



Australian Government

Department of Foreign Affairs and Trade

Performance of Australian Aid 2013-14

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Overview

1. The performance framework for Australia's aid
2. Key findings from *Performance of Australian Aid 2013-14*
3. Evolution of performance reporting in the Australian aid program
4. Using performance information and areas for improvement



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1. The performance framework for Australia's aid



The performance framework for Australian aid

- ***Making Performance Count: enhancing the accountability and effectiveness of Australian aid*** launched in June 2014
- Sets out 10 strategic targets to measure the performance of the aid program
- Identifies other new performance measures, eg: performance benchmarks at the country program level and mutual obligations relating to development partners
- Commits DFAT to producing an annual *Performance of Australian Aid* report



How is the performance of the Australian aid program assessed?

At what level is performance assessed?

What is performance measured against?

How is performance reported?

WHOLE OF AID PROGRAM

Development policy priorities and 10 strategic targets

Assessed annually and reported in *Performance of Australian Aid*

PROGRAMS

Country and regional aid programs

Program objectives, performance benchmarks, mutual obligations

Annual Aid Program Performance Reports

Periodic strategic evaluations by Office of Development Effectiveness

Global and other aid programs

Program-specific performance frameworks

Performance assessments of multilateral and other programs

INDIVIDUAL AID INVESTMENTS

8 assessment criteria:

- effectiveness
- efficiency
- relevance
- sustainability
- monitoring and evaluation
- gender
- risk management
- innovation

Assessed annually and reported in Aid Quality Checks

Independent evaluation once per life of an aid investment



Annual performance reporting calendar for Australian aid

- **May - Investment Quality Reporting**
 - Aid Quality Checks on individual aid investments (542 in 2013/14)
 - Partner Performance Assessments on aid delivery partners
 - Aggregate Development Results reporting on 20 selected key results areas
- **August - Program reporting**
 - Annual Aid Program Performance Reports on country & regional programs (28 in 2013/14)
 - Other annual program reports, eg ANCP, scholarships
- **Throughout year**
 - Strategic and operational evaluations
 - Multilateral partner performance reporting
 - Performance against sector strategies reviewed annually
- **December – Performance of Australian Aid report**



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2. Key findings from *Performance of Australian Aid 2013-14*



Performance of Australian Aid 2013-14

- Inaugural *Performance of Australian Aid* report published on DFAT website in February 2015
- Reported on: performance against strategic targets; country, regional and global program performance; and sector and thematic performance
- Performance assessments in the report were quality assured by the Office of Development Effectiveness (ODE)
- ODE found the report to be a “well-structured and credible document that makes good use of available evidence”



Progress against the 10 strategic targets

- **Strategic targets were not in place for the aid program in 2013-14**
- **2013-14 report includes baseline information and outlines initial progress**
- **First full annual reporting against the 10 strategic targets will be in 2014-15 report**
- **Solid start in some areas - eg Focus on the Indo-Pacific region, increasing aid for trade expenditure**
- **Some targets will be ambitious to achieve - eg Empowering women and girls, improving value for money**



Whole of aid program strategic targets

To be assessed from July 2015

- Target 2 - Engaging the private sector
- Target 3 - Reducing poverty
- Target 6 - Delivering on commitments
- Target 7 - Working with the most effective partners
- Target 10 - Combatting corruption

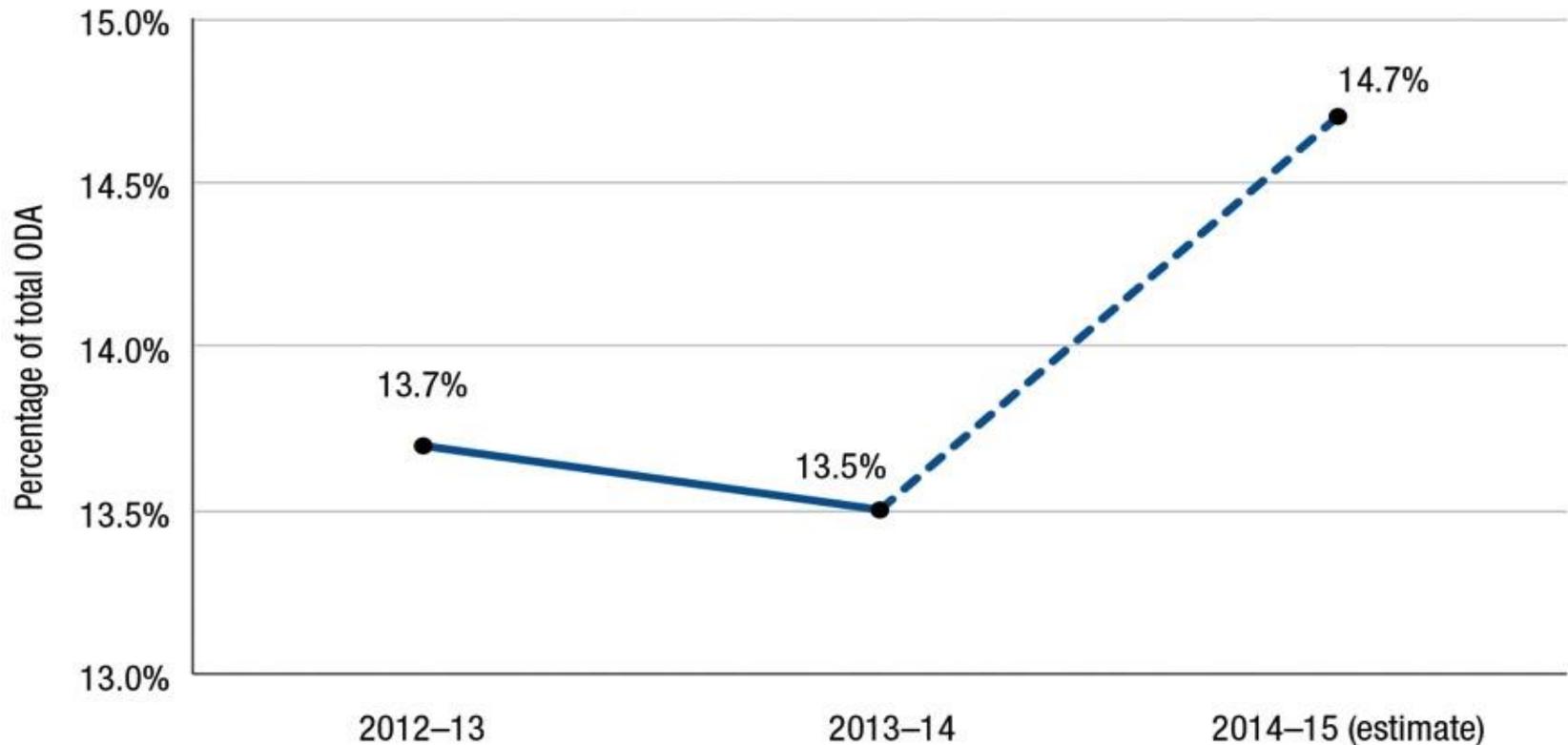
Baseline established in July 2014

- Target 1 – Promoting prosperity
- Target 4 – Empowering women and girls
- Target 5 – Focusing on Indo-Pacific region
- Target 8 – Ensuring value for money
- Target 9 – Increasing consolidation



Target 1: Promoting prosperity

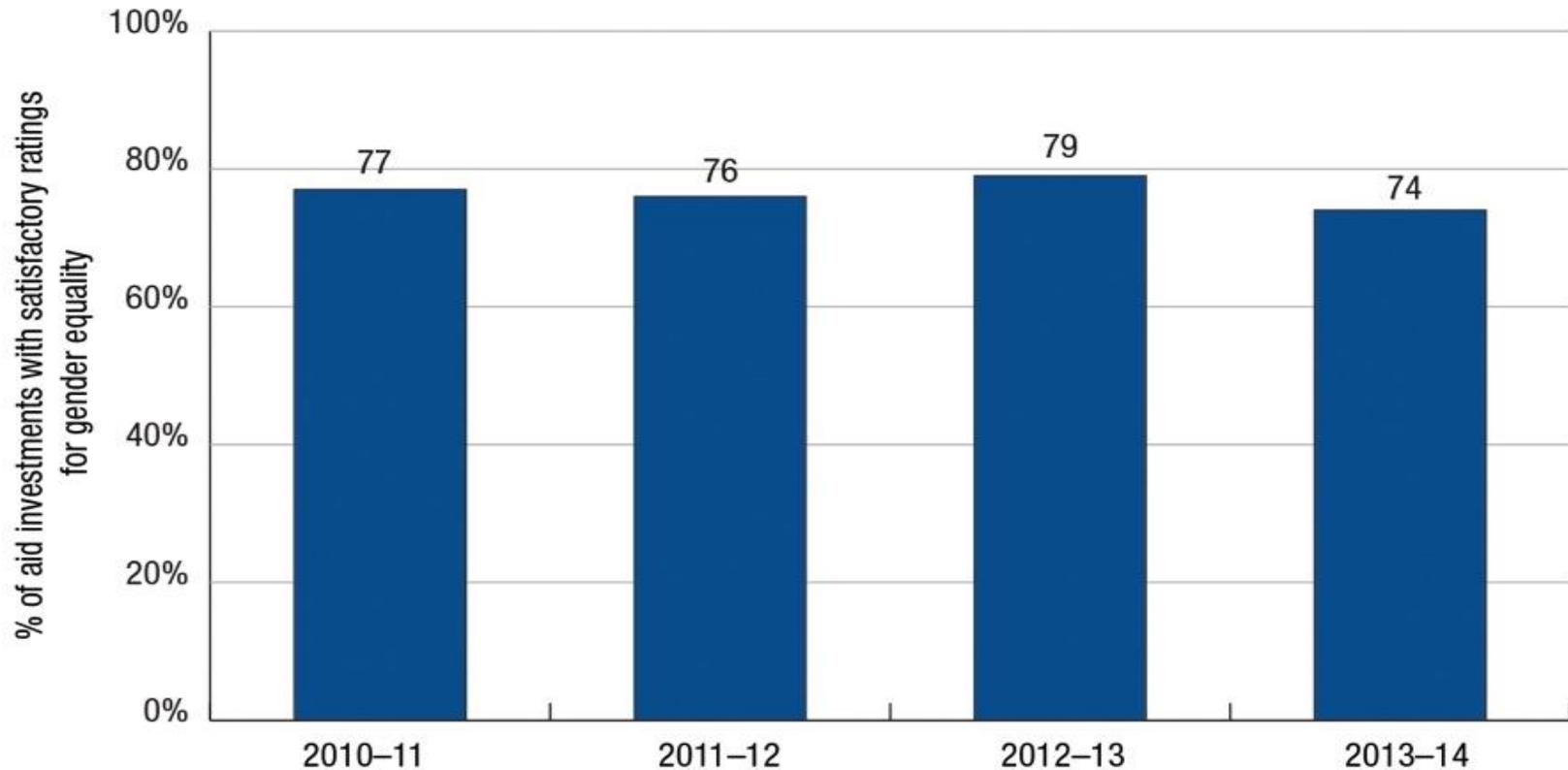
Promote economic development by increasing Australia's aid for trade investments to 20 per cent of the aid budget by 2020





Target 4: Empowering women and girls

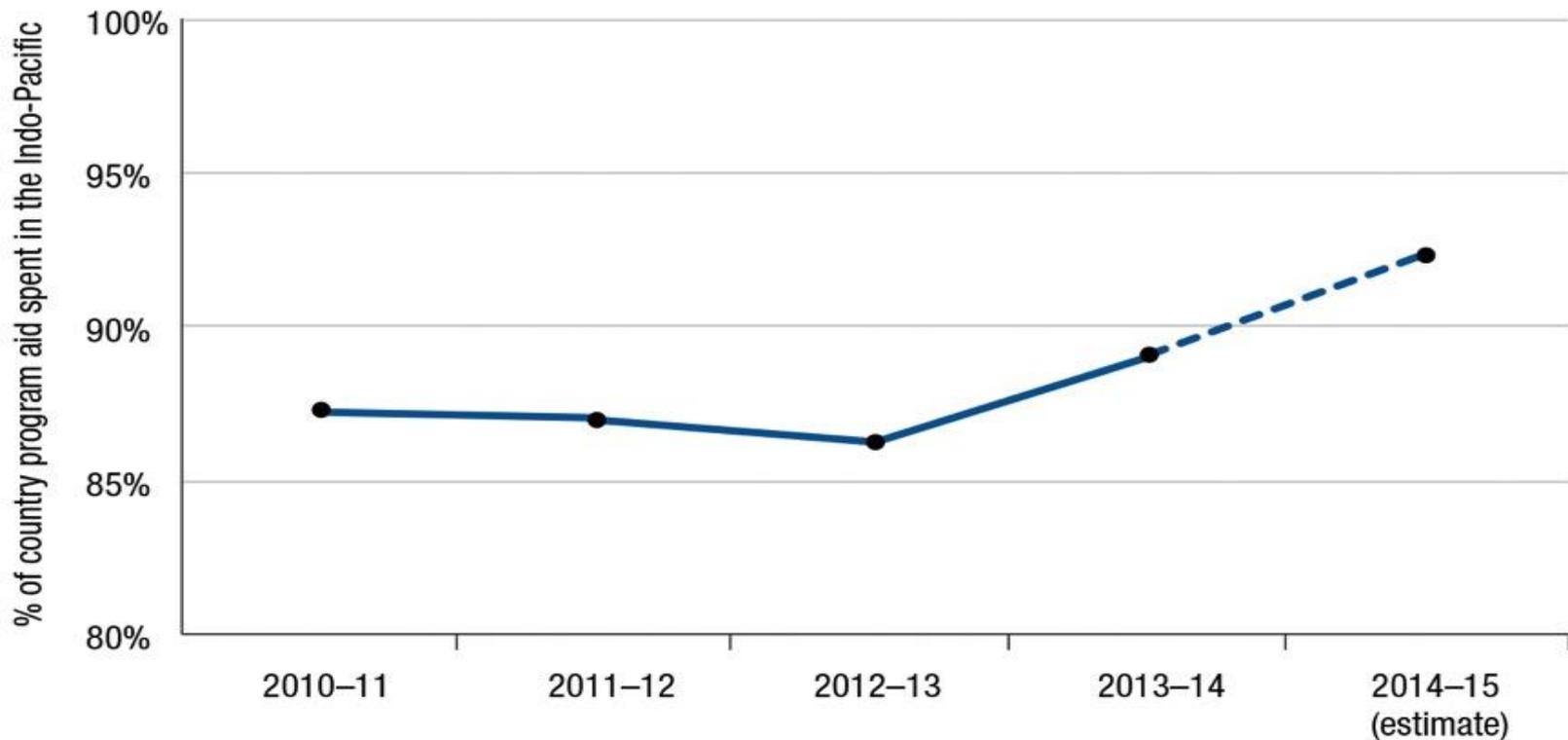
More than 80 per cent of investments, regardless of their objectives, will effectively address gender issues in their implementation





Target 5: Focusing on the Indo-Pacific region

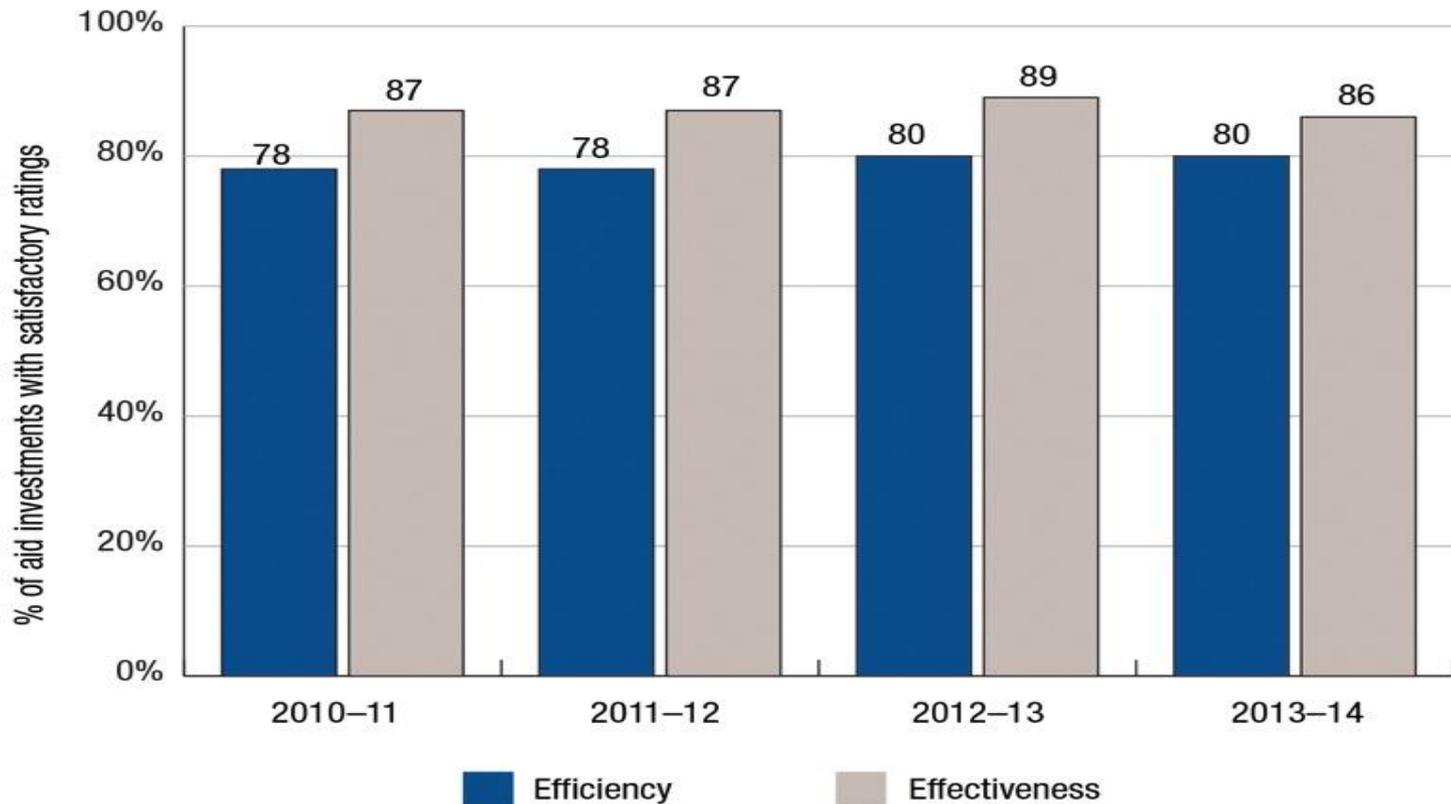
Increase the proportion of country program aid that is spent in the Indo-Pacific region to at least 90 per cent from 2014-15





Target 8: Ensuring value for money

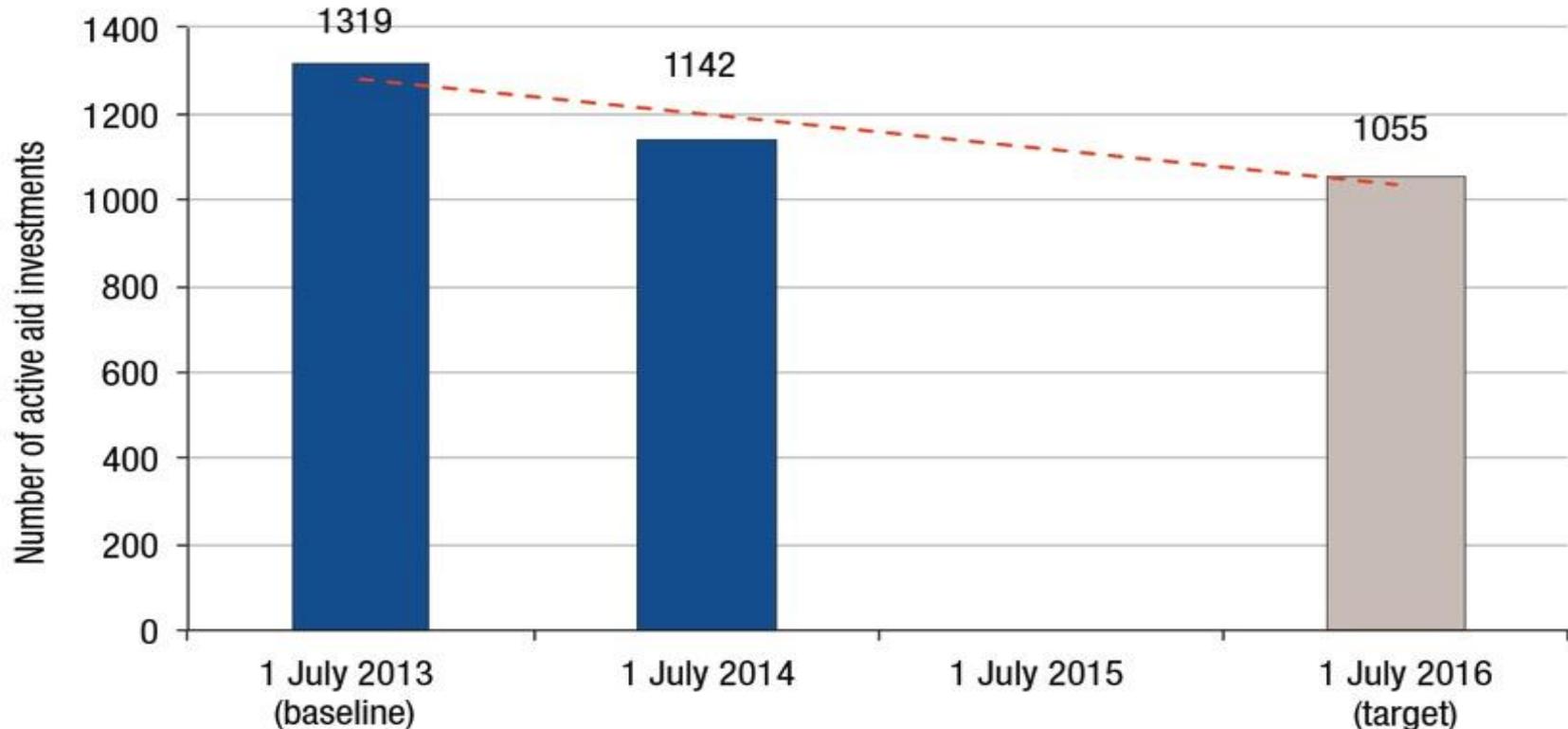
Deliver high standards of value for money in at least 85 per cent of aid investments. Where standards are not met and improvements are not achieved within a year, investments will be cancelled.





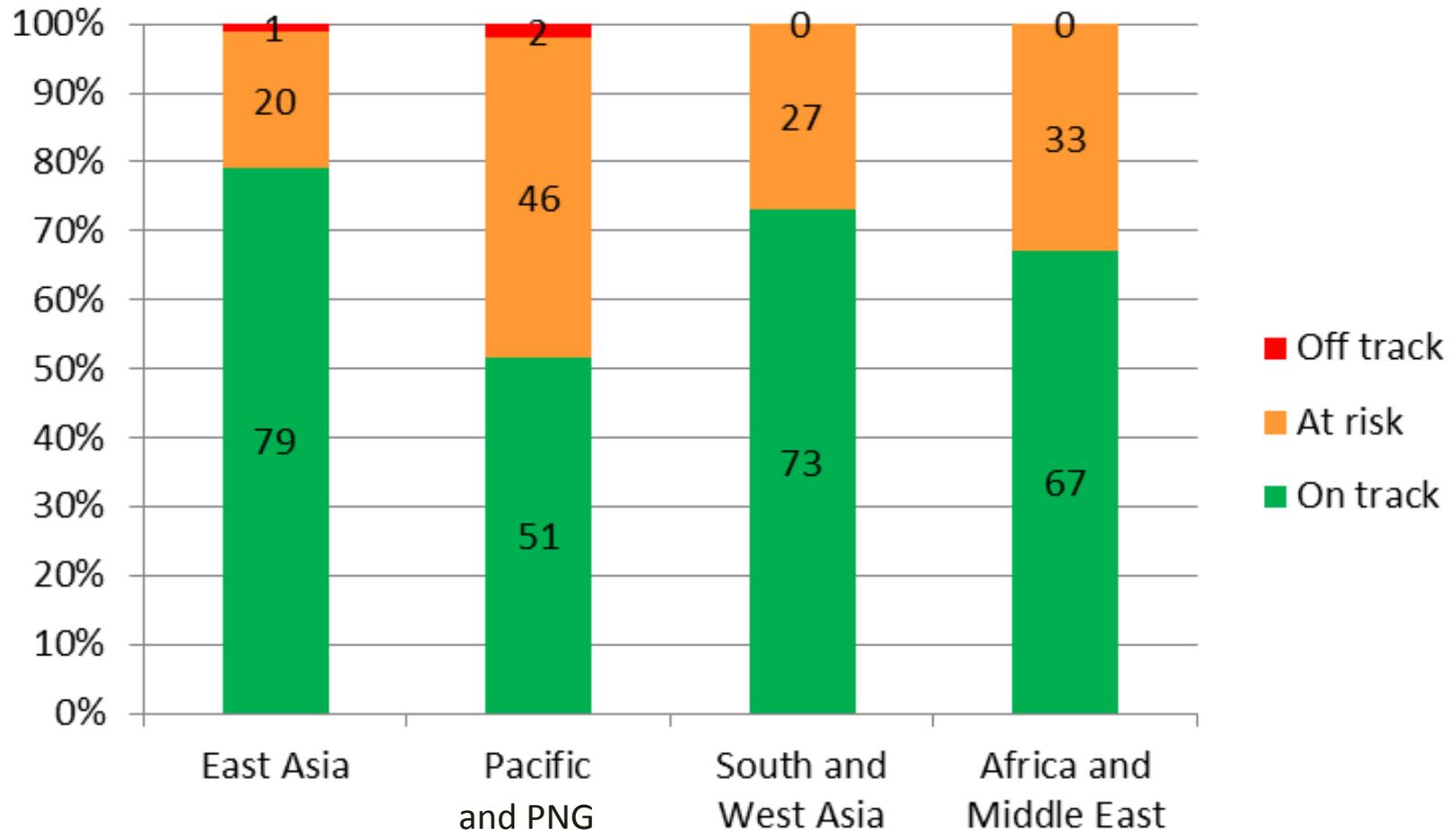
Target 9: Increasing consolidation

Reduce the number of individual investments by 20 per cent by 2016-17 to focus efforts and reduce transaction costs



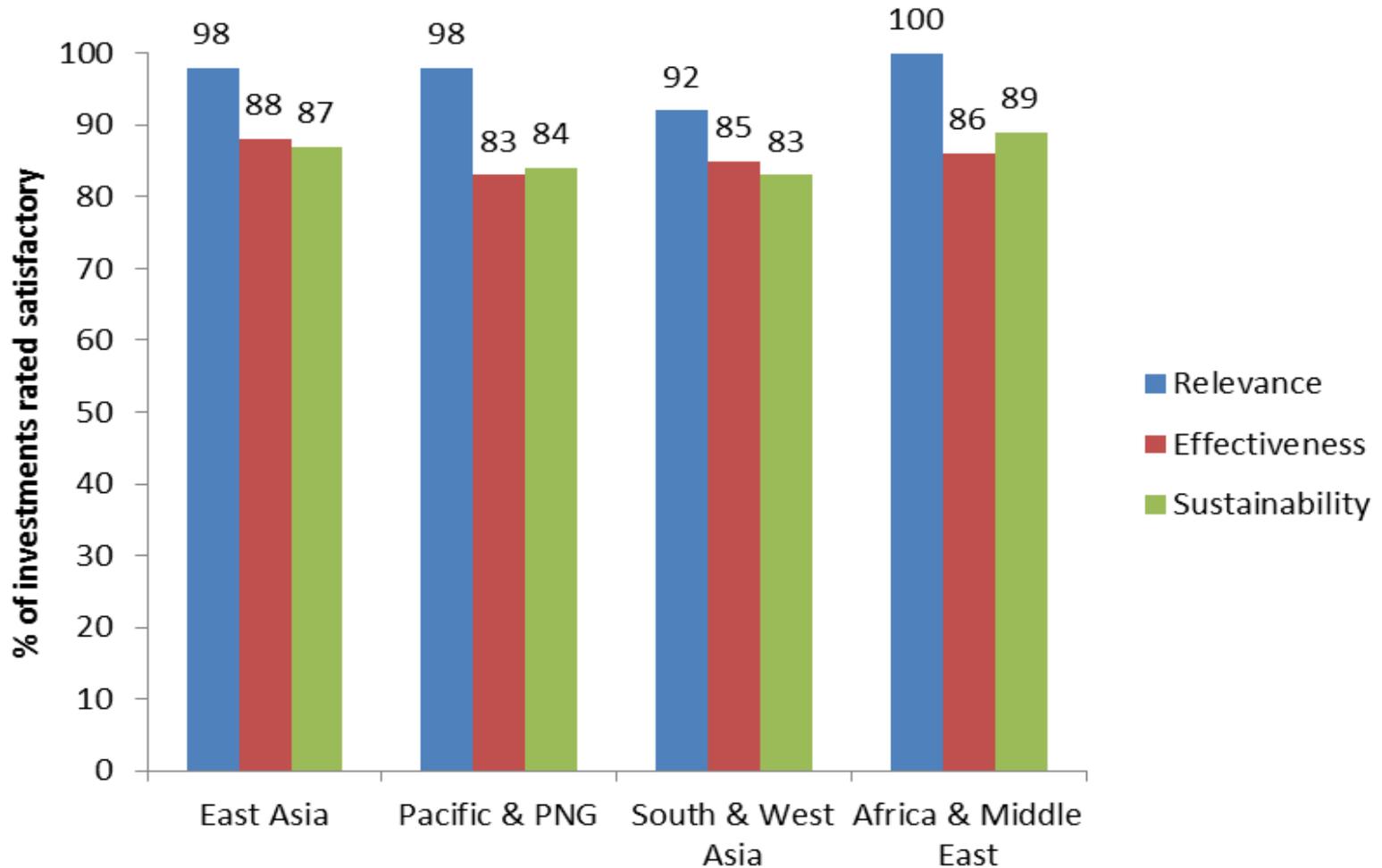


2013-14 Performance against country / regional program objectives



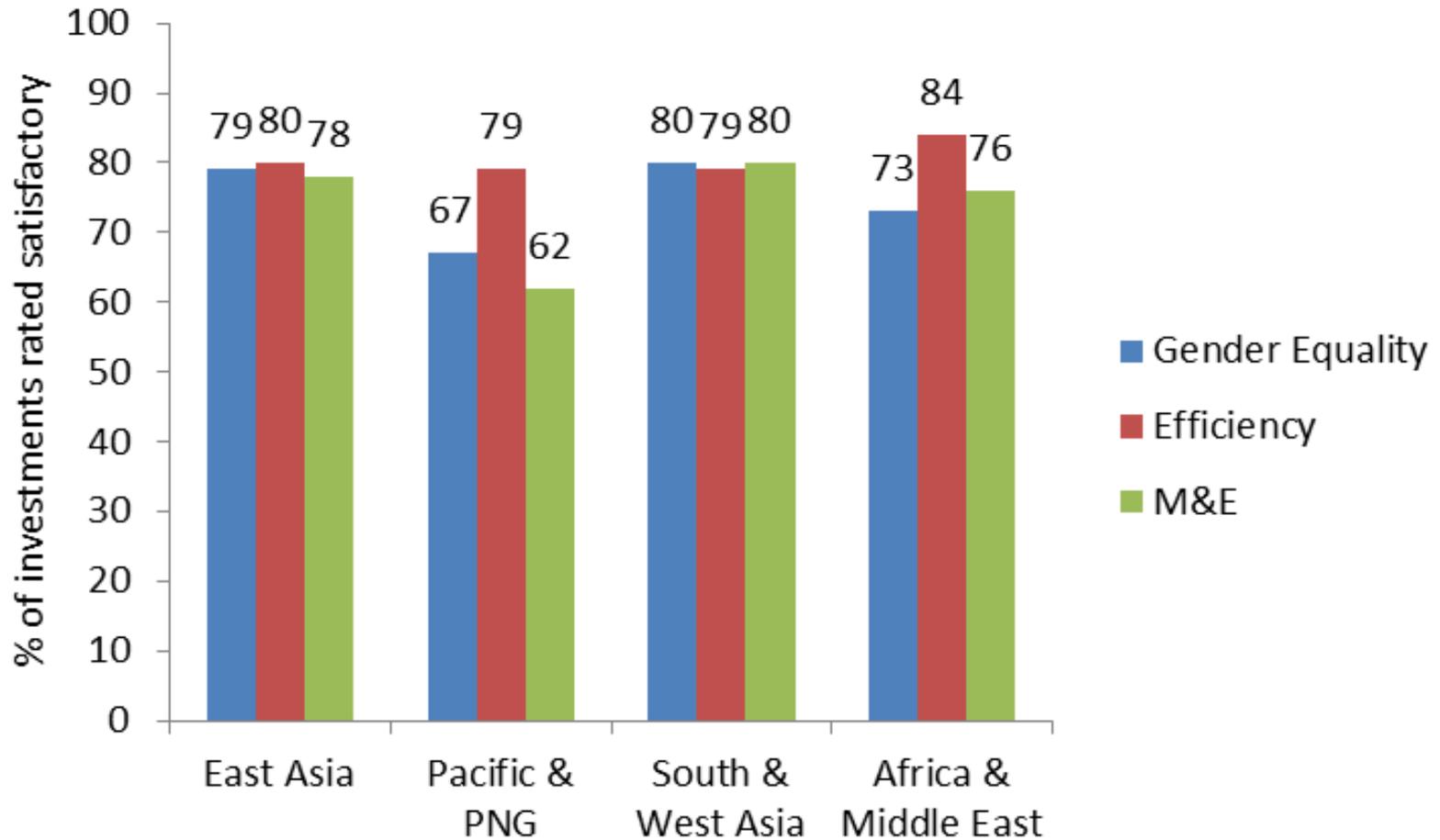


Performance of aid investments by region (1)



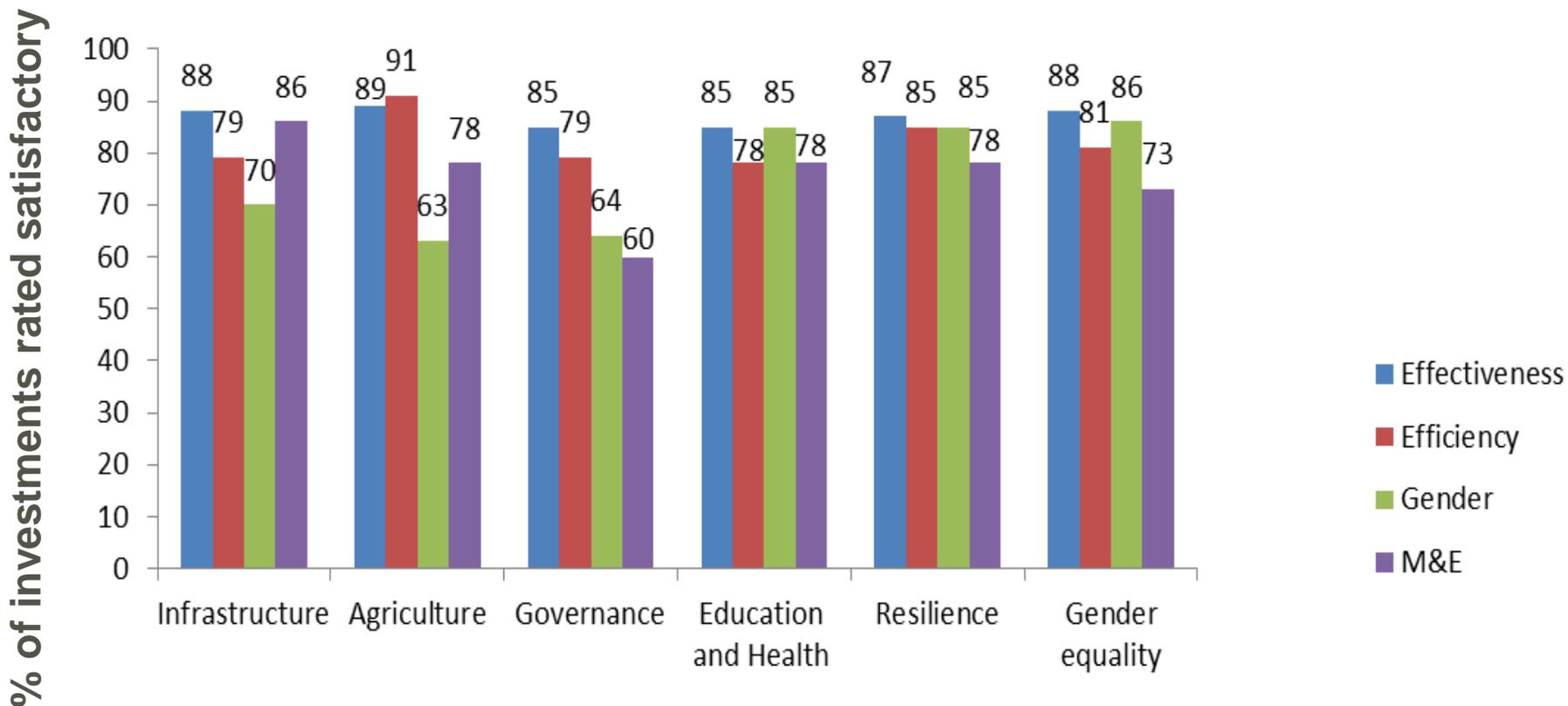


Performance of aid investments by region (2)





Aid investment performance by priority area





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3. Evolution of performance reporting in the Australian aid program



Australian aid program performance reports

- *2006-7 Annual Review of Development Effectiveness (ARDE)*
- *2007-8 Annual Review of Development Effectiveness (ARDE)*
- *2008-9 Annual Review of Development Effectiveness (ARDE)*
- *2011-12 Annual Review of Aid Effectiveness (ARAE)*
- *2012-13 Annual Review of Aid Effectiveness (ARAE)*
- *2013-14 Performance of Australian Aid (PAA)*



Annual Review of Development Effectiveness (ARDE)

- **The Australian aid program's first performance report**
- **Stimulated the development of performance management systems at the investment and program level**
- **Reports not always published in a timely manner**

Annual Review of Aid Effectiveness (ARAE)

- **Reported on performance against specific targets set under Comprehensive Aid Policy Framework (CAPF) - Tier 2 development results and Tier 3 organisational performance**
- **Covered other government departments for the first time**



Performance of Australian Aid (PAA)

- Reported against a clear, concise set of targets at the whole of aid program level
- Reporting is done geographically, sectorally and by program type (country and regional, global, other government departments)
- Includes an ODE audit-style annex



Overall reflections

- **Structure, content, focus of 3 report types has varied considerably**
- **Underlying aid planning and performance assessments have evolved and improved steadily**
- **All reports primarily serve accountability purposes**
- **Learning/ improvement purpose primarily achieved through the underpinning performance management processes, e.g. *Aid Quality Checks, Partner Performance Assessments***
- **Despite significant improvements, some areas remain challenging**



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4. Using performance information and areas for improvement



How DFAT uses performance information

- **Aid Quality Check (AQC)s used to inform improvements to existing aid investments; evaluations used to inform designs of new investments**
- **Poorly performing investments need to improve within 12 months or be cancelled**
- **Aid Program Performance Reports (APPRs) inform programming and measure progress against objectives in Aid Investment Plans for country/ regional aid programs**
- **AQC)s, APPRs and Partner Performance Assessments inform policy dialogue and performance discussions with partner governments and aid delivery partners**



2015 Investment Quality Reporting Reforms

- **Additional performance criteria included (e.g. risk, innovation)**
- **Humanitarian interventions assessed for the first time**
- **Performance criteria broken down in more detail to facilitate analysis of strengths and weaknesses**
- **Standardised quantitative measuring introduced to facilitate comparison of performance data and continuous improvement**
- **Standard criteria to assess partner performance**



2015 Investment Quality Reporting – Gender Equality

6. Gender Equality – *Is the investment making a difference to gender equality and empowering women and girls?*

Promoting equality between men and women is <i>[pick the best option below]</i>	
<input type="radio"/> a principal objective of this investment	<input type="radio"/> a significant objective of this investment
<input type="radio"/> not an objective of this investment	
Analysis of gender equality gaps and opportunities substantially informs the investment.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
Risks to gender equality are identified and appropriately managed.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
The investment is making progress as expected in effectively implementing strategies to promote gender equality and women's empowerment.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
The M&E system collects sex-disaggregated data and includes indicators to measure gender equality outcomes.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
There is sufficient expertise and budget allocation to achieve gender equality related outputs of the investment.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
As a result of the investment, partners increasingly treat gender equality as a priority through their own policies and processes.	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6
<i>Overall rating</i>	<input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> 5 <input type="radio"/> 6

Assessment (no more than 300 words)

*For investments above \$10 million: It is mandatory to provide evidence to support the ratings given. This should include any management responses.
For investments valued between \$3-10 million: Supporting text is required if an overall rating of 3 or below or 6 is given.*



Areas for future attention / improvement

- **Using performance reporting to improve gender equality and M&E in our aid investments**
- **Addressing value for money in aid investments**
- **Improving performance management systems for non-bilateral aid programs, e.g. multilateral core funding**
- **Assessing and comparing the performance of different aid delivery partners**



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