables and is on track to achieve expected portfolio outcomes by 2020. For instance, SDIP partners generated data and models on river basins to deepen their engagement with regional governments, contributing to a positive shift in attitude to data sharing and the beginnings of improved transboundary cooperation. An independent evaluation of SARTFP and IFG concluded that both programs are effective in delivering against their objectives. Both SARTFP and IFG generated knowledge and analysis that is informing partner country policies in the areas of energy, transport and climate change, and improving the quality of World Bank investments that have a total value of USD1.4 billion (SARTFP) and USD4 billion (IFG).

In 2018-19 the regional program will continue to look for opportunities for public diplomacy; better capture and disseminate knowledge; and strengthen the monitoring and implementation for SARTFP. In 2018, we will complete the design of a new program on regional infrastructure connectivity that builds on the SARTFP/IFG work.

¹ The World Bank, 2018. The World Bank in South Asia, 2018. <http://www.worldbank.org/en/region/sar>

² Including the Australian Centre for International Agricultural Research (ACIAR), the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the International Centre of Excellence in Water Resources Management (ICEWaRM)

Australia Awards

The South Asia Regional program also oversees the delivery of Australia Awards with 211 South Asian students commencing long term awards in Australia in 2018. In 2017-18, three regional short courses were also conducted:

- Energy Security, attended by 19 participants (including 11 women) from four countries;
- International Trade, attended by 18 Bangladeshi officials (including six women); and
- Integrated Water Resource Management, which included, for the first time, three participants from non-program countries (India, Kazakhstan and Tajikistan).

EXPENDITURE

Total ODA expenditure in 2017-18 was AUD16.67 million, with 13 per cent allocated to Australia India Strategic Research Fund and DFAT's strategic partnership with The Asia Foundation.

Table 1 Total ODA Expenditure in FY 2017-18

Objective	A\$ million	% of total ODA
1: Increased water, food and energy security in South Asia to facilitate economic growth and improve the livelihoods of the poor and vulnerable	7.24	43.4
2: Increased regional connectivity through trade facilitation and infrastructure.	7.2	43.2
Sub-Total	14.44	
Other Commitments	2.23	13.4
Total ODA Expenditure	16.67	100

PERFORMANCE AGAINST STRATEGIC OBJECTIVES

Objective	Previous Rating	Current Rating
1: Increased water, food and energy security in South Asia to facilitate economic growth and improve livelihoods of the poor and vulnerable	Green	Green
2: Increased regional connectivity through trade facilitation and infrastructure connectivity	Amber	Green

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: INCREASED WATER, FOOD & ENERGY SECURITY IN SOUTH ASIA TO FACILITATE ECONOMIC GROWTH & IMPROVE THE LIVELIHOODS OF THE POOR & VULNERABLE



The objective is rated green. This assessment is based on progress made against the milestones for the Sustainable Development Investment Portfolio (SDIP2) being mostly met. Six key performance areas were monitored. Progress was strong in: integrated cross-border water management; conservation agriculture practices; and increasing the knowledge base for water needs for agriculture and energy generation. Milestones were partially achieved in: data and modelling capacity for the Indus; institutional capacity to steer hydropower investment; and improving the enabling environment for energy investment in the Brahmaputra and Ganges basins.

Key achievements recorded in 2017-18 included:

- Significant progress towards enabling Pakistan's national and provincial water management agencies to share data systematically and make transparent water resource management decisions, through the installation of a centralised hydrological data management system and completion of the Indus common river system model (CSIRO and ICEWaRM).
- ICIMOD developing the first Hindu Kush-Himalaya (HKH) Monitoring and Assessment Plan to fill a knowledge gap on the nature and impacts of climate change in HKH. Drawing on over 300 authors (30% women), the assessment has already significantly improved the scientific and socioeconomic understanding of key climate change, environmental and development constraints/opportunities facing the region.
- Nepal adopting the Environmental Impact Assessment Standards for Hydropower, developed by IFC and ICIMOD – this is necessary to attract hydro investment.
- Australia hosting a Regional Knowledge Forum which provided a platform for regional influencers to promote the importance of the water-energy-food nexus to managing scarce resources – this built on a successful SAARC Summit in Bhutan.
- An Indus Knowledge Forum and Brahmaputra Dialogue convening with the support of SAWI and ICIMOD, engaging regional voices and providing an opportunity for cross-sectoral and transboundary knowledge exchange.
- Implementing regional Disaster Risk Reduction strategies and early flood warning systems that accommodate the differential impacts and needs of women and men.
 - Community-based flood early warning systems trialled in Assam (India), Ratu Khola (Nepal) and Gilgit Baltistan (Pakistan). In the 2017 flood season the community of Ratu Khola in Nepal gave their Indian downstream neighbours eight hours warning of impending floods. This saved lives and an estimated US\$0.7M (ICIMOD).
 - SAWI developed a Flood Risk Assessment Atlas including sex disaggregated data. In the 2017 floods, which affected over 17 million people, the Atlas was used by the Indian Government's Central Water Commission to generate daily risk reports and loss estimates. The gender disaggregated data is expected to help governments prioritise actions – including for women and the most vulnerable groups.

- 27 new factories joined the Partnership for Cleaner Textiles in Bangladesh and collectively saved over 2.8 million cubic m of water and 473,000 MWh of energy while reducing greenhouse gas emissions by 50,000 tonnes and waste water discharge by 3.1 million cubic m per year. The program is running now in Pakistan and will expand to Nepal.

Efforts to integrate gender equality and women's empowerment considerations across the portfolio were satisfactory. There is good evidence that all partners were enabling women to participate in, or consider women's perspectives in, resource management activities, dialogue and/or policy engagement. At a policy level, new policy documents such as the Environmental and Social Systems Assessment for national groundwater management in India (SAWI) and the draft National Water Policy for Nepal (ICEWaRM) prescribe the participation of women in water resource management planning. There was slower progress in support for the professional development of women, and enabling their access to resources and participation in decision making. SDIP2 embeds climate change awareness across partner activities and, in some instances, also government policies. Specific climate change mitigation results have been reported by the IFC in Bangladesh, while other partners reported improved information flow on climate change to decision makers via analytical and water modelling tools.

Challenges were experienced in improving the enabling environment for energy investment, particularly in Nepal where public private partnerships are ideologically resisted. IFC is navigating this with the support of Nepal Post.

OBJECTIVE 2: INCREASED REGIONAL CONNECTIVITY THROUGH TRADE FACILITATION & INFRASTRUCTURE



The objective was rated green as an independent evaluation of IFG and SARTFP (July 2018) reaffirmed the effectiveness of both programmes in meeting their objectives.

For IFG the evaluation found there is good evidence the program has been effective in achieving its goals. This included the role of IFG-funded research and analysis in addressing knowledge gaps in areas of energy, transport and climate change, and in improving the quality of World Bank loans. However, IFG has had more progress in the transport sector than in the energy and extractives industry in integrating gender equality and human welfare considerations into infrastructure projects. IFG is in its sixth year of implementation, during which 23 of its 56 activities were still underway. IFG activities continue to support over USD1 billion in World Bank lending and the development of an approx. USD\$3 billion of planned new investment. Notable activities in 2017-18 funded through IFG include:

- In Bangladesh, IFG developed a Policy Paper on Chittagong's Urban Resilience and City Development Strategy which has the potential to change the way in which the city is managed and planned.
- A major study of the power sector in Bangladesh, India and Pakistan was completed which identified the main distortions (institutional, regulatory, and social) impeding the sector.
- IFG's analytical work generated the first assessment of South Asian container ports, which is helping to strengthen policy discussion on port performance. The report was presented at the first South Asia Maritime and Logistics Forum in 2017, is the most downloaded World Bank transport report and has been reported on extensively.

- Introducing gender-inclusive approaches in sectors that are traditionally gender blind, such as transport. IFG-funded analysis on estimating incidences of domestic violence and physical harassment of women on public and private buses in the Indian state of Kerala is informing the World Bank's approach to estimating gender based violence (GBV) prevalence in transport and other sector policies. The methodology for this work is informing worldwide approaches by providing increased accuracy in measuring the prevalence of different types of GBV.
- In Sri Lanka, IFG is providing support on how to prioritise and leverage financing for urban transport investments in the Western Region Megapolis Transport Master Plan, including public transport, roads and traffic management and airport links.
- In July 2017, IFG's 'SAR Network of Development Engagement' helped establish the South Asia Economic Policy Network which serves as a platform of structured dialogues between South Asian think tanks, academics, policy makers and development partners. The Network mobilised at least four events in 2017-18 and aims to advance the achievement of regional development priorities and infrastructure investment. The forum generates frequent interaction with around 300 top macroeconomists from the region.

Even though SARTFP is a younger program than IFG, the evaluation found development outcomes were already beginning to emerge, including in regional connectivity, trade facilitation and gender. SARTFP outcomes were strongest at the micro level (for instance cross-border markets, inland waterways). SARTFP activities contributed to more robust consideration of gender in World Bank investments (valuing \$1.4 billion in total). Further, SARTFP generated knowledge and analysis that contributed to positive changes in partner country policies. Notable World Bank activities included:

- Support for larger Bank lending programs in trade facilitation, transport connectivity to integrate gender considerations early in design processes. Seven SARTFP activities informed about USD1.4 billion in World Bank programs in the region.
- Development of a flagship multi-donor (JICA, ADB, DFID) report – the *Economic Corridors of South Asia* – identifying how transport corridors can deliver wider economic benefits, particularly for women.
- Supporting governments to take regulatory and operational measures in trade facilitation, including the Government of West Bengal facilitation of Fast Moving Consumer Goods SME value chains.
- Support for the Buddhist Circuit Development, including policy dialogue with South Asian governments to develop inclusive tourism benefiting local communities, especially women and young entrepreneurs. Analysis informed the Bank's USD47m lending for Uttar Pradesh tourism.
- A study on integrating intermodal transport (rail, roads, inland water) in India is contributing to improved movement of freight across transport modes.

A growing number of public diplomacy opportunities were created in 2017-18 (see **Annex B**). In March 2018, the Bank facilitated a joint World Bank-DFAT session at the South Asia Association of Regional Cooperation Business Leaders' Conclave in Kathmandu. The regional forum brought together Ministers of Commerce and leaders from academia and industry. DFAT and the World Bank convened the only all-female panel at the event. The panel discussed gender-responsive trade and logistics. Australia's Ambassador to Nepal delivered the opening remarks. The session generated positive media coverage in the region, highlighted Australia's ongoing emphasis on gender-inclusive connectivity and strengthened our collaboration with the World Bank.

DFAT officers conducted a field visit to Assam Province in North-east India in May 2018 jointly with other bilateral donors and Assam government officials. The challenges faced by the riparian communities – particularly women and vulnerable groups – in accessing markets and basic health and education services were found to be acute, underscoring the relevance of SARTFP support for improved services for women traders and other vulnerable groups in the design of the Bank's USD120m Assam Inland Waterways Project.



MUTUAL OBLIGATIONS

The South Asia Regional program aligns its work with the positive reform directions being set by partner governments. Examples of this strengthening alignment include:

- The India and Nepal's May 2018 joint statement, which underscored the importance of trade and economic ties between the two countries and agreed to initiatives on rail links, inland waterway development and a petroleum pipeline.
- The SAARC-hosted water, energy and food summit in Bhutan, which Australia supported. The event confirmed Australia's role as a valued source of technical expertise.
- The BIMSTEC³ 2018 Summit, which integrated, for the first time, the development of mountain economies among its priority sectors.
- Pakistan's release of a new National Water Policy and Charter, which declares a national water emergency, provides for increased resourcing for regulatory activities and mandates cooperation between levels of government and reform of national and provincial water regulations.
- Ongoing development of Nepal's first National Water Policy, with support from SDIP partner ICEWaRM, such that it is now being legislated and formalised in intergovernmental agreements. Australia's own experience with its National Water Act has been formative in this work.
- The Indian Prime Minister's commitment to have 175GW of renewable capacity installed by 2022. Australia, through our engagement with IFC, is supporting the rollout of large scale solar and wind generation throughout the region.
- Bangladesh has granted India's North-Eastern States access to Chittagong port through Tripura under the bilateral inland water transport treaty. Coupled with road and rail improvements, this will reduce the distance between India's North-East and Kolkata significantly.

PROGRAM QUALITY

In 2017-18, overall Aid Quality Check (AQC) performance for the South Asia Regional program was consistent with the previous year (see **Annex D**). SDIP continues its strong performance track record in 2017-18. The program was rated 'very good' on relevance for its alignment with our foreign policy, economic and regional objectives and its strong public diplomacy focus. The 2017 Annual Review of SDIP confirmed that solid achievements were made in the second year of the phase 2. Partners have either substantially progressed or achieved key deliverables to support the three SDIP outcome areas. This provides assurance that the portfolio partnership approach is effective and SDIP is on track to achieve expected portfolio outcomes by 2020. The review also confirms partners deepening their engagement with Government, the private sector and non-government actors to make meaningful contributions to water, food and energy security in South Asia. There is evidence that shows results and progress have been achieved as per expectation and the AQC rated SDIP 'good' on effectiveness, efficiency, monitoring and evaluation, private sector engagement and innovation. Gender equality was rated 'satisfactory', recognising that while embedding gender considerations has shown positive results in partner investments, there is considerable opportunity to strengthen gender mainstreaming in partner investments for the remainder of the second phase.

Ratings for the South Asia Regional program's regional connectivity objectives between 2016-17 and 2017-18 remained the same (adequate,) except for Monitoring and Evaluation, which was rated 'less than adequate'. In July 2018, the World Bank and DFAT revised the theory of change and progress indicators during the life of SARTFP in response to the AQC and independent evaluation. In 2017-18, SARTFP and IFG continued to focus on the empowerment of women and girls and received an AQC rating of satisfactory on gender equality. DFAT expects future AQC ratings for gender equality to improve as a result of the inclusion of sex-disaggregated data in the SARTFP PAF and as more SARTFP results emerge.

³ Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, comprising of Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand



MANAGEMENT ACTIONS

Management actions for 2017-18 were implemented as set out in **Annex A**.

In 2018-19, key management actions will include:

- Pursuing increased whole-of-Government engagement on water, food and energy issues in South Asia to improve program outcomes and realise green business opportunities.
- Considering ways to further embed gender mainstreaming and social inclusion into SDIP investments, including by convening a Gender Technical Working Group for partners.
- Continuing the focus on promoting and embedding gender equality in regional economic connectivity work. DFAT will continue to enforce SARTFP governance arrangements to ensure all activities demonstrate a benefit to women. Lessons from IFG/SARTFP on integrating gender in trade facilitation and connectivity will be shared across DFAT.
- Continuing the focus on improving reporting, monitoring and evaluation across SARTFP including by agreeing on a protocol for financial reporting and more frequent feedback by DFAT.

ANNEX A- PROGRESS IN ADDRESSING MANAGEMENT RESPONSES

Describe progress made against management responses in 2016-17 report

Management responses identified in 2017-18APPR	Rating	Progress made in 2017-18
Promoting Australia's investments in water, food, energy and regional connectivity in South Asia through capitalising on public and economic diplomacy opportunities. This will be demonstrated through the 2017 Regional Knowledge Forum in South Asia where partners and influential interlocutors from the region will come together to progress energy, food and water priorities. DFAT will also work with the World Bank to increase public diplomacy events and communications to better promote the achievements of IFG and SARTFP, including by developing a communications plan.	Partly achieved	Progress was made to advance bilateral public diplomacy and economic diplomacy objectives, including through development of an SDIP public diplomacy plan; high profile engagement by the Australian High Commission in India and Australian Embassy in Nepal on SDIP and SARTFP events; and increased cable reporting and social media. DFAT and the World Bank will continue to increase public diplomacy opportunities under the regional connectivity pillar. Communications plan will be developed in 2018-19.
Continuing the focus on promoting and embedding gender equality in SDIP and SARTFP activities. SDIP partner activities will be measured against gender specific milestones in the SDIP Performance Assessment Framework. DFAT will continue to enforce SARTFP governance arrangements (including activity selection criteria and results framework) to ensure that all SARTFP activities implemented by the World Bank demonstrate a benefit to women.	Achieved	Emphasised SDIP partner performance and accountability on gender through work programs and institutional strengthening. In February 2018, DFAT's SDIP Partner Gender Workshop developed key indicators for gender reporting. SDIP has also contributed to enhanced gender equality through policy documents that prescribe the participation of women; Disaster Risk Reduction (DRR) strategies and early flood warning systems that accommodate and address differential impacts and needs of women and men; and helping Governments to target actions to vulnerable groups using sex disaggregated data. DFAT has maintained the emphasis on gender equality in SARTFP by continuing to link activities to World Bank investment pipelines in the region. SARTFP's Secretariat and Internal Review Committee (IRC) have progressed funding allocation for new activities.
Continuing the focus on improving reporting, monitoring and evaluation across both SDIP and SARTFP, demonstrated by: (i)SDIP partners reporting on climate action and building climate resilience as a result of their activities in South Asia; and Revision of SARTFP performance indicators to more accurately and realistically measure SARTFP performance. Work closely with the World Bank to accelerate SARTFP activity implementation and pipeline development by seeking regular activity updates including at the DFAT-World Bank Donor Steering Committee Meeting,	Achieved	In 2017-18 climate change guidance was developed for SDIP Partners. In the reporting period, SDIP was held up as a good practice example of integrating climate change into partner investments. Specific climate change focused achievements under SDIP include: climate change integrated into policy objectives; flood forecasting and early warning systems embedded into the disaster management procedures; projects outcomes directly reducing greenhouse gas emissions; and research considering adaptation to climate variability. Revision of SARTFP performance indicators has been completed to allow for clearer reporting.

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 – PERFORMANCE BENCHMARKS

Progress towards Performance Benchmarks in 2017-18

Aid objective	Performance Benchmark	Rating	Progress in 2017-18
Increased water, food and energy security in South Asia to facilitate economic growth and improve the livelihoods of the poor and vulnerable (particularly women and girls)	Improvements in the region's agriculture, energy and water management capabilities, that include considerations of climate change impacts through SDIP efforts.	Achieved	<p>Initiatives by SDIP partners have contributed to improvements in the region's agriculture, energy and water management capabilities, including the consideration of climate change impacts as evidenced by:</p> <ul style="list-style-type: none"> • ICEWaRM and CSIRO's capacity building, including work with partner governments and other stakeholders, on integrated water resource management. A number of successful short courses were delivered, and high level delegations supported. • ICIMOD's HIMAP, a comprehensive analysis of HKH mountains, environments and livelihoods, received strong support from governments. Issues covered include climate change, biodiversity, energy and cryosphere impacts, water, food security, air pollution, disaster and resilience, poverty, adaptation, gender, and migration. • ACIAR applying food systems foresight approach to assess implications for water and energy use, including at an initial workshop in Delhi. • CSIRO's climate change work delivered improvements to the capability of in-country partners to assess the impact of climate change on water resources management and agriculture productivity in Nepal, Pakistan and Bangladesh.
Increased regional connectivity through trade facilitation and infrastructure connectivity.	Integration of gender equality and women's economic empowerment in SARTFP activities.	Achieved	<p>Gender equality and women's economic empowerment were integrated in all SARTFP activities, including:</p> <ol style="list-style-type: none"> 1. The 'Cost of Distortions in the Power Sector' study identifies the main distortions (institutional, regulatory, and social) in the power sector in Bangladesh, India and Pakistan, and quantifies their costs to inform policy priorities for sector reform and investment. 2. The 'Sanitation Improvement in Dhaka, Bangladesh' helps the Dhaka Water and Sewerage Authority (DWSA) to improve sanitation in select areas of Dhaka city. 3. 'Economic Corridors of South Asia' brought together donors (ADB, DFID and JICA) and released a framework to identify and prioritise transport investments with economic and development benefits for women. 4. The 'Inland Waterways' activity assessed gender-specific travel patterns and needs to improve regional and intra-regional trade, improving accessibility, jobs and services and safety. 5. The 'Enhancing Security of Vulnerable Women and Children' activity shared analysis with implementing agencies and regional stakeholders on the risks of increased connectivity in North East India, eg. influx of labour and potential sex trafficking, in regional connectivity projects. 6. Integrating gender considerations in the Bangladesh Sustainable Coastal and Marine Fisheries project to bring women into value chains of high value exports, including shrimp and prawns, and increasing incomes.

Aid objective	Performance Benchmark	Rating	Progress in 2017-18
	Activities contribute to improvements in cross-border trade and connectivity.	Achieved	<ol style="list-style-type: none"> 1. The 360 Logistics for SME's activity has opened dialogue with the Ministry in charge of SMEs in West Bengal and provided evidence that allows Governments to identify ways to support the sector. 2. Activities under IFG and SARTFP contributed to improvements in cross-border trade and connectivity, including: 3. Stronger gender consideration in World Bank investments in transport, trade facilitation and logistics. 4. Analysis of women in trade in Bangladesh to support their Ministry of Commerce to prepare an action plan for women's participation in trade, identifying opportunities, constraints, and potential reform measures. 5. An assessment of South Asian container ports is strengthening policy discussion on port performance. 6. In Bangladesh, India and Pakistan, IFG's work identifying and quantifying the costs of distortions in the power sector is demonstrating to governments the importance of prioritizing power sector reforms and providing a basis for policy dialogue including on institutional reforms and removing price distortions.
Cross-cutting performance benchmark	SDIP and SARTFP advance public diplomacy and economic diplomacy objectives.	Achieved	<p>SDIP and SARTFP advanced public diplomacy and economic diplomacy objectives, including by:</p> <ol style="list-style-type: none"> 1. DFAT-World Bank jointly hosted a session at the South Asia Association of Regional Cooperation (SAARC) Business Leaders' Conclave in Kathmandu in March 2018. The forum convenes Ministers of Commerce from the region and leaders from business, government, academia and industry. Australia's Ambassador to Nepal delivered the opening remarks. The session generated regional media coverage, highlighting Australia's emphasis on gender-inclusive connectivity, and strengthened collaboration with the World Bank. 2. SDIP partner ICEWaRM ran a two day programme in Gender, Equity and Water Management. The course focussed on water management and governance through a gender lens. Effects of water scarcity increasingly impact women in South Asia. Attendees included the Indian Ministry of Water Resources, Central Water Commission, Central Ground Water Board and National Water Development Authority, the Asia Foundation and the National Mission for Clean Ganga. 3. IFG's SAR Network of Development Engagement helped to establish the South Asia Economic Policy Network, a platform of structured dialogues between South Asian think tanks, academics, policy advisors and makers and development partners in July 2017

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

Aid objective	Performance Benchmark	2018-19	2019-20
Increased water, food and energy security in South Asia to facilitate economic growth and improve the livelihoods of the poor and vulnerable	Data and modelling capacity to facilitate Integrated water resource management: Indus Basin, [Pakistan]	<i>An alternative range of policy responses for water management, reflecting gender-specific needs, are generated by inter-agency dialogue in Pakistan</i>	<i>Agreement reached between national agencies in Pakistan on a common modelling framework and associated baseline that describes the current water resources for the Indus basin in Pakistan.</i>
	Collaborative structures for conservation agriculture-based sustainable intensification (CASI) practises: Ganges Basin, [Nepal, India & Bangladesh]	<i>Decision makers at state/national level schemes include the collaborative structures required to enable men and women to increase the impact of CASI practises</i>	<i>Decision makers at relevant state/ national level include specific adjustments (with a gender lens) required for expanding CASI practices through farm mechanisation</i>
	Institutional capacity to initiate, steer and participate in medium – large scale hydropower investment: Ganges Basin, [Nepal]	<i>Bankable Project Development Agreements and Power Purchase Agreements for Nepal hydropower projects prepared prior to bidding step</i>	<i>Trained teams from local financial institutions in Nepal conduct appraisal (as per international standards) of a pipeline of hydropower projects for financing</i>
Increased regional connectivity through trade facilitation and infrastructure connectivity	New technical knowledge and approaches generated by IFG strengthen the quality of the development and implementation of Government of India's transport projects.	<i>New knowledge and approaches adopted by Government of India to strengthen transport projects and policies</i>	<i>To be determined</i>
	SARTFP analysis contributes to improved inland waterway connectivity across India and Bangladesh with increased benefits to women.	<i>Knowledge generated influences the World Bank to integrate gender in its larger inland waterways projects with the Governments of India and Bangladesh</i>	<i>To be determined</i>

ANNEX C- EVALUATION PLANNING

LIST OF EVALUATIONS COMPLETED IN THE REPORTING PERIOD

Investment number and name (if applicable)	Name of evaluation	Date completed	Date Evaluation report Uploaded into AidWorks	Date Management response uploaded into AidWorks	Published on website
INL093 Trade Facilitation and Infrastructure	Independent Evaluation of Regional Connectivity Programs – IFG and SARTFP	July 2018	30 July 2018	30 July 2018	30 July 2018

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
Independent evaluation of the Sustainable Development Investment Portfolio	INL594 Sustainable Development Investment Portfolio	January/2019	December 2019	Performance of the SDIP program to inform future investments	TBA

ANNEX D- AID QUALITY CHECK RATINGS

AQC RATINGS

AQC investment performance over the previous 12 months and where available last year's AQC ratings.

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
INL093: Regional Connectivity and Integration: Trade Facilitation and Infrastructure	\$34.5m	2018 AQC	5	4	4	3	4	4	n/a
	2013-20	2017 AQC	5	4	4	4	4	4	4
INL594: Sustainable Development Investment Portfolio (SDIP)	\$39m	2017 AQC	6	5	5	5	4	4	n/a
	2016-20	2017 FAQC	5	5	5	5	4	4	n/a

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.