



Australian Government

Department of Foreign Affairs and Trade

2013 quality review of aid program performance reports

Office of Development Effectiveness

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Office of Development Effectiveness

The Office of Development Effectiveness (ODE) at the Australian Government Department of Foreign Affairs and Trade builds stronger evidence for more effective aid. ODE monitors the performance of the Australian aid program, evaluates its impact and contributes to international evidence and debate about aid and development effectiveness.

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The analysis, conclusions and recommendation in the quality review are those of ODE. This review was undertaken from April 2012 to September 2013. It was completed before the announcement of the integration of AusAID with the Department of Foreign Affairs and Trade (DFAT). Implementation of the report's recommendations may be affected by the changes resulting from this integration.

Foreword

To assist the continuous improvement of the Australian aid program, the Office of Development Effectiveness (ODE) in DFAT builds stronger evidence for more effective aid.

ODE draws its evidence from in-depth evaluations and reviews of Australian aid and analysis of aid performance systems to influence and advise the Australian aid program.

Overseen by an Independent Evaluation Committee, ODE is uniquely placed to assess performance across the Australian aid program and bring international best practice to bear in identifying new and better ways of working. The evaluation program for ODE is framed in this context and targets areas where effectiveness can be improved.

Abbreviations and acronyms

APPR	aid program performance report
AusAID	Australian Agency for International Development
CSO	civil society organisation
M&E	monitoring and evaluation
ODE	Office of Development Effectiveness
PAF	performance assessment framework
QAI	quality at implementation

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Executive summary

Engagement between the Australian aid program and partner countries occurs mainly through country and regional programs. The Department of Foreign Affairs and Trade (DFAT) and partner governments jointly agree on the program objectives. The program-level strategy enables Australia to tailor initiatives to the particular needs of a partner country or region.

Each year since 2008, country and regional programs have reported progress against their objectives in yearly reports, now called aid program performance reports (APPRs), which are published on the DFAT website. The APPRs aim to:

- › strengthen program management and improving effectiveness
- › provide accountability
- › assist policy dialogue and the development of new programs.

The Office of Development Effectiveness (ODE) reviews the quality of APPRs, highlighting strengths and opportunities for improvement in the reporting process and product. The review aims to:

- › establish what the APPRs can tell us about the drivers of good performance
- › assess APPR quality, including identifying cross-cutting factors that help drive that quality.

The 2013 (ODE) quality review of APPRs assessed the quality of all 2012–13 APPRs (34 in total) and the performance story they revealed. The review arrived at the following conclusions.

APPRs are critical elements of aid reporting

APPRs are the foundation of DFAT's aid reporting at the country and regional program level. Compared with the reporting of other international donors, the APPRs are a comprehensive and transparent system for assessing program performance. They are the product of a consistent line of thinking on performance management over a number of years and should continue to be embedded as a central element of DFAT's aid performance management system. The APPR process enables program staff to reflect on performance in a structured way, including through peer review. Senior management decision making about the aid program as a whole could be enhanced by making greater use of the analysis of APPR performance ratings and narratives. Greater use of analysis could also improve technical specialist engagement with program areas.

The APPRs reveal three key drivers of aid program performance

APPRs have the potential to provide considerable guidance to senior managers, sector specialists and program and quality managers on the enablers of, and barriers to, good performance. The performance narratives in the APPRs highlight three key attributes of programs that drive progress toward objectives, or, by their absence, inhibit program performance. These drivers are:

- › effective policy dialogue, linked to stronger partnerships and improved country ownership
- › capacity building that focuses on institutional support
- › reduced program fragmentation

APPR quality is improving

In general, APPRs are well written, informative descriptions of program activities and the progress made toward objectives that contain evidence-based, balanced discussion of program successes and failures. The vast majority of reports are of adequate or better quality and present an improved product from those assessed in previous ODE quality reviews. Overall, the quality of the 2012–13 APPRs reflects a strong, incremental, improvement to APPR quality and continues a general trend of improvement observed since 2008.

At their best, APPRs provide a sound assessment of the performance of the aid program in the country or region they cover. A small, but important, set of high-quality APPRs are showing a convergence of three key elements: strength in their analysis of country and regional context; a thoughtful and frank reflection on progress made toward program objectives, and the development of a set of well-targeted management consequences. These high-quality APPRs are useful management and accountability tools, and the performance ratings they set out are credible.

Areas of good practice include:

- › appropriate frankness of the performance assessment
- › assessment of program progress (33 of 34 reports provided an adequate or better assessment)
- › improved use of evidence, with the vast majority of reports being rated as providing sufficient levels of evidence or better
- › the quality of management consequences included at the end of the reports (all except one of the APPRs set out adequate or better consequences).

Further improvements in APPR quality should be sought

The quality of APPRs has progressively improved over time in line with increased expectations. However, while a growing number of high-quality APPRs are now being produced, there is still a significant degree of variability in quality across the reports. Further improvements in APPR quality will be assisted by more timely input and assistance from senior management, performance and quality staff and technical specialists. A proportional approach should be adopted, so that investment in the process and expectations of reports matches the size and significance of programs. Specific areas to be addressed include:

- › explaining the rationale underlying the program objectives and ensuring that is reflected in the assessment of program performance
- › broadening the use of credible evidence, particularly that gathered from partners
- › ensuring management consequences and recommendations follow logically from the performance narrative, thus improving the utility of APPRs as management tools.

Performance assessment frameworks are important for good quality APPRs

Performance assessment frameworks (PAFs) are performance measurement tools that articulate the logic for how aid interventions will achieve program objectives. They align program objectives with outcomes, indicators and baselines so as to track progress toward program objectives. Programs with a mature, program-level PAF generally produce better quality APPRs with clear, justified assessments of performance. There appears to be some variability in the quality of current PAFs, which may alter the quality of APPRs, although assessing this was not within the remit of the 2013 quality review.

The APPR commissioning minutes, issued by senior managers to authorise a program's APPR process, were notable for their limited references to the use of PAFs in the writing of APPRs. There was also little reference in these minutes to the value of PAFs in the APPR peer review process.

Whole-of-government performance needs to be better assessed in APPRs

While the APPR assessments of partner government, international partner and NGO contributions to program progress were generally sound, the evidence concerning whole-of-government contributions was not as positive, with a significant number of APPRs being poor or just adequate in this regard. Previous ODE quality reviews have also noted problems in reports capturing whole-of-government contribution to country/regional programs, and this situation appears unchanged. This suggests that the current reporting processes are not overcoming systemic barriers to gathering performance evidence in this area.

Recommendations and management response

Three recommendations are put forward by this review. The department agrees in principle with the findings and recommendations of the review. That said, it should be noted that this report comes at a time when the department is re-examining its performance management arrangements with a view to introducing a new set of performance benchmarks across the aid program. In this context, management cannot agree unreservedly with the recommendations. However, due consideration will be given to the recommendations in the development of the new performance reporting regime.

Recommendations and specific management responses		
<p>Recommendation 1 For APPRs to fulfil their potential as effective management tools, senior management, performance and quality staff and technical specialists should provide support throughout the APPR preparation process and actively use the results and management consequences from APPRs to monitor and improve the performance of the aid program</p>	<p>Agree in principle</p>	<p>The department acknowledges the importance of senior management engagement to the integrity of the APPR process. The department also recognises the valuable role that technical specialists and performance and quality staff play in supporting APPR development and the importance of the APPR as a tool to improve the performance of the aid program.</p>
<p>Recommendation 2 Recognising the inherent difficulties associated with assessing progress achieving high-level program objectives, the use of performance assessment frameworks (PAFs) should be further institutionalised in order to improve the quality of APPRs. This would include:</p> <ul style="list-style-type: none"> › Explicit reference in APPR commissioning minutes to the role of the PAF in preparing APPRs and informing peer reviews. Commissioning minutes should also ensure that expectations of the APPR and resources assigned to its writing are commensurate with the size and significance of the program › Clarity in APPRs as to how the PAF has informed ratings for progress toward achieving strategy objectives › ODE undertaking an initial assessment of PAFs as part of the 2014 quality review of APPRs 	<p>Agree in principle</p>	<p>The department has identified a number of country programs that are using PAFs to good effect. The department recognises that PAFs constitute good practice and is considering how these can be further institutionalised in a proportionate and fit for purpose manner.</p>
<p>Recommendation 3 The contribution of other government agencies to the Australian aid program should be more comprehensively documented in APPR reporting. It is recommended that a practical and proportionate Approach with clear coordination arrangements for capturing input from other government agencies be developed.</p>	<p>Agree in principle</p>	<p>DFAT recognises that further work is required to strengthen the coverage of other government agencies in aid program reporting. Consideration will be given to this in the development of a new performance reporting regime for the aid program.</p>

1 Introduction

Engagement between the Australian aid program and partner countries occurs mainly through country and regional programs. DFAT and partner governments jointly agree on program objectives. These objectives are achieved through a combination of direct initiatives (including aid activities of other Australian government departments), policy dialogue, and the collective contribution of other partners, including partner governments. The program-level strategy enables Australia to tailor initiatives to the particular needs of a partner country or region.

1.1 Aid program performance reports

DFAT's Performance Management and Evaluation Policy establishes a comprehensive system for assessing the performance of Australian aid. This system includes operational and thematic evaluations, reporting at the level of individual initiatives and reporting at a program level. Aid program performance reports (APPRs) form a critical part of this system by assessing the performance of country and regional programs against their key objectives on a yearly basis. In this way, the aid program can track its contribution to country and regional-level change on a regular basis. APPRs stand out in the aid reporting system as the only reporting mechanism that takes a whole-of-aid view of bilateral and regional programs. They also focus on progress toward outcomes and objectives rather than immediate outputs.

APPRs serve three purposes: assisting managers to improve the effectiveness of their programs, accountability, and the facilitation of dialogue with partners on future programming.

The APPR process provides an annual opportunity for programs to not only reflect on how they are progressing toward their objectives, but also to have their assessment of program performance tested by peer reviewers from across the aid program. Sector specialists and program and quality managers and advisers, joined on some occasions by representatives from whole-of-government partners, read draft APPRs and provide written and verbal feedback through the peer review process. APPRs are published and so play an important role in ensuring the transparency and accountability of Australia's aid program.

Finally, APPRs are a key reporting link between quality at implementation (QAI) reporting at the initiative (project) level and whole-of-aid program reporting. Drawing on the information contained in APPRs enables DFAT senior management and the Australian Government to understand how the aid program is delivering on its strategic objectives. This can inform decisions on significant shifts in country or regional strategies and associated allocation of resources.

The Office of Development Effectiveness (ODE) has carried out quality reviews of APPRs since 2008. The quality reviews report on the overall quality of the APPRs and highlight strengths and opportunities for improvement in the APPR process and product. The quality reviews have evolved in step with the aid program's own refinement of the quality requirements of APPRs.

The 2013 review has two objectives:

- › establish what the APPRs can tell us about the drivers of good performance
- › assess APPR quality, including identifying cross-cutting factors that help drive that quality.

1.2 International context

The 2013 peer review of Australia’s aid program by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), acknowledges the program’s substantial recent efforts to strengthen performance assessment and evaluation systems for Australian aid.¹ The review recognises the value of Australia’s Performance Management and Evaluation Policy, the high level of transparency of its development work, and the aid program’s efforts to create a more independent evaluation culture.

Australia’s performance policy and systems compare favourably with a number of other DAC members (Table 1). The performance assessment policies of four bilateral donors—Australia, Canada, Denmark and the United Kingdom— were compared for the degree to which they support a range of key criteria, largely based on DAC guidelines. The analysis suggests that DFAT’s aid performance assessment policy is of good quality with almost all criteria either well referenced or a strong feature. The one criterion for which ‘some reference’ is provided—efficiency/value for money—is an area to which DFAT is committed to improving.

Table 1 Assessment of donor’s performance assessment policies

	Australia	Canada	Denmark	United Kingdom
Clarity of purpose and objectives	● Light green	● Light green	● Dark green	● Light green
Integration and utility-focus	● Light green	● Yellow	● Light green	● Light green
Independence	● Dark green	● Light green	● Light green	● Dark green
Transparency	● Dark green	● Yellow	● Dark green	● Dark green
Efficiency / value for money	● Yellow	● Yellow	● Light green	● Dark green
Quality assurance	● Dark green	● Yellow	● Light green	● Yellow
Clear outputs	● Dark green	● Yellow	● Dark green	● Light green
Partnership consultation	● Light green	● Yellow	● Dark green	● Light green
Learning and future planning	● Dark green	● Yellow	● Dark green	● Dark green

- Dark green = strong feature: clear language and implementation mechanism
- Light green = well-referenced aspect
- Yellow = some reference
- Red = little or no reference

Source: ODE analysis and donor performance assessment policies.

¹ Development Assistance Committee (2013). *OECD Development Co-operation Peer Review: Australia 2013*. Paris: Organisation for Economic Co-operation and Development, p21

The APPR system also stands out for its quality and consistency when compared against the program-level performance assessment systems of a broader range of donors and international development agencies.² While all of the agencies have a results orientation, Australia sits within a select group that have established dedicated internal units to support performance management.

Among the donors considered in the analysis, Australia has the most comprehensive process of examining country and regional program performance. While other donors publish an annual performance report, and some also prepare selected thematic or regional performance reports, Australia's APPRs are notable for their coverage of all programs. Australia's APPR process is also best practice in its thoroughness, transparency, and focus on performance assessment. It reflects a concerted effort and consistent line of thinking on performance management over a number of years.

1.3 Methodology

The 2013 quality review draws on several sources of evidence:

- > previous ODE quality reviews
- > all 34 final 2012–13 APPRs (Table 2), and 15 draft APPRs
- > all available APPR commissioning minutes and available peer review material
- > performance assessment frameworks (PAFs) from 10 country programs.

Table 2 APPRs completed in 2013

APPR type	Country
Country APPRs	Afghanistan, Bangladesh, Cambodia, Fiji, Indonesia, Kiribati, Lao PDR, Mongolia, Myanmar, Nauru, Nepal, Pakistan, Palestinian Territories, Papua New Guinea, Philippines, Samoa, Solomon Islands Bilateral, Solomon Islands RAMSI, Sri Lanka, Timor Leste, Tonga, Tuvalu, Vanuatu, Vietnam
Regional APPRs	Africa, Caribbean, East Asia, Latin America, Middle East and North Africa, Pacific, South and West Asia
Multi-country APPRs	Greater Mekong (water resources), North Pacific: Palau/Marshall Islands/Micronesia, Bhutan/India/Maldives

Note: The 'mini-APPRs' from Bhutan, India and the Maldives provided in one single report insufficient information to fully gauge program progress and performance. The three mini-APPRs were included in the analysis as one APPR.

The analysis of APPR performance ratings in Chapter 2 was conducted by identifying those program objectives across 2011–12 and 2012–13 APPRs that had been given a 'red' rating, under the APPR 'traffic light' rating system (see Figure 3). Also identified were those objectives where the APPR performance ratings had improved from 'amber' to 'green' one year to the next, and a random sample of 'greens' was also investigated. Analysis of the content of the APPRs looked for explanations of the drivers of both poor and improved performance.

² Comparative evidence was gathered from public sources including government and agency websites, DAC statistics and independent databases, and considers what agencies publish on their country performance assessment systems, as well as what secondary sources (such as DAC) say about donor systems. The agencies examined were the Asian Development Bank, Bill and Melinda Gates Foundation, Canadian International Development Agency, CARE International, Danish International Development Agency, International Fund for Agricultural Development, Irish Aid, Swedish International Development Agency, UK Department for International Development, USAID and World Bank

The quality review of the APPRs in Chapter 3 was guided by 20 questions that assessed key aspects of the APPR (see Appendix C). These were informed by the APPR guideline and template and by ODE’s quality reviews from 2007–12. The 20 questions were arranged to answer five ‘cornerstone questions’ in the following key areas:

- › context and strategic orientation
- › assessment of progress toward objectives
- › use of evidence
- › partner contribution
- › management consequences.

The quality assessment process located examples of good practice and areas of weakness within each APPR and then gave a rating out of 5 against sub-questions, before aggregating these for a quality score (Figure 1) against each cornerstone question. It is worth noting that no APPR received a rating of 1 against any of the sub-questions.

Figure 1 Rating scale

Ratings	5	4	3	2	1
Explanation of ratings	Example of best practice	Good	Adequate / Complies with guidelines	Unsatisfactory / Below expectations	Unsatisfactory / Weak

Note: Ratings 3 and above indicate satisfactory quality; a rating of 3 is given where there has been compliance with the guidelines; ratings of 4 indicate that additional information and interpretation has been given to enhance the quality area; a rating of 5 reflects high quality in the given area. Ratings below 2 indicate that the quality is unsatisfactory.

Chapter 3 also highlights cross-cutting factors identified as impacting on quality across all APPRs.

2 Aid performance as described in APPRs

APPRs rate program progress toward objectives with a ‘traffic light’ system (Figure 2).

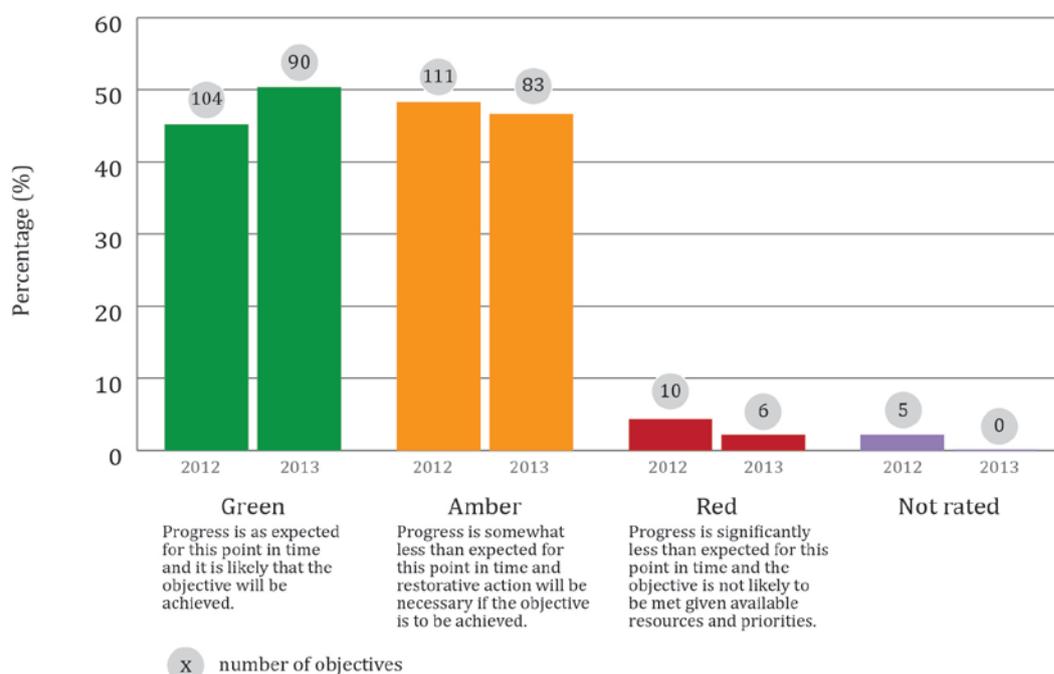
Figure 2 APPR ‘traffic light’ system

GREEN	Progress is as expected for this point in time and it is likely that the objective will be achieved. Standard program management practices are sufficient.
AMBER	Progress is somewhat less than expected for this point in time 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 for this point in time and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

2.1 Overall assessment of performance

From 2012 to 2013, there has been a slight increase in the ratio of green to amber ratings of progress toward program objectives as set out in the APPRs (Figure 3). (All ratings from all 34 APPRs are set out in Appendix 5.) The number of green ratings paints a favourable picture of the strength of Australia’s aid portfolio, indicating that more than half of the programs objectives are on track to be achieved. The number of amber ratings indicates that, for just under half of program objectives, progress is somewhat less than expected for this point in time and restorative action of some kind is necessary. The factors that enable or prevent progress from occurring as expected are described in the APPR narratives.

Figure 3 Percentage of objectives rated green/amber/red, 2011 and 2012–13



At a sectoral level, health, education and humanitarian aid have consistently been rated well for performance over the past two years. Water and sanitation, infrastructure, security and justice development, and environment and natural resource management have been rated less consistently 'green'. Improved government, security and justice, and human rights have received more amber than green performance ratings over the past two years.

As will be discussed in Chapter 3, while APPR quality has improved significantly, there is not yet consistently high quality across all criteria and all APPRs. This means there are limits to the credibility of the program performance ratings in the APPRs. So, while they are useful performance markers, they should still be read in aggregate with some caution.

It is also worth noting the significant drop in numbers of program objectives from 2011–12 to 2012–13 (from 224 to 179). This is primarily due to two programs—Indonesia and the Pacific regional program—having collapsed a large number of objectives into a smaller set. A review of the relevant APPRs suggests that this process has not skewed the percentages of 'greens' and 'ambers' from one year to the next as an approximately equal number of each rating was present in the 'collapsed' objectives.

Finally, there is a modest, positive relationship between the size of the program and the number of 'green' ratings of progress toward program objectives in the APPRs. There is likely to be a broad range of reasons for this relationship, some of which may have less to do with size and more to do with country or regional context. For example, a number of the Pacific programs are small because the countries are small, but the difficulties faced by the programs are due less to their size than the specific development problems faced by Pacific island states.

2.2 Drivers of performance

APPR narratives from 2011–12 and 2012–13 were examined for the reasons used to justify the raising of program objectives from 'amber' to 'green'. Objectives where a 'red' rating was given, along

with a random sample of ‘greens’, were also examined. From this analysis, a list of drivers of improved or poor performance were derived and have been arranged in order of their strength.

Top tier findings represent key elements of program performance that are supported by strong evidence, accounting for more than half of improved performance ratings in the 2012 and 2013 APPRs. These elements were frequently cited as essential aspects of successful performance, denoted by amber to green ratings, in almost all APPRs that were reviewed.

Finding 1: Effective policy dialogue, linked to stronger partnerships and improved country ownership, enhances performance

Improved or more effective policy dialogue linked to stronger partnerships and improved country ownership was most frequently cited as the reason for improved performance in 10 programs where the ratings against objectives had improved from 2011–12 to 2012–13. Conversely, limited partner government engagement was cited as the reason for poor initiative performance in four programs with red ratings against objectives in 2011–12 and two programs with red ratings against objectives in 2012–13. Policy dialogue is mentioned as an important aspect of strong program performance in most APPRs. Similarly, a partner government’s commitment to reform and program ownership was cited several times as a reason for performance improvement.

Finding 2: Capacity building focused on institutional support improves performance

In a small number of cases, limited partner government capacity severely impeded performance in 2011–12; four programs with red ratings against objectives in 2011–12 and one program in 2012–13 attributed the challenges to limitations in capacity. Ratings of performance improved where the program focused on capacity building at the institutional (as opposed to individual) level or enhanced resourcing, in four programs in 2011–12 and nine programs in 2012–13. This aspect of performance focuses on improving the operating context – the systems, organisations and mechanisms of change – in order to support core capacities of central and local agencies.

Finding 3: Programs perform better where there is less fragmentation

Program consolidation was a key reason for improved program performance and effectiveness. Programs with fragmentation or with multiple stand-alone activities performed poorly in two programs that received red ratings in 2011–12 and three programs in 2012–13. Performance improvement that was linked to consolidation was cited in six programs where ratings had improved in 2012–13.

Middle tier findings correspond to factors that brought performance improvement in fewer than half of the programs that improved and acted as barriers to performance progress for at least one program. They can also be seen as elements that must be in place for effective performance, as demonstrated by the rationale provided for a number of green ratings in the APPRs.

Finding 4: Effective partnerships with non-state actors improve performance

Working with civil society organisations (CSOs) and/or the private sector can extend the aid program to reach more people more effectively. Effective working arrangements with CSOs and/or the private sector were described as the reason for improved performance ratings in two programs in 2011–12 and in four programs in 2012–13.

Finding 5: Strong information and monitoring and evaluation systems facilitate improved performance

Almost all APPRs described the need for improved monitoring and evaluation (M&E) systems to improve program management. One program stated that improved information systems had improved actual performance in 2011–12 and four described additional information or research as the reason for improved performance in 2012–13. One program cited poor information and M&E systems as the reason for poor performance in 2011–12 and 2012–13. This aspect of performance refers both to the M&E systems of partner governments and the Australian aid program.

Lower tier findings are aspects of performance that come through clearly in a small number of country or regional programs. They often present aspects of strong continued performance against ratings (e.g. maintaining a green rating) but do not necessarily account for performance improvement in a large number of programs.

Finding 6: Programs with clear logic perform better

The lack of a common vision, or a program that is not underpinned by a clear intervention logic or theory of change, is linked to poor performance in two programs in 2011–12 and two programs in 2012–13. The implementation of a PAF is correlated with improved performance against objectives in two programs in 2011–12 and one program in 2012–13.

Finding 7: Performance can be more effective when it can respond to reform or disruption

Adaptation to local context, flexibility to address emerging priorities, and response to government reforms can improve program performance. In the same way, disruption from local elections, natural disasters or changes in government priorities can delay progress and hinder performance. Flexible programming or changes in the reform agenda accounted for improved performance in one program in 2011–12 and two programs in 2012–13.

The limited analysis presented in this chapter of the APPR performance ratings provides some useful perspectives on whole-of-aid-program performance. Future analysis could go further and provide clearer sectoral breakdowns of the enablers and barriers to progress. For such performance analysis to be fully credible, however, the quality of the APPRs and their ratings needs to be assured. It is to the question of APPR quality this review now turns.

3 Quality review

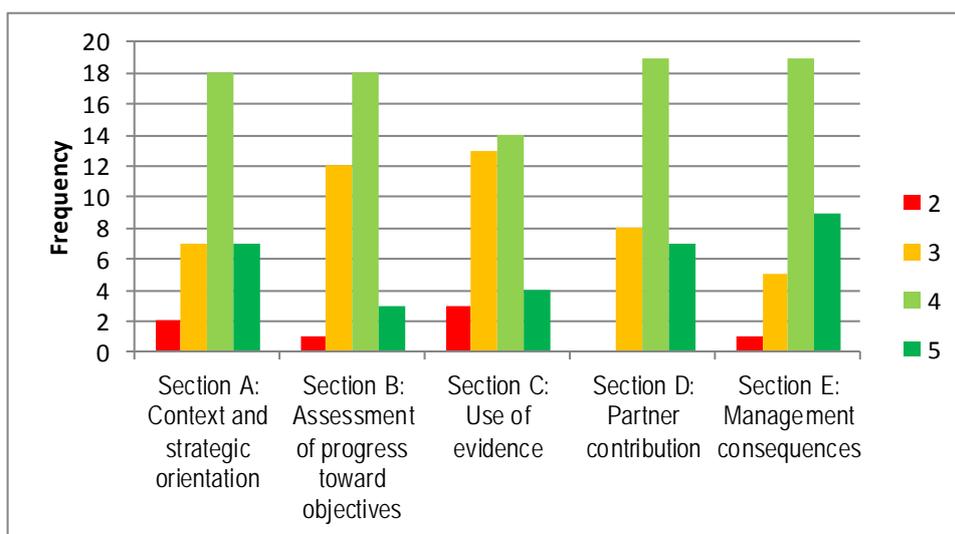
In general, APPRs are well written, informative descriptions of program activities and progress toward objectives that contain evidence-based, balanced discussion of program successes and failures. The vast majority of reports are of adequate or better quality and present an improved product from those assessed in previous ODE quality reviews.

A small group of programs provide examples of best practice in relation to a number of the key quality criteria, and a slightly broader band of 'high-quality' APPRs have a rating of 4 or 5 across all quality areas. A smaller group of programs received only adequate or unsatisfactory ratings across the quality questions. The lower-rated APPRs are generally, although not always, from small programs with a limited capacity to support APPR writers, or are from relatively new programs. The question of whether the same quality standards should apply to all APPRs is discussed under 'Proportionality' in section 3.6.

The quality of APPRs continues to improve, but consistently high quality across all APPRs has yet to be achieved. This is partly because expectations of APPR quality have increased since the reports' inception. A more demanding standard of APPR quality is in line with the APPRs' potential value to managers as performance management and accountability tools.

The frequency of the quality ratings for each of the cornerstone questions is set out in Figure 4. The following discussion explains how the quality ratings were allocated and the issues that were revealed through the rating process. The full set of quality ratings can be seen in Appendix D.

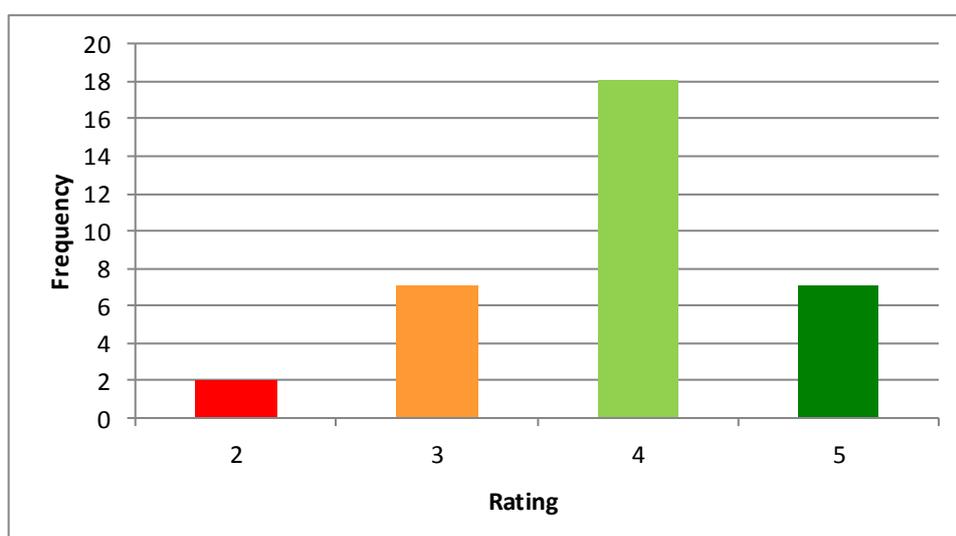
Figure 4 Frequency of ratings against cornerstone questions



3.1 Context and strategic orientation

Cornerstone question 1	Does the discussion in this section clearly explain the relevance of Australia’s development program and strategy in light of the current country and regional context?
Subquestion 1a	Does the context analysis explain the key development challenges and needs of the country and region, with an emphasis on changes that have occurred during the reporting period? Is this analysis used to explain the Australian program objectives?
Subquestion 1b	If there is a stated strategy or ‘theory of change’? Does this explain how program objectives will be achieved, and does this explanation reference the country and regional context analysis? In the absence of a stated strategy or theory of change, is some other explanation for achieving program objectives, given the context, provided?
Subquestion 1c	Does the report make clear the proportion of Australia’s aid in relation to other donors and national indicators, and the program and strategy implications of that?

Figure 5 Frequency of ratings against ‘context and strategic orientation’



Key findings

All but two of the 34 reports set out a clear discussion of country and regional context that explained the relevance of Australia’s development program. Seven APPRs represented best practice in this regard. They clearly articulated the relevance of Australia’s program and fully contextualised its objectives. These reports also provided information that indicated the proportion of Australia’s aid in relation to other donors and the strategic and logistical implications of this. Just over half of all APPRs (18) were ‘good’ and provided analysis that went beyond minimum compliance with the guidelines, while seven provided information that was deemed to be ‘adequate’, and two were ‘unsatisfactory’.

With few exceptions, the contextual analysis in the 2012–13 APPRs offers a coherent description of the development context of the country or region. To achieve an ‘adequate’ quality rating, APPRs had to summarise the country’s progress toward key international indicators (such as the Millennium Development Goals) and the performance of the country and region in terms of development objectives.

Earlier ODE quality reviews noted that there was a high level of variability in how well APPRs established a strategic linkage between context and program objectives. The 2012 quality review noted that the context section was relatively homogenous across reports and often failed to capture the recent contextual issues or nuances that might affect program strategy and performance assessment. The 2012–13 APPRs mark an improvement in this area.

The higher quality reports had a focused narrative which was supported either by a theory of change, a program logic, or a clear statement of the strategic rationale for Australia's aid program in the country or region for the defined strategy period. While usually embedded in the discussion of the individual initiatives rather than explicitly stated in the context section at the start of the reports, more than half of the APPRs articulated their theory of change or program logic to a good or better standard. In the APPRs that were rated 'adequate', the program logic was not fully explained, even though a wide range of development challenges were usually described.

High-quality reports also tended to explain the specific nature of poverty in the country or region, and then used that to help the reader understand the rationale for particular program objectives and the strategies by which they were to be achieved.

There was some variation in the level of description of the donor landscape and the proportion of Australian aid. 'Adequate' ratings were given to reports that indicated the relative proportion of Australian aid (e.g. 'Australia is the second largest donor after Japan'). 'Good' reports provided a full description of the nature and dynamics of the donor landscape including the contribution of multilateral programming and the relative importance of different channels of aid. High-quality reports also described, where appropriate, the strategic and/or operational role of Australian aid in relation to other donors and the partner government.

Good practice example 1: Framing current development challenges and Australia's position

The Fiji APPR stands out for the quality of the poverty analysis included in the context section, and for the way that is linked in with a broader political economy analysis. The donor landscape is clearly described, as is Fiji's development progress in relation to other countries in the Pacific region. Importantly, the current political challenges in the Fiji–Australia bilateral relationship are examined frankly and the limits they place on the program are acknowledged:

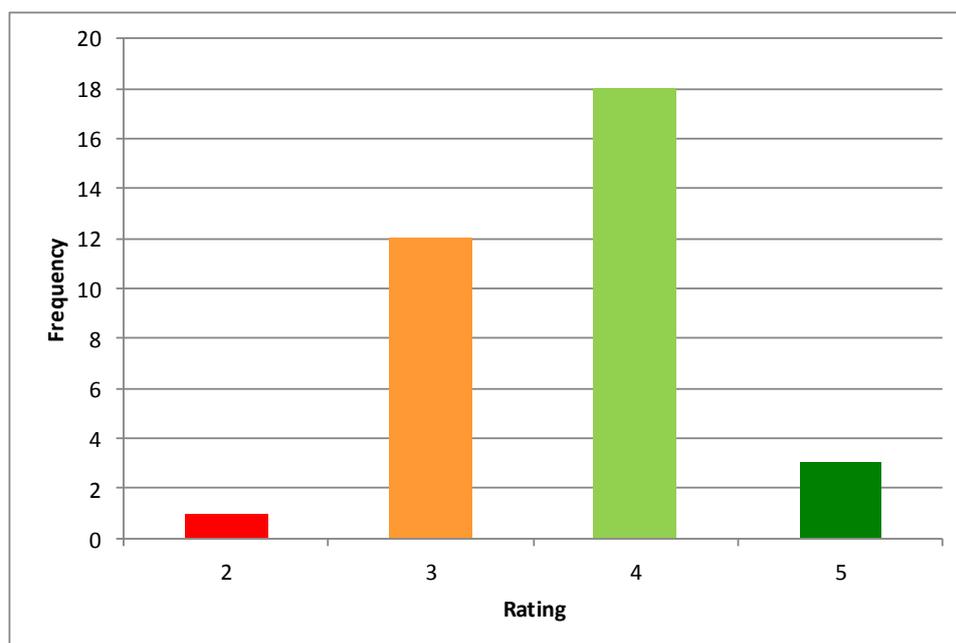
Due to restricted engagement with government, Australia has limited ability to influence policy, legislative or budget decisions in support of its poverty reduction objectives in Fiji. Australia's ability to work with the highest levels of government to promote reform is also restricted.

Because of the limitations around policy dialogue, the program focuses on assistance at the point of service delivery and largely works through managing contractors. It attempts to assist disadvantaged populations directly by improving access to quality education, strengthening primary health services and building resilience and economic opportunities in disadvantaged communities. The contextual clarity around program objectives and strategies at the beginning of the APPR helps the reader better understand the performance ratings and narrative later in the document.

3.2 Assessment of progress toward objectives

Cornerstone question 2	Does the APPR clearly assess and explain the program's progress toward its objectives over the reporting period?
Subquestion 2a	Are the objectives sufficiently framed at the outset or in the narrative as statements of intent that are measurable (quantitatively and/or qualitatively)?
Subquestion 2b	Does the narrative explain and justify the progress ratings against each objective?
Subquestion 2c	Where appropriate, is the policy dialogue engagement with partners clearly explained?
Subquestion 2d	Is there an appropriately open, balanced discussion of the program's successes, failures and challenges?

Figure 6 Frequency of ratings against 'assessment of progress toward objectives'



Key findings

A vast majority of APPRs (33 of 34) provided an adequate or better assessment of program progress. Twelve were rated as 'adequate', while 18 presented 'good' performance assessments. Three APPRs presented best practice. In all three cases there was a coherent articulation of the change evident within the sectoral areas, including a discussion of the levels of partner engagement beyond the delivery of initiatives. An area of strength in many of the APPRs (21 of 34) was their balanced discussion of successes and failures. However, more needed to be done to ensure the actual performance ratings in the APPR were supported by the assessment of progress in the report narrative.

The 2013 quality review finding that most APPRs provided an adequate assessment of progress comes with some qualifications. In just under half of the APPRs, while the assessment of progress is 'adequate', the narrative is not completely clear on what progress toward objectives should have been achieved in that particular year. Similarly, there is often insufficient clarity around how change trajectories should be understood in different program contexts.

ODE quality reviews from 2008–12 have consistently noted that unclear or inappropriately pitched objectives are a critical barrier to APPRs providing precise assessments of program progress.

According to the 2012 quality review, many objectives were framed as ‘relatively high-level, broad statements’ which did not lend themselves to clear assessment or tracking. It found that realistic and well-conceived objectives are critical in facilitating a high-quality assessment of performance.

The 2013 quality review continues to support the claim that appropriately pitched objectives are the foundation of good performance assessment. This year’s quality review does, however, differ from previous quality reviews in that it looks beyond the formal wording of the objectives to also consider how well objectives are articulated in the APPR narrative. It then assesses how well the narrative justifies the APPR performance ratings. This allows for the possibility that APPRs may be able to articulate progress adequately despite imprecisely worded program objectives.

The APPRs reveal at least two ways in which clear performance narratives can be produced. First, high-quality APPRs often used a PAF to inform their justifications of progress against objectives. PAFs enable the tracking of progress against each objective through the use of defined milestones or clear end-of-strategy targets that can be compared against baseline data (see section 3.6).

Second, in other APPRs, especially several from Pacific programs that work under very broad, high-level Partnerships for Development agreements, a helpful distinction is made between the limited set of broad objectives agreed upon with the partner government and an extended set of more precise or intermediate outcomes that focus on sectoral areas. Adopting this approach may be of value to programs with country strategies that currently are not aligning high-level, aspirational development goals with objectives that can be appropriately tracked.

A specific area of performance narratives that required greater clarity was their explanation of the role and contribution of policy dialogue to outcomes. A large number of APPRs positively discussed the importance of policy dialogue to program performance. In many there was an opportunity to go further in explaining *how* dialogue contributed to performance. Program-level PAF clarity on the kind of policy dialogue that supports progress toward program objectives would assist future APPRs.

Some APPR narratives can also do more to explain what good performance means in the context of their programs. The performance ratings set out in APPRs mean different things in different contexts depending on the nature of the development change that is being pursued. This is not always made clear in the APPRs’ own performance narratives. For instance, the type of progress achieved through policy dialogue in the Philippines will be different from that where the goal is to keep basic utilities running in Nauru, although both may deserve a ‘green’ rating for performance.

A notable feature of almost all of the APPRs was the appropriate frankness of the performance assessment. With only a few exceptions, the APPRs provide information about both the challenges and successes in delivering the Australian aid program in a way that improved on previous APPRs. In taking this further, future APPRs need to ensure the narrative’s discussion of delays or barriers to progress are appropriately reflected in the performance ratings. For instance, in the face of serious disruptions to program delivery, some programs still give a green rating of performance against the associated objective. There may be a justifiable rationale for the rating, but the narratives, while frank, did not describe the disruptions in a way that clearly explained the performance rating.

Finally, there appears to be a direct, though moderate, relationship between the quality score for this criterion and the size of the program, both within their countries and regions and also in relation to Australia’s aid programs in other countries and regions. This may indicate that the formal requirements of the APPRs are not always proportional to the size and capacity of the programs.

Good practice example 2: Accounting for policy dialogue

Before discussing progress toward the specific program objectives, the Philippines APPR describes how the program's strategy to achieve those objectives is based on working through long-standing partnerships with government agencies, multilateral organisations and civil society organisations. The goal is to:

... better coordinate our respective development efforts, share resources, gain access to knowledge and analytical capacity and build trusted long-term relationships with other organisations.

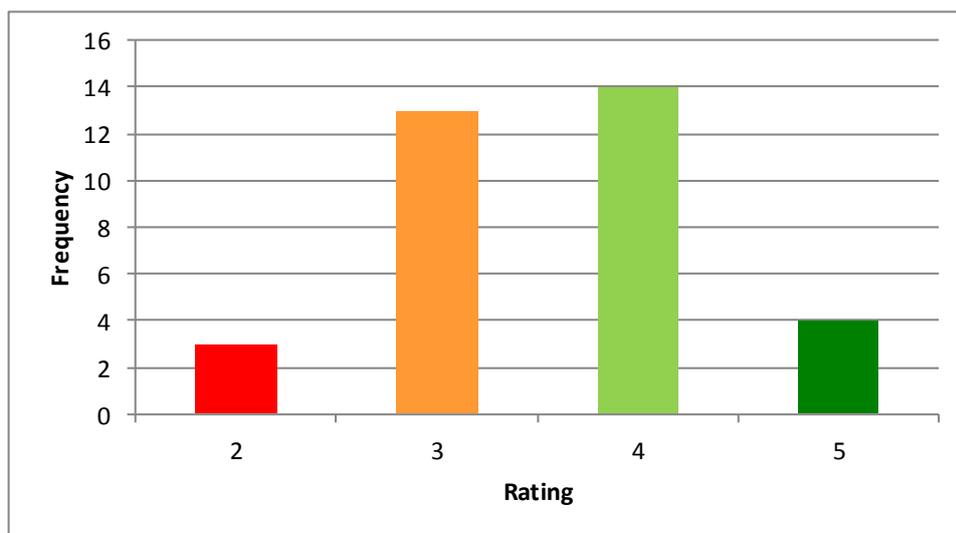
This links back to the discussion in the context section around how the program's choice to focus on partnerships and policy dialogue is driven by the small volumes of Australian aid compared with Philippine government expenditure. How this partnership approach, and the policy dialogue it enables, assists program performance at an objective and initiative level is explained at key points through the APPR. For example, in relation to the Disaster and Climate Risks Management initiative, the report notes that the program has engaged in substantial policy dialogue with the Philippines government:

... particularly in harmonising the interlocking yet separate policies on disaster risk reduction and climate change adaption. This guided the preparation of planning guidelines on integrating these two areas into provincial planning and local level land use planning processes. This is complemented by capacity building of 155 provincial and local planners and technical officers on risk information and planning, which produced 81 provincial disaster and vulnerability assessments. These are now the basis of planning policies and investment decisions to make localities more resilient.

3.3 Use of evidence

Cornerstone question 3	Does the level and range of evidence support the APPR's assessment of progress?
Subquestion 3a	Has relevant evidence been drawn from an appropriate range of internal and external sources given the program context?
Subquestion 3b	Is the results evidence appropriately contextualised and the contribution of AusAID made clear?
Subquestion 3c	Are the sources of evidence referenced appropriately?

Figure 7 Frequency of ratings against 'use of evidence'



Key finding

The majority of APPRs (31 of 34) provided at or above the minimum of a sufficient level of evidence, as set by the APPR guidelines, to support their assessment of progress. Of these, 13 presented sufficient evidence but did not fully support the APPR's assessment of progress, often due to the failure to provide baseline data. In 7 APPRs there was little baseline evidence provided against which the Australian aid program contribution to results could be compared. Four APPRs presented outstanding use of evidence, including the use of baselines, justifying the highest quality rating. In the majority of the APPRs, evidence was drawn from a range of internal and external sources, and there was sufficient referencing. Future APPRs can improve their use of evidence by better contextualising the contribution of Australian aid.

The use of evidence has been a focus of previous quality reviews. The 2011 quality review found there were long-running issues around programs relying on a narrow evidence base or a limited M&E system. The 2012 quality review found a number of examples of good use of evidence, but also concluded that the majority of the APPRs still relied too much on QAI ratings, and many did not provide sufficiently balanced evidence. While some of the issues raised in previous quality reviews remain in the 2012–13 APPRs, there is a noticeable improvement overall in the range of evidence employed.

'Adequate' ratings of quality were given to APPRs that drew upon evidence from a range of sources and referenced it appropriately. The key improvement this reflects is the broadening of the evidence base beyond just the QAI reports.

Those APPRs rated as 'good' against this quality criterion generally provided a context for the evidence and clearly indicated AusAID's contribution to the results achieved. They also referred to external data or evaluative material where appropriate.

It is of note that the four 'unsatisfactory' ratings were for programs that did not have a PAF. This finding is discussed further in section 3.6.

Overall, where further improvement is required is in using evidence effectively to support the assessments of progress, especially in explaining progress against the expected contribution of Australian assistance to a particular area of change. An example of this is indicating the relative significance of quantitative results. For example, the number of people assisted needs to be presented as a percentage of the targeted population, or in comparison with the expected result. In 13 of the APPRs there were examples of this not occurring and seven of the APPRs were of poor quality in this regard.

Finally, the current APPR guideline and template does not provide guidance on expectations for the quality of the evidence used in the reports. In the APPRs there is little discussion of the credibility of data sources, although the challenge of obtaining good quality statistical data from partner governments is occasionally noted. Similarly, there is little explanation of Australia's involvement in gathering the evidence, or use of external evaluative verification to support the evidence.

Good practice example 3: Evidence used effectively to interpret Australia's contribution

The Papua New Guinea APPR presents strong evidence that, on the whole, appropriately indicates the contribution of Australian aid. The evidence is drawn from independent annual sector reviews as well as available government data. Where possible, recent evidence is supported by baseline data, enabling the measurement of progress toward interim objectives. For instance, against Objective 1, *Working toward improved health and HIV/AIDs outcomes*, there is a consideration of targets, baseline results and gains made in delivering health services. The results are drawn from data gathered from nongovernment organisation partners as well as independent sector reviews of progress and program effectiveness.

AusAID's support for improving health and HIV/AIDs outcomes is clearly indicated, for instance, in provision of HIV tests to pregnant women. The credibility of the evidence is established via an assessment of the reliability of the data and some contextualisation of the 'numbers'. For example, in relation to the program's attempt to improve the distribution of medical supplies, the APPR states that:

Medical supply distribution targets are on track, with stock availability increasing from 47 per cent in 2010 to 83 per cent in 2011 as a result of Australia's distribution efforts, and will likely meet the 2015 target of 85 per cent. In 2012-13 Australia has distributed 3597 quality-assured 100 per cent medical supply kits to approximately 2000 health facilities (95 per cent coverage for health centres and 65 per cent coverage for aid posts).

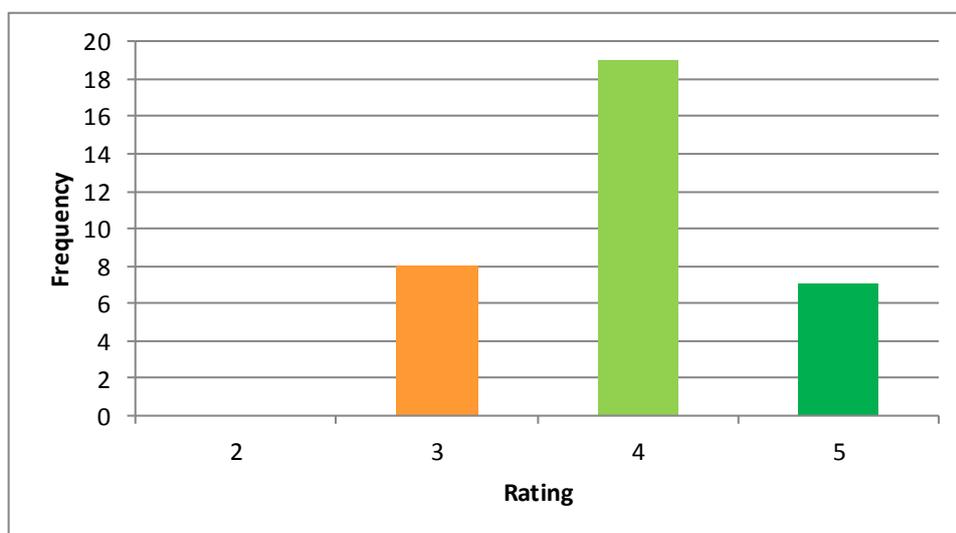
Performance-linked aid targets are also on track, despite slippages in timeframes. Important achievements included appropriate funding allocations, approval of a multi-year procurement plan and the release of an international tender for the 2014 medical supply kits. In 2012-13, Australia and Government of PNG agreed to establish an independent health procurement authority to manage medical supply procurements in the medium-term. However, up until recently, progress of this reform has been delayed at the central level of government.

3.4 Partner contribution

Cornerstone question 4	Does the APPR clearly describe and assess the contribution of partners to program progress?
Subquestion 4a	For whole-of-government partners?
Subquestion 4b	For international partners*?
Subquestion 4c	For partner governments?
Subquestion 4d	For civil society and private sector partners?

* This includes delivery partners such as UN Agencies and multilateral bodies such as the World Bank and the Asian Development Bank.

Figure 8 Frequency of ratings against 'partner contribution'



Key findings

All of the reports made reference to the role and contribution of partners, with the exception of whole-of-government partners. Most reports (19) were rated as 'good' while 8 only presented 'adequate' information. Seven APPRs presented a high-quality 'best-practice' account of the contribution of partners. The spread of ratings is toward the higher end of the scale (between 3 and 5).

The APPR guideline and template is clear on the elements that should be included in an APPR with regard to partner performance. High-quality 2012–13 APPRs fulfil the guidance by clearly identifying and assessing the presence and effectiveness of partners (e.g. multilaterals, CSOs, private sector entities), and taking stock of their expected contributions to the achievement of program objectives.

While all APPRs mention the presence of partners to varying extents, there is a great deal of variability in how partner contribution is stated or tracked. This variability extends to APPRs that report on programs where Australian aid has a limited management presence on the ground; as partners are responsible for the bulk of program delivery in those countries and regions, it would be expected their performance would be discussed in a consistently robust way.

Whole-of-government partners feature in the 2012–13 APPRs to a much lesser extent than international partners and CSOs. Three APPRs provide clear information about the role and contribution of whole-of-government partners, 12 provide a good level of information, 13 provide an adequate level, and six failed to meet an adequate standard of reporting on this issue. This spread of

quality, and the significant number of unsatisfactory ratings, is in line with findings from previous ODE Quality Reviews, indicating that the 2012–13 evidence-gathering process has not rectified the issue.

The APPR guidance for 2012–13 encouraged liaison between APPR authors and other government agencies, in addition to Whole of Government Branch gathering data on ODA relating to the direct appropriations of other government agencies. The wording of the guidance is, however, somewhat ambiguous. Good reporting of whole-of-government contributions to APPRs is an inherently difficult issue to resolve, although, where aid funds are delivered under contract with other government agencies, reporting requirements can be specified. Generally, though, government agencies are vertically accountable for their own direct appropriations, creating a tension with whole-of-government joint approaches across the Australian government. The aid program is not immune from this systemic challenge to coordinated reporting.

Multilateral partners, such as the World Bank and United Nations agencies, are key delivery partners in many of Australia’s operating contexts. Their role is clearly discussed in 26 reports with limited mention in the remaining reports. Their contribution to program progress is stated in many of the reports, but not always with a clear assessment of their effectiveness as partners.

The presence of CSOs is often stated, but is frequently not accompanied by a full assessment of their role or the extent of their effectiveness in assisting the achievement of program objectives. There are 21 APPRs that mention CSOs within the country and regional context; 15 of these articulate the extent to which they contribute to program progress. Private institutions, by comparison, play a relatively small, but important, role in the aid landscape, as described in 8 programs.

Most programs indicate the central role of partner governments in contributing to development outcomes. The high-quality APPRs describe the strategic priorities of the partner government and how successful the government has been in pushing forward its development agenda. Partner governments’ contributions are fully discussed in 24 reports. However, as was noted also in the 2012 quality review, none of the APPRs indicate that partner governments were consulted for the drafting of the APPR or discuss how the APPR process may assist in cultivating dialogue on programming with partner governments (in line with the third purpose of APPRs set out in the guideline).

Good practice example 4: Clear indication of the role and contribution of multilateral and non-governmental partners for program delivery

The Indonesia APPR provides a strong discussion of the role and contribution of partners including multilateral development partners (e.g. World Bank and United Nations agencies), Australian Government departments (in this case, 10 federal Australian departments) and also the working relationship with the Indonesian Government. Key partnerships for each area of strategy intervention are described with reference to the respective contributions of the different agencies or how policy dialogue in conjunction with program partners has contributed to successes. The APPR clearly explains how the program seeks to manage its relationship with partners:

Biannual implementing partner forums were held to facilitate learning and information sharing on implementation issues more broadly. These forums, together with the quarterly team leader sessions, provide a valuable information source for AusAID and its partners to learn from each other and continually improve the effectiveness of the Indonesia program.

In relation to the World Bank partnership, the APPR provides further clarification:

During 2012, AusAID has focused strengthening our strategic engagement with the World Bank, our largest multilateral development partner (\$55.7 million disbursed in 2012–13) and with the

support of the World Bank Country Team we have agreed a governance framework for the strategic oversight of Trust Funds and AusAID/World Bank engagement in Indonesia. Through this framework, frequent meetings between the senior management of both sides are held to ensure senior management guidance to the whole portfolio.

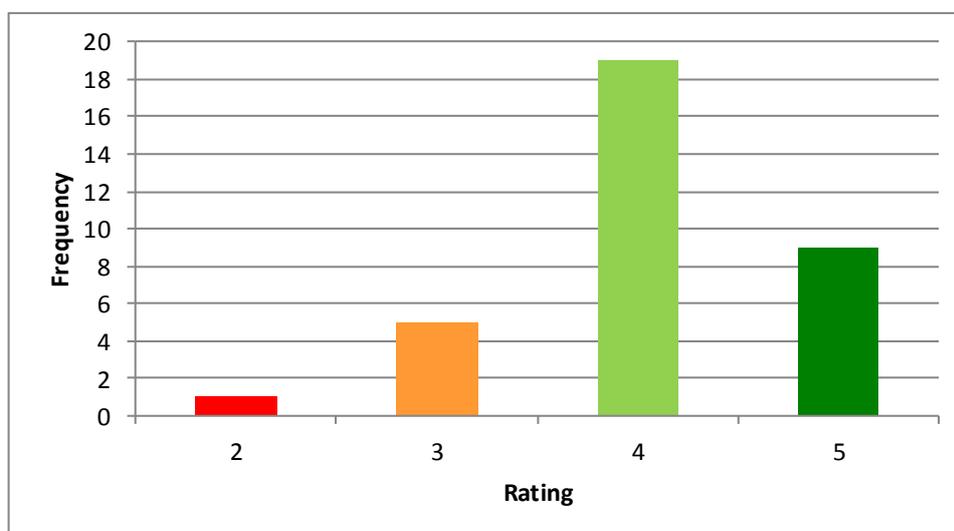
The Indonesia APPR could have gone further still in assessing the strengths and weaknesses of its partnerships. An example of how this may be approached can be found in the Vietnam APPR, where it discusses the strength of the program's relationship with the World Bank in the following terms:

AusAID's country-level partnership with the World Bank enables joint analytical work, directing larger resource flows to shared priorities and responding to the aid effectiveness agenda. It also allows greater resourcing for activity design/preparation, supervision and evaluation thereby enhancing the prospects for activity effectiveness and lesson learning. The first year of the partnership has primarily focused on the identification and development of individual activities. AusAID and World Bank management expressed satisfaction with the operation of the partnership at the December 2012 Steering Committee.

3.5 Management consequences

Cornerstone question 5	Does the APPR clearly assist program management decision making?
Subquestion 5a	Is there a logical connection between the management consequences section and the risks to future progress flagged in the other sections and in Table 3 (Risks associated with the program and management actions)?
Subquestion 5b	Are the specific management consequences framed so they are relevant to program strategy and management and are also actionable within the reporting period? Are they also prioritised?
Subquestion 5c	Are lessons from the experience of implementing the previous year's management consequences noted and acted upon in this year's consequences section?

Figure 9 Frequency of ratings against 'management consequences'



Key findings

All except one of the 2012–13 APPRs were 'adequate' or better in providing management consequences that met the quality criteria. Of these, nine high-quality APPRs provided the logical connection between the management consequences section and performance issues in the narrative in a way that could clearly assist program management. A small number (7) only presented partial direction for program management. One APPR, while adequate overall, did not provide management consequences that could clearly assist with program decision making.

Overall, the APPRs comply with or exceed guidelines in this quality area. The reports provide reasonable assessments of progress in addressing management consequences from the previous reporting period, although there is some variability in the level of precision and the performance orientation of the explanation.

The usefulness of APPRs for program management has been a focus for all the ODE quality reviews. This aspect has consistently improved since 2008, with that improvement continuing in 2013. There remains some way to go before APPRs realise their full potential as management tools, but the trajectory of progress in this quality area is positive.

The high-quality 2012-13 APPRs connect the program management issues (challenges or opportunities) flagged in the progress assessment sections of the reports with a set of relevant, executable management consequences. Best-practice APPRs clarify the levels at which management consequences are pitched (e.g. at country or regional program management level, at senior

management level etc). They also explain the progress made in implementing the lessons from the previous reporting period and then link this to decisions on future program management.

Some APPRs organise the management consequences by objective, which is a useful and logical way of bringing together the management issues by sector and cross-cutting theme. Another useful way of setting out the management consequences is to prioritise the management consequences in order of importance.

There is some variability in terms of how management consequences are framed. Some APPRs stay at the 'whole-of-program' level view of operations while others complement this with a sectoral-level view.

Good practice example 5: Working to improve performance through management decisions

The Australian Mekong (water resources) APPR clearly assesses whether the program objectives have been achieved. The management consequences section describes how the APPR informs the ongoing development of a new delivery strategy for 2013–17 that will outline a refined set of objectives; it then indicates which partnerships will be sought to implement each component of work. The APPR clearly sets out how management decisions are expected to improve performance; the management consequences section clearly reflects on the issues that were raised in the performance sections. One example of how this relationship between analysis and action is written up can be seen in the following:

The Mekong River Commission continues to be plagued by ineffective human resources processes and a fragmented organisational structure that greatly impedes its effectiveness. Its inability to fully implement the 1995 Mekong Agreement and to effectively mediate disputes between member countries leaves it diminished. Our approach to the Commission in our new delivery strategy reflects these challenges. We have proposed core funding instead of program-specific funding to help the Commission centralise planning that will support the transition of key functions to member countries over the next few years, and to refocus the secretariat with a narrower set of responsibilities that can be discharged more effectively.

3.6 Cross-cutting findings

Use of a performance assessment framework

A PAF is a document that sets out outcomes, indicators and baselines for the purposes of tracking progress toward program objectives. It requires that each program have a clear logic that explains how aid interventions will achieve their objectives and the assumptions underlying this logic. This information is used in both internal and external reporting. The APPR guideline recommends the use of PAFs, where available, to assist in writing an APPR because of the way in which they help clarify performance expectations.

All programs were expected to have a PAF in place, or a plan for its development, by the end of 2013. In the 2012–13 APPRs, 15 programs mention the use of a PAF in some form, although not all were finalised. Plans for the development, or revision, of a PAF was noted in 9 APPRs, while 11 made no mention of PAFs at all.

Of the 9 country programs that scored consistently well (rating of 4 or higher) in all APPR quality areas, 7 referenced a PAF and/or an active framework for delivery of strategy at a sector level. No program with a PAF recorded an 'unsatisfactory' rating for any element in this year's quality review,

whereas the 7 'unsatisfactory' ratings all applied to programs without PAFs. The programs that have used a PAF have a 'best-practice' rating in at least one quality area of the APPR.

The presence of a PAF does not result automatically in a high-quality APPR. There was some variability in the impact of PAFs on APPR quality in the 2013-13 reports, and that variability seems to relate back to the quality of the PAF and the program management context in which it is created and used. From the limited evidence that can be gleaned from the narratives in the APPRs, the usefulness of a PAF appears to depend on their maturity, the clarity of their performance logic, the degree to which they are initiated and supported by their programs, and the extent to which they are used to guide program management.

It was not within the scope of the 2013 quality review to assess the issue of PAF quality and context in detail. There would be value in including such assessment in future quality reviews.

Senior management guidance

The 2012 ODE quality review recommended that a baseline assessment of senior management guidance to APPR writers be conducted. The intent was to improve understanding of the role of senior management in overseeing the quality of the APPR process. This recommendation was based on the finding that senior management engagement was potentially a key driver of APPR quality.

ODE responded to the recommendation by including in the 2013 quality review an assessment of the available APPR commissioning minutes (covering 28 programs). Commissioning minutes are the formal documents signed by senior managers that authorise and instruct the writing of a program's APPR. While limited as indicators of senior management engagement with the APPR process, these minutes do at least signal the formal intent of senior managers in a relatively objective way. ODE's peer review minutes and notes, a less objective source of information, were also considered in order to enable some assessment of senior managers' chairing of APPR peer reviews.

All commissioning minutes established the basic expectations of an APPR, reiterated the need for writers to adhere to official APPR guidance, and set out the process timeline. Some commissioning minutes went a little further and spelled out the specific requirements of the APPR in their particular program context, clarifying how the APPR fits within current strategic priorities. In some cases they identified key stakeholders, including whole-of-government partners and partner governments, along with specification of the APPR team and the lead manager of the APPR process. Some commissioning minutes proposed a division of labour between Canberra and the Post and outlined the peer review process.

Of most interest was the limited reference within the commissioning minutes to the presence or role of the PAF in preparing the APPR; this was the case even in those programs that had a PAF. It is surprising that senior managers did not do more to flag the importance of PAFs as the foundations of good APPRs, or to recommend that PAFs be standard documents to inform peer reviewers.

One issue noted across the peer reviews was that senior managers, as chairs, provided inconsistent directions to participants on how to describe and assess program performance. This possibly indicates that a range of interpretations exist around what constitutes 'good' program performance, and also suggests that the peer review chairs may not always facilitate a consistent testing of program ratings.

Change from draft to final reports

To draw out findings on the quality of the draft APPRs compared with the final APPRs, an assessment of a representative sample of 15 draft APPRs was carried out. Overall, there was a small, but

noticeable improvement in quality from the draft to the final APPRs. This improvement was most apparent in those APPRs that had received low quality ratings as drafts, particularly in their articulation of program progress assessment and management consequences. The final reports received consistently higher quality ratings against these criteria. This indicates that the APPR peer reviews, and the revision processes led by senior management, are generally beneficial, and especially so in the case of draft APPRs that have had initial problems with quality. There may be some capacity to improve the value of the peer review process by enabling APPR writers to have access to sectoral and program and quality expertise earlier in the APPR preparation process.

Proportionality

The material considered in the 2013 quality review suggests that programs are investing increasing time and effort in the APPR process. In some cases, it is clear that the drafting of an APPR is the culmination of an engaged and systematic process of progress tracking and reflection by program teams. In terms of fostering continuous improvement in program management, such reflection and review is where much of the value of the APPR process lies.

In the assessment process carried out for this quality review, the APPRs of smaller programs generally, although not always, received fewer quality ratings of 4s and 5s than larger programs. The smallest programs, some of which grouped their APPRs together into collective reports, had some difficulty in meeting all of the elements of the quality criteria. This raises the query as to whether the full APPR process is appropriate for all programs.

It was not within the scope of the quality review to break down the time, staffing and expenditure associated with the APPR processes as compared against the value of APPRs as performance management and accountability tools. Such a study would be useful and may reveal trends concerning the relationship between APPR quality and program capacity, thus raising questions about the appropriate proportion of resources required to be invested in the APPR process relative to other areas of the performance agenda (e.g. evaluation capacity building).

4 Recommendations

The improved quality of the 2013 aid program progress reports reflects a reporting process that has matured to the point where the full potential of APPRs as a central and critical element in the performance management system is within reach. To help achieve this, three recommendations are put forward.

1. For APPRs to fulfil their potential as effective management tools, senior management, performance and quality staff and technical specialists should provide support throughout the APPR preparation process and actively use the results and management consequences from APPRs to monitor and improve the performance of the aid program.
2. Recognising the inherent difficulties associated with assessing progress toward achieving high-level program objectives, the use of performance assessment frameworks (PAF) should be further institutionalised in order to improve the quality of APPRs. This would include:
 - › Explicit reference in APPR commissioning minutes to the role of the PAF in preparing APPRs and informing peer reviews. Commissioning minutes should also ensure that expectations of the APPR and resources assigned to its writing are commensurate with the size and significance of the program
 - › Clarity in APPRs as to how the PAF has informed ratings for progress toward achieving strategy objectives
 - › ODE undertaking an initial assessment of PAFs as part of the 2014 quality review of APPRs.
3. The contribution of other government agencies to the Australian aid program should be more comprehensively documented in APPR reporting. It is recommended that a practical and proportionate approach with clear coordination arrangements for capturing input from other government agencies be developed.

Appendix A: Terms of reference

Excerpt

Objectives

1. The objectives of the 2013 Quality Review of APPRs are to:
 - » assess the quality of the 2013 APPRs against a clearly stated set of quality standards, and determine the level of APPR improvement against the quality issues raised in previous ODE quality reviews
 - » to the degree possible, analyse Australian aid country program performance based on 2012 and 2013 APPRs.

Approach

2. Evidence for the 2013 ODE quality review of APPRs will be gathered via a content analysis of the following documentation:
 - » all draft 2013 APPRs, which will be available COB 6 June 2013 (with final versions available by 6 July 2013)
 - » the 2013 APPR guidelines and template
 - » all 2013 peer review minutes and agendas
 - » all available 2013 APPR commissioning minutes and other APPR management documentation
 - » all previous ODE APPR quality reviews
 - » all APPRs from 2012.
3. Phase 1 of the assignment will involve:
 - » comparing the APPR performance assessment Approach with the performance management systems of other official aid donors and multilateral development banks
 - » synthesising the findings from all previous ODE quality reviews in order to establish which quality issues are continually raised. These will help determine whether there have been changes in the general quality of APPRs over time, and will be referred to in establishing the quality standards for assessing the 2013 APPRs.
 - » confirming the criteria and standards by which the 2013 quality review will measure the quality of performance assessment in the APPRs.
 - » analysing all 2012 APPRs to highlight key findings and learning from country program performance of the Australian aid program.

- » conducting a baseline assessment of APPR commissioning minutes and other available management documentation against the recommendations from the 2012 ODE quality review.
4. Phase 2 of the assignment will involve:
- » assessing the quality of all draft 2013 APPRs against the criteria and standards established in Phase 1c. Findings from the quality analysis of the draft 2013 APPRs will be later cross-checked against the finalised 2013 APPRs, which will be available by 6 July 2013.
5. Phase 3 of the assignment will involve
- » analysing the draft 2013 APPRs to highlight key findings and learnings from country program performance of the Australian aid program, and then integrating with the findings from the analysis of 2012 APPRs (adds to Phase 1d).
 - » completing the baseline assessment of APPR management documentation against the 2012 ODE Quality Review recommendations. This will require examining all available peer review agendas and minutes (compiled by ODE and country and regional programs), and any other available APPR management documentation (adds to Phase 1e).

Appendix B: Methodology

The 2013 quality review brought several strands of inquiry together to form the evidence base for the quality assessment and performance observations of the APPRs. The review was divided into different phases aligned to the availability of draft and then final APPRs (Table A1).

Table A1 Review phases, tasks and questions

Phase	Task	Line of enquiry
1	<ul style="list-style-type: none"> > Comparison of AusAID's APPR performance assessment approach with other donors > Synthesis of previous ODE quality reviews > Developing assessment criteria and confirming standards 	<ul style="list-style-type: none"> > How do other donors measure performance at the country and regional program level? > How has APPR quality been assessed and changed over time? > What criteria should be used to assess APPRs? > What quality and performance findings emerged from 2012 APPRs?
2	<ul style="list-style-type: none"> > Assessment of draft 2013 APPRs against criteria 	<ul style="list-style-type: none"> > What are the quality findings of 2013 draft APPRs?
3	<ul style="list-style-type: none"> > Analysis of draft 2013 APPRs > Analysis of 2012 APPRs > Baseline Assessment of senior management documentation 	<ul style="list-style-type: none"> > What performance findings come out of draft 2013 APPRs? > What can we learn about integration of APPRs at the agency level? > What does documentation relating to senior management involvement tell us about the APPR process?
4	<ul style="list-style-type: none"> > Assessment of 2013 APPRs with revised criteria, retesting performance findings and quality observations 	<ul style="list-style-type: none"> > What quality observations can be made from the 2013 APPRs? > How do the revised criteria measure quality and reflect upon performance?
5	Draft quality review	

To form a basis for annual changes in quality, the quality criteria considered in previous APPR quality reviews was used as a starting point in 2013. This included consideration of the use of evidence in supporting the ratings and performance information; the clarity and relevance of the objectives; the results orientation of the reports; and the degree to which the APPR contributes to effective performance management as a process and product.

Process followed

For the 2013 quality review, all available draft and final versions of 31 APPRs (see Table 1) covering 35 different programs were reviewed and assessed according to criteria that were developed in

cooperation with ODE.³ From these, a selection of APPRs from across the program which represented a cross-section of the AusAID program in terms of program size and geography was reviewed blindly and then compared with the other reviews. Areas of agreement and difference were discussed to ensure consistency in approach and ratings.

The assessment process reviewed each report as a stand-alone case without making reference to other APPRs. Identification of best practice was drawn from coherence to guidelines rather than cross-comparisons across reports. Each report was considered for how well it reported on the individual program within the country or regional context. The assessment aimed to draw out examples of good practice and areas of weakness within each report and then give a rating for the individual quality aspects and a rating for each of the cornerstone questions that provided an aggregated rating for the assessment of the subquestions.

Template revisions

The quality review of the draft APPRs was guided by 20 questions that assessed key aspects of the APPR. These were informed by the then AusAID guidelines on preparing APPRs and quality review processes from 2007–12. The initial 20 questions were refined for the assessments of the final APPRs to answer five ‘cornerstone questions’ that informed understanding of the APPR quality in the following key areas:

- › Section A: Context and strategic orientation
- › Section B: Assessment of progress toward objectives
- › Section C: Use of evidence
- › Section D: Partner contribution
- › Section E: Management consequences

With the changes in the assessment criteria, significant improvements in the quality ratings of the APPRs were noted. This may have been influenced by the template offering a closer match between what was being assessed and what the APPR set out to report upon as compared with the initial assessment criteria.⁴

Findings have been based upon an evidence base that consists of the following:

- › strong evidence on APPR quality based upon all APPRs which includes analysis of 34 draft APPRs and reassessment of the 36 final APPRs
- › a useful cross-section of commissioning minutes and other related material from 18 programs which gives a flavour of the process and dynamics of this aspect of the APPR process
- › closer analysis of PAFs from 10 country programs which enables closer enquiry into how the PAFs influence quality

³ Of these, a selection of APPRs from across the program which represented a cross section of the AusAID program in terms of program size and geography was reviewed blindly and then compared with the other reviews. Areas of agreement and difference were discussed to ensure consistency in Approach and ratings

⁴ For instance, the initial template assessed the objectives while the revised template assessed how well the APPR reported on the objectives and contextualized them within the narrative.

- › findings on performance are drawn from 14 programs where performance improved; this evidence base is weaker as APPRs are not designed to bring out all aspects of performance.

Method for drawing out findings

There were several lines of enquiry used to elicit findings around quality and performance aspects. These were analysed by drawing out associations between key performance, quality design, management engagement and contextual aspects.

Table A2 Program aspects and measures

Quality aspects	Performance aspects	Management aspects	Program aspects	Strategic aspects
Overall quality of APPR	Level of performance ratings (high or variable)	Level of senior management engagement (compliance, buy-in)	Size of program (ODA; %ODA; #objectives) Relative size of Australia's program	Presence and use of a PAF Maturity of program Maturity of country strategy Wider partnership or assessment framework

APPR = annual program performance report; ODA = overseas development assistance; PAF = performance assessment framework

The various lines of association between these areas were used to understand where there are associations or may be causality. The enquiry assessed how performance and quality were enhanced or hindered by these different aspects.

Method for drawing out performance findings

Findings were drawn from analysis of the principal factors for improved or declined aid performance.⁵ The analysis was conducted by looking across 2012 and 2013 APPRs to see where programs had given a red rating for progress against objectives; indicating that progress is 'significantly less than expected' at the time of reporting and also where the APPRs had improved performance progress ratings from 2012 against objectives, indicated by an improved rating: red to amber, amber to green or red to green.⁶

The analysis tracked the frequency of the performance findings across these programs and used the relative frequency to determine the relative strength of the performance findings stated in the APPRs. The findings are listed in order of strength or relative weight of the finding across APPRs from 2012 and 2013 drawing on positive and negative evidence to support the findings.

⁵ Within this analysis, 14 programs that had improved from 2012 to 2013 were considered.

⁶ According to the guidance, green indicates that progress is as expected for this point in time and it is likely that the objective will be achieved. Standard program management practices are sufficient. Amber indicates that progress is somewhat less than expected for this point in time and restorative action will be necessary if the objective is to be achieved. Close performance monitoring is recommended. Red indicates that progress is significantly less than expected for this point in time and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

Appendix C: Assessment template

The assessment template includes a section for the country/region, years covered by the APPR and number of objectives. A section on guideline compliance has the following questions: Performance assessment framework in place, Delivery strategy in place (include number of sectors), Section headings in place, Annexes in place, and Length of report <25 pages. The template is divided into five sections, each with a cornerstone question and several subquestions, with space for a qualitative assessment and a rating. Section A relates to context and strategic orientation, Section B relates to progress assessment, Section C relates to evidence, Section D relates to partners, and Section E relates to management consequences. Each section also includes space relating to lesson learning for reviewers, with the following prompts: Key strengths/best practice, Key weaknesses/shortcomings, Lessons, and Recommendations.

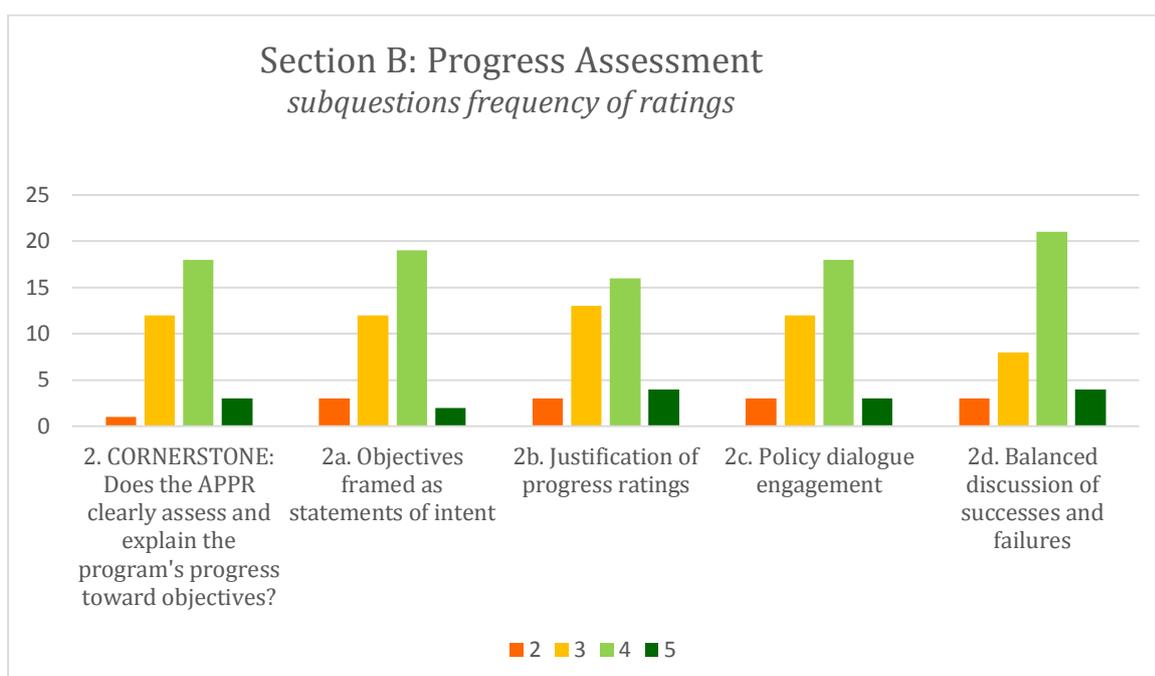
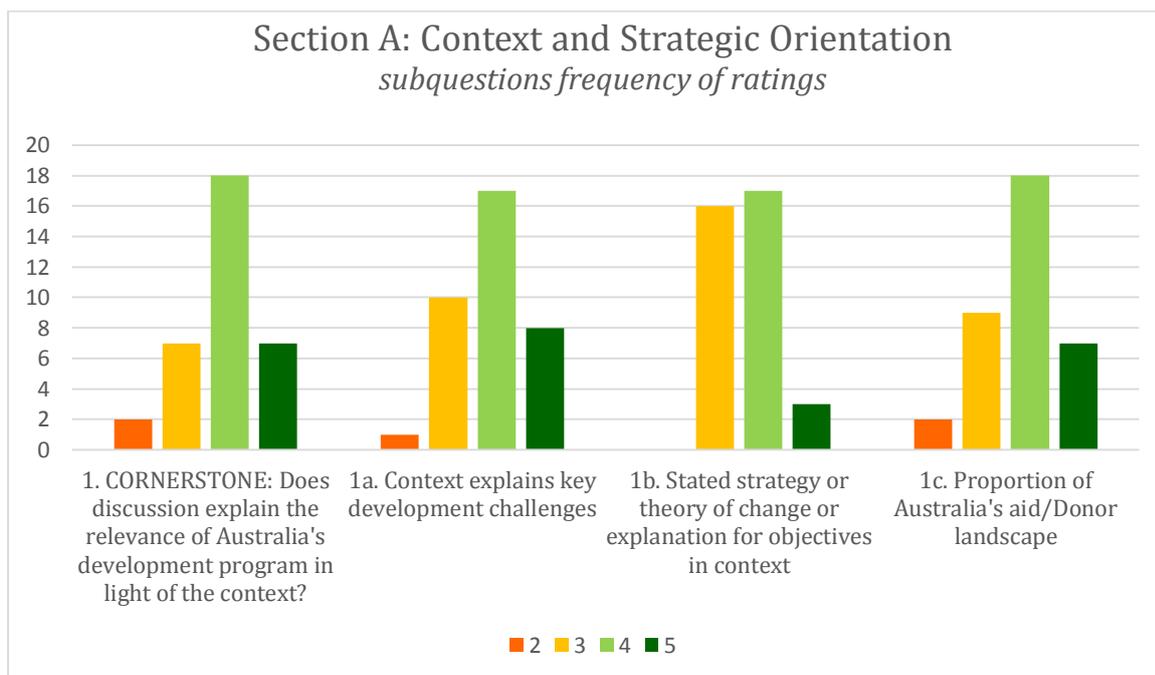
AID PROGRAM PERFORMANCE REPORT			
Country / region			
Years covered by APPR			
Number of objectives			
	Guideline compliance		#
	Performance assessment framework in place		
	Delivery strategy in place (include number of sectors)		
	Section headings in place		
	Annexes in place		
	Length of report <25 pages		

SECTION A: CONTEXT AND STRATEGIC ORIENTATION		RATING
STANDARD	QUALITATIVE ASSESSMENT	
1	CORNERSTONE QUESTION: Does the discussion in this section clearly explain the relevance of Australia's development program and strategy in light of the current country/regional context?	
	a) Does the context analysis explain the key development challenges/needs of the country/region, with an emphasis on changes that have occurred during the reporting period? Is this analysis used to explain the Australian program objectives?	
	b) If there is a stated strategy or 'theory of change' does this explain how program objectives will be achieved, and does this explanation reference the country/regional context analysis? In the absence of a stated strategy or theory of change, is some other explanation for achieving program objectives, given the context, provided?	
	c) Does the report make clear the proportion of Australia's aid in relation to other donors and national indicators, and the program and strategy implications of that?	
SECTION A: Lesson learning for reviewers		
	Key strengths/best practice	
	Key weaknesses/shortcomings	
	Lessons	
	Recommendations	
SECTION B: PROGRESS ASSESSMENT		RATING
2	CORNERSTONE QUESTION: Does the APPR clearly assess and explain the program's progress toward its objectives over the reporting period?	
	a) Are the objectives sufficiently framed at the outset or in the narrative as statements of intent that are measurable (quantitatively and/or qualitatively)?	
	b) Does the narrative explain and justify the progress ratings against each objective?	
	c) Where appropriate, is the policy dialogue engagement with partners clearly explained?	

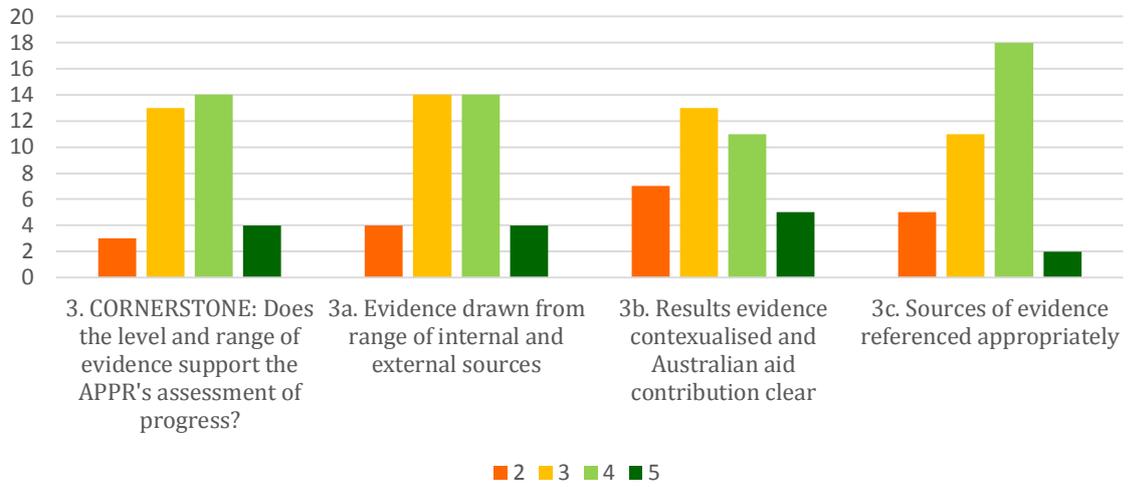
	d)Is there an appropriately open, balanced discussion of the program's successes, failures and challenges?		
SECTION B: Lesson learning for reviewers			
	Key strengths/best practice		
	Key weaknesses/shortcomings		
	Lessons		
	Recommendations		
SECTION C: EVIDENCE			RATING
3	CORNERSTONE QUESTION: Does the level and range of evidence support the APPR's assessment of progress?		
	a) Has relevant evidence been drawn from an appropriate range of internal and external sources given the program context?		
	b) Is the results evidence appropriately contextualised and the contribution of AusAID made clear?		
	c) Are the sources of evidence referenced appropriately?		
SECTION C: Lesson learning for reviewers			
	Key strengths/best practice		
	Key weaknesses/shortcomings		
	Lessons		
	Recommendations		
SECTION D: PARTNERS			RATING
4	CORNERSTONE QUESTION: Does the APPR clearly describe and assess the contribution of partners to program progress?		
	a) Whole-of-government partners		
	b) International partners		
	c) Partner Governments		
	d) Civil Society and Private Sector Organisations		
SECTION D: Lesson learning for reviewers			
	Key strengths/best practice		
	Key weaknesses/shortcomings		

	Lessons		
	Recommendations		
SECTION E: MANAGEMENT CONSEQUENCES			RATING
5	CORNERSTONE QUESTION: Does the APPR clearly assist program management decision making?		
	a) Is there a logical connection between the management consequences section and the risks to future progress flagged in the other sections and in Table 3?		
	b) Are the specific management consequences framed so they are relevant to program strategy and management and are also actionable within the reporting period? Are they also prioritised?		
	c) Are lessons from the experience of implementing the previous year's management consequences noted and acted upon in this year's consequences section?		
SECTION E: Lesson learning for reviewers			
	Key strengths/best practice		
	Key weaknesses/shortcomings		
	Lessons		
	Recommendations		

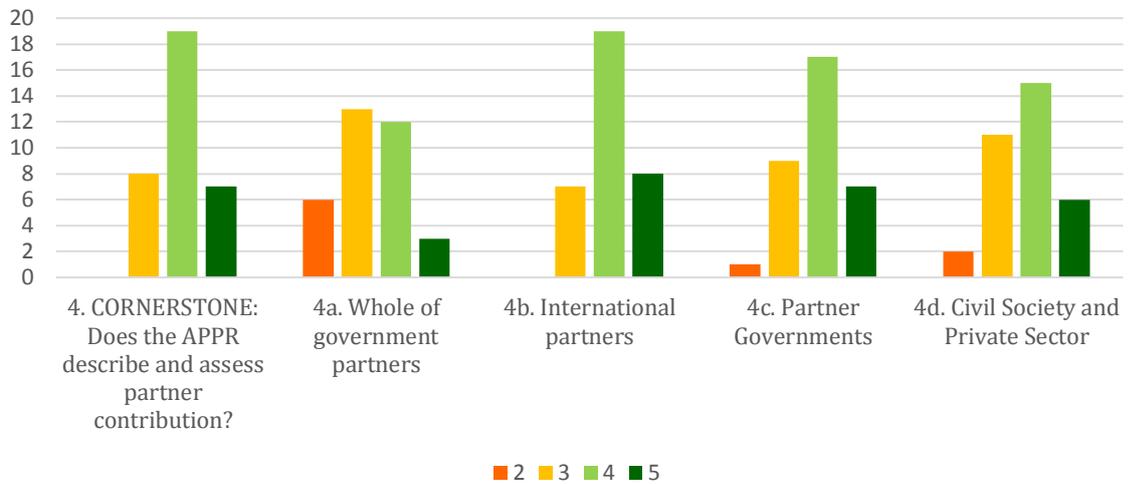
Appendix D: Summary table of ratings



Section C: Evidence *subquestions frequency of ratings*

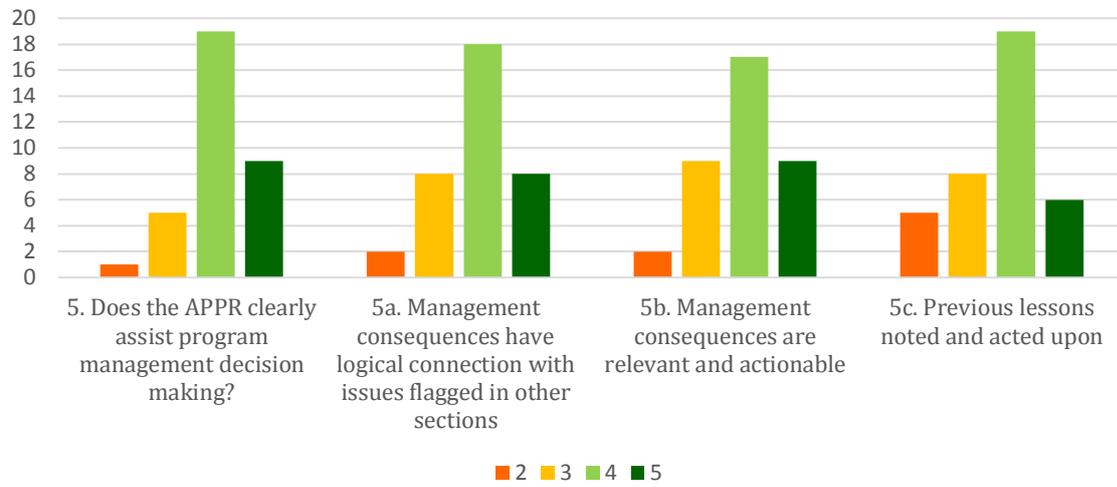


Section D: Partners *subquestions frequency of ratings*



Section E: Management Consequences

subquestions frequency of ratings



Appendix E: Performance of programs

Country/Region	Program	Objective	Previous rating 2011–12	Current rating 2012–13
Afghanistan	Objective 1	Enhancing basic service delivery in health and education	Amber	Amber
Afghanistan	Objective 2	Supporting rural development and livelihoods	Amber	Amber
Afghanistan	Objective 3	Improving governance and the effectiveness of the Afghan Government	Amber	Amber
Afghanistan	Objective 4	Supporting vulnerable populations	Amber	Green
Africa: Pan-Africa	Objective 1:	Saving lives	Green	N/A
Africa: Pan-Africa	Objective 2:	Promoting opportunities for all	Green	N/A
Africa: Pan-Africa		Tertiary training to deliver skills for development	Green	Green
Africa: Pan-Africa	Objective 3:	Sustainable economic development	Green	N/A
Africa: Pan-Africa	3b	xxx	Amber	N/A
Africa: Pan-Africa	Objective 4:	Effective governance	Green	N/A
Africa: Pan-Africa	Objective 5	Humanitarian and disaster response	Green	N/A
Africa: East and Horn of Africa	Saving lives	Greater access to quality maternal and child health services	Amber	Green
Africa: East and Horn of Africa	Sustainable economic development	Improving food security	Amber	Amber
Africa: East and Horn of Africa	Sustainable economic development	Improving incomes, employment and enterprise opportunities through mining	Amber	Green
Africa: East and Horn of Africa	Effective governance	Improving governance to deliver better services, improve security and enhance justice and human rights	Green	Green
Africa: East and Horn of Africa	Humanitarian and disaster preparedness	More effective preparedness and responses to disasters and crises	Green	Green
Africa: Southern Africa	Saving lives	Improving public health by increasing access to safe water and sanitation	Amber	Amber
Africa: Southern Africa	Sustainable economic development	Improving food security	Amber	Green
Africa: Southern Africa	Sustainable economic development	Improving incomes, employment and enterprise opportunities through mining	Amber	Amber

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
Africa: Southern Africa	Effective governance	Improving governance to deliver better services, improve security and enhance justice and human rights	Amber	Amber
Africa: West Africa	Sustainable economic development	Improving food security	Amber	Amber
Africa: West Africa	Sustainable economic development	Improving incomes, employment and enterprise opportunities through mining	Amber	Amber
Africa: West Africa	Humanitarian and disaster preparedness	More effective preparedness and responses to disasters and crises	Green	Green
Bangladesh	Objective 1	Increased equity of access to, and improved outcomes from, health and education services	Green	Green
Bangladesh	Objective 2	Fewer men and women living in extreme poverty and vulnerable to economic and natural shocks	Green	Green
Bangladesh	Objective 3	Women and marginalised groups better able to demand services and assert rights	Green	Amber
Cambodia	Objective 1a:	Increased value of agricultural production and smallholder income in targeted provinces	Green	Green
Cambodia	Objective 1b:	Increased food and livelihood security for the rural poor through social protection and landmine clearance	Green	Green
Cambodia	Objective 2:	Increased access to quality health services through improved health management	Green	Green
Cambodia	Objective 3:	Improved transport and energy infrastructure	Amber	Amber
Cambodia	Objective 4:	Women, youth and children are safer and communities have less crime; more effective non-custodial sentencing system; strengthened evidence-based performance management)	N/A	Green
Caribbean	Objective 1:	Assist communities, nations and regional partners to address climate change and better prepare for and respond to natural disasters	Green	Green
Caribbean	Objective 2:	Enhance ability within the Caribbean to manage and respond to region's economic challenges	Green	Green
Caribbean	Objective 3:	Build linkages and partnerships between the Caribbean, Australian and the Pacific which add to Caribbean knowledge and capacity to address its development priorities	Green	Amber
East Asia	Objective 1:	Improved capacity of regional organisations to address agreed priority development challenges	Amber	Amber
East Asia	Objective 2:	Promoting and managing economic integration	Amber	Amber
East Asia	Objective 3:	Addressing priority transboundary issues	Amber	Green
Fiji	Objective 1:	Access to quality education	Green	Green
Fiji	Objective 2:	Strengthening primary health services	Green	Green
Fiji	Objective 3:	Building resilience and economic opportunities	Amber	Green
Indonesia	Education	Enrolment in junior secondary education in targeted districts increases (<i>revised wording</i>)	Amber	Green
Indonesia	Education	Management of schools and madrasah improves (<i>revised wording</i>)	Amber	Amber
Indonesia	Education	Quality of madrasah improves in line with national Education Standards (<i>revised wording</i>)	Amber	Green
Indonesia	Education	Policy-makers utilise research findings to inform education sector policy, planning and budgeting (<i>revised wording</i>)	Amber	Green

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
Indonesia	Health	Improved utilisation of quality primary health care and appropriate referral in selected districts and provinces	Green	Green
Indonesia	Health	Confident use of health facilities and services for delivery of babies, ante-natal and post-natal care in NTT	Green	Green
Indonesia	Health	Increased HIV/AIDS prevention, treatment, care and support in selected regions	Green	Green
Indonesia	Health	Strengthened emerging infectious diseases prevention, detection and control mechanisms in the Ministries of Health and Agriculture	Amber	Amber
Indonesia	Transport and connectivity	Strategic sections of the national and provincial road network upgraded or maintained to DGH standards	Amber	Green
Indonesia	Transport and connectivity	Improved policy, planning, preparation and delivery of Indonesian Government transport priorities	Amber	Green
Indonesia	Water and sanitation	Improved sustainable service delivery of clean water	Green	Amber
Indonesia	Water and sanitation	Improved sustainable service delivery of basic sanitation and wastewater management	Amber	Amber
Indonesia	Social protection and community driven development	Strengthened ability of the Government of Indonesia to make informed and evidence-based policy and program decisions to reach the poor	Green	Green
Indonesia	Bureaucratic reform	A more performance and merit based bureaucracy impacting on improved service delivery (<i>revised objective</i>)	N/A	Amber
Indonesia	Climate change	REDD+ demonstrated to be practical, effective and equitable	Amber	Red
Indonesia	Decentralisation	Improved performance of local governments in delivering services to the poor	Amber	Amber
Indonesia	Decentralisation	Strengthened capacity of citizens and civil society organisations to engage and demand for better service delivery	Green	Green
Indonesia	Disaster risk management	Australia effectively and appropriately supports the Indonesian Government and communities to better prepare for, manage and reduce the risks of disasters (<i>revised wording</i>)	Green	Green
Indonesia	Economic governance	Improved Indonesian Government capacity to ensure macroeconomic and financial market stability (<i>revised objective</i>)	N/A	Green
Indonesia	Economic governance	Improved Indonesian Government capacity to raise tax revenues efficiently and with integrity	Amber	Green
Indonesia	Economic governance	Improved public financial management to support quality of public spending	Amber	Green
Indonesia	Economic governance	Improved Indonesian Government capacity to use trade and investment policy to promote the international competitiveness of the Indonesian economy (<i>revised wording</i>)	Red	Amber
Indonesia	Elections	Improved performance of electoral management bodies in managing and delivering quality elections (local and national)	Amber	Amber
Indonesia	Elections	Increased public engagement in Indonesia's elections and electoral systems	Amber	Amber
Indonesia	Law and justice	Courts and anti-corruption prosecutors are delivering better quality legal information and services	Amber	Amber

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
Indonesia	Law and justice	A greater number of poor and marginalised Indonesians are able to access legal aid services and legal identity documents (<i>revised objective</i>)	N/A	Amber
Indonesia	Rural livelihoods and agribusiness	Increased access of smallholder farmers to economic opportunities (<i>revised objective</i>)	N/A	Amber
Indonesia	Scholarships	Developing people to people linkages between Indonesia and Australia (<i>revised wording</i>)	Green	Green
Kiribati	Outcome 1:	Improved basic education	Amber	Green
Kiribati	Outcome 2:	Workforce skills development	Amber	Amber
Kiribati	Outcome 3:	Improved growth and economic management	Red	Green
Kiribati	Outcome 4:	Improved infrastructure services	N/A	Amber
Kiribati	Outcome 4:	Other	N/A	Green
Lao	Education: Objective 1:	Mitigation of key constraints to equitable access to a basic quality education in targeted poor geographic areas	Amber	Amber
Lao	Education: Objective 2:	Better management of Laos Government and donor resources available to the education sector through the implementation of a jointly agreed 10-year education sector framework	Green	Green
Lao	Trade and investment: Objective 3:	Policy and institutional impediments to trade and investment addressed in sectors that contribute to inclusive growth	Green	Green
Lao	Trade and investment: Objective 4:	Delivery and modelling of effective programs that result in equitable and sustainable improvements to livelihoods in targeted geographic areas	Green	Green
Lao	Trade and investment: Objective 5:	Improved prioritisation, deliver efficiency and coordination of mine action resources	Green	Green
Lao	Trade and investment: Objective 6:	Improved rural infrastructure, particularly roads and electrification	Amber	Amber
Latin America	Objective 1:	Objective 1: More sustainable economic development in the region	Amber	Amber
Latin America	Objective 2:	Objective 2: Improved governance in the region	Amber	Green
Latin America	Objective 3:	Objective 3: Enhanced humanitarian and disaster response	Amber	Green
Mekong	Objective 1:	Institutional strengthening	Amber	Amber
Mekong	Objective 2:	Knowledge availability	Green	Green
Mekong	Objective 3:	Decision-making support	Amber	Amber
MENA	Iraq	Improving agricultural productivity	Green	N/A
MENA	Iraq	Improving public sector management	Green	N/A
MENA	Iraq	Supporting basis services for the vulnerable	Green	N/A
MENA	Palestinian Territories	Providing basic services to refugees and other vulnerable groups	Green	Green
MENA	Palestinian Territories	Supporting state building and the peace process	Amber	N/A
MENA	Palestinian Territories	Developing civil society	Amber	N/A
MENA	Other Middle East/North Africa	Providing humanitarian assistance to vulnerable populations	Green	Green

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
MENA	Other Middle East/North Africa	Support of food security initiatives	Amber	N/A
MENA	Other Middle East/North Africa	Supporting sustainable economic growth including helping vulnerable groups and rural communities overcome poverty	N/A	Amber
Mongolia	Objective 1:	To improve human capacity in Mongolia in targeted sectors	N/A	Green
Mongolia	Objective 2:	To strengthen Mongolia's capacity to manage resource endowments to benefit all Mongolians and mitigate social and environmental impacts of mining	N/A	Amber
Mongolia	Objective 3:	To support vulnerable communities in Mongolia	N/A	Green
Myanmar	–	Reducing the burden of HIV/AIDS, tuberculosis and malaria	Amber	N/A
Myanmar	–	Improving the delivery of health services to the poor	Amber	Green
Myanmar	–	Improving the delivery of basic education services to the poor	Amber	Green
Myanmar	–	Improved food and livelihoods security/Improving livelihoods of rural poor	Amber	Green
Myanmar	–	Addressing the needs of vulnerable people	Amber	Green
Myanmar	–	Supporting reform and improved governance	N/A	Amber
Nauru	Objective 1:	Public sector management	Green	Green
Nauru	Objective 2:	Education	Green	Green
Nauru	Objective 3:	Health	Amber	Green
Nauru	Objective 4:	Infrastructure and essential services	Green	Green
Nauru	Objective 5:	Private sector growth	Amber	Amber
Nepal	Objective 1	To build confidence in the Nepalese Government by strengthening government service delivery, particularly to traditionally marginalised groups and the poor	Green	Green
Nepal	Objective 2	To work with a range of stakeholders to protect the gains made to date and flexibly respond to change	N/A	Amber
Nepal	Objective 3	To engage with partners (including government) on policy reforms that contribute to greater transparency, accountability and effectiveness of the state	N/A	Amber
North Pacific	FSM Objective 1:	Tax reform	Amber	Green
North Pacific	FSM Objective 2:	Environmental management	Green	Green
North Pacific	FSM Objective 3:	Overseas development assistance coordination	Amber	Amber
North Pacific	RMI Objective 1:	Energy	Green	Green
North Pacific	RMI Objective 2:	Water	Amber	Amber
North Pacific	Palau Objective 1:	Improve the quality of the teacher workforce	Amber	Green
North Pacific	Palau Objective 2:	Health human resource development	Green	Green
North Pacific	Palau Objective 3:	Budget planning and management	Amber	Green
North Pacific	–	UXO Clearance	N/A	Green
Pacific regional	Objective 1:	Pacific regional organisations	N/A	Green

Country/Region	Program	Objective	Previous rating 2011–12	Current rating 2012–13
Pacific regional	Objective 1:	Improving the effectiveness of the Pacific regional organisations in delivering regional services and activities	Green	N/A
Pacific regional	Objective 1:	Regional Ed Program APTC	Green	N/A
Pacific regional	Objective 1:	Regional Ed Program SPBEA	Green	N/A
Pacific regional	Objective 1:	Regional Ed Program USP	Green	N/A
Pacific regional	Objective 2:	Health	N/A	Amber
Pacific regional	Objective 2:	Health non-communicable diseases	Green	N/A
Pacific regional	Objective 2:	Health systems Strengthening	Green	N/A
Pacific regional	Objective 2:	Health UNICEF child protection and immunisation	Green	N/A
Pacific regional	Objective 2:	Pacific HIV and STI Pacific Response Fund	Amber	N/A
Pacific regional	Objective 3:	Education	N/A	Green
Pacific regional	Objective 4:	Disability inclusive development	Green	Green
Pacific regional	Objective 5	Gender equality and women's empowerment	N/A	Amber
Pacific regional	Objective 6:	Climate change and environment	N/A	Green
Pacific regional	Objective 7:	Fisheries	N/A	Green
Pacific regional	Objective 7:	Increased value from sustainable tuna fisheries	Green	N/A
Pacific regional	Objective 7:	Increased food from sustainable fisheries and aquaculture	Green	N/A
Pacific regional	Objective 7:	Increased net incomes from sustainable fisheries	Green	N/A
Pacific regional	Objective 7:	Increased jobs from sustainable fisheries	Green	N/A
Pacific regional	Objective 8:	Sustainable economic development	N/A	Amber
Pacific regional	Objective 8:	Pacific horticultural and agricultural market access	N/A	N/A
Pacific regional	Objective 8:	Pacific agreement on closer economic relationships plus support	Green	N/A
Pacific regional	Objective 8:	Labour mobility—Pacific seasonal worker pilot scheme	Red	N/A
Pacific regional	Objective 8:	Reducing the costs of remittances	Green	N/A
Pacific regional	Objective 8:	Pacific financial inclusion program	Green	N/A
Pacific regional	Objective 8:	Pacific microfinance initiative	Amber	N/A
Pacific regional	Objective 8:	Private sector development initiative, Phase 2	Green	N/A

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
Pacific regional	Objective 8:	Private enterprise partnership Pacific	Red	N/A
Pacific regional	Objective 8:	Pacific Islands centre for public administration	Amber	N/A
Pacific regional	Objective 8:	Pacific ombudsman alliance	Amber	N/A
Pacific regional	Objective 8:	Pacific media assistance scheme	Amber	N/A
Pacific regional	Objective 8:	Pacific statistics	Amber	N/A
Pacific regional	Objective 8:	Pacific financial technical assistance scheme	Amber	N/A
Pacific regional	Objective 8:	Pacific Legal information institute	Amber	N/A
Pacific regional	Objective 8:	Regional rights resource team	Amber	N/A
Pacific regional	Objective 9:	Infrastructure	N/A	Green
Pacific regional	Objective 10:	Governance	N/A	Amber
Pacific regional	Objective 11:	Multilaterals	N/A	Amber
Pacific regional	Objective 11:	Multilaterals Objective 1 WB PF3	Green	N/A
Pacific regional	Objective 11:	Multilaterals Objective 2 Asian Development Bank climate change	Green	N/A
Pacific regional	Objective 11:	Multilaterals Objective 3 secondment to Asian Development Bank	Green	N/A
Pacific regional	Objective 12:	Development through sport	N/A	Green
Pacific regional	Objective 12:	Establish policy, scientific and analytical basis for climate change adaptation	Amber	N/A
Pacific regional	Objective 12:	Increase understanding of climate change impacts on natural and socioeconomic systems	Amber	N/A
Pacific regional	Objective 12:	Enhance capacity to assess vulnerabilities and risks, formulate adaptation strategies and mainstream adaptation into decision making	Amber	N/A
Pacific regional	Objective 12:	Help finance priority adaptation	Amber	N/A
Pacific regional	Objective 12:	Improving development outcomes in the Pacific by investing in activities that promote: regional cooperation; regional provision of public goods and services; and regional integration, in line with the Pacific Plan	Amber	N/A
Pacific regional	Objective 12:	Pacific Enhanced Humanitarian Response Initiative	Green	N/A
Pacific regional	Objective 12:	Strengthen the capacity of partner countries to reduce disaster risk in line with the Pacific Disaster Risk Reduction Management Framework	Green	N/A
Pacific regional	Objective 12:	Strengthening leadership of influential Pacific sectors and organisations	Green	N/A
Pacific regional	Objective 12:	Supporting coalitions of leaders to identify and drive developmental change	Green	N/A

Country/Region	Program	Objective	Previous rating 2011–12	Current rating 2012–13
Pacific regional	Objective 12:	Equipping influential Pacific Islanders to effectively exercise leadership with resources tailored to their context	Green	N/A
Pakistan	Objective 1:	Saving lives	Amber	Amber
Pakistan	Objective 2:	Promoting opportunities for all	Amber	Amber
Pakistan	Objective 3:	Sustainable economic development	Amber	Amber
Pakistan	Objective 4:	Effective governance	Amber	N/A
Palestinian Territories	Objective 1:	Supporting sustainable economic growth including helping vulnerable groups and rural communities overcome poverty	Green	Green
Palestinian Territories	Objective 2:	Supporting state building and the peace process	Amber	Amber
Philippines	Objective 1:	Improved education	Green	Green
Philippines	Objective 2:	Improved local government capacity to deliver basic services	Green	Amber
Philippines	Objective 3:	Strengthened climate change adaptation and disaster risk management	Green	Green
Philippines	Objective 4:	Improved conditions for peace and security	Green	Green
Philippines	Objective 5:	Supporting the foundations for accountable, transparent, effective and inclusive governance	Green	Green
Papua New Guinea	Objective 1:	Improved access to quality education at all levels	Green	Amber
Papua New Guinea		Australia Awards and APTC	Green	Green
Papua New Guinea	Objective 2:	Improved Health and HIV/AIDs outcomes	Amber	Green
Papua New Guinea	Objective 3:	Improved law and justice	Amber	Amber
Papua New Guinea	Objective 4:	Improved transport services to facilitate social development and economic growth	Green	Green
Papua New Guinea	Objective 5:	Strengthened national and subnational public sector	Amber	Red
Papua New Guinea	Objective 6:	Strengthened democracy	Amber	Amber
Papua New Guinea	Objective 7:	Gender equality and women's empowerment	Red	Red
Papua New Guinea	Objective 8:	Bougainville	Not rated	Amber
Papua New Guinea	Objective 9:	Climate change, disaster risk reduction and disaster responsiveness	Amber	Amber
Papua New Guinea	Objective 10:	Disability inclusive development	Amber	Amber
Samoa	Objective 1:	Education	Green	Green
Samoa	Objective 2:	Health	Amber	Green
Samoa	Objective 3:	Governance and economic stability	Green	Amber
Samoa	Objective 4:	Law and justice	Green	Amber
Samoa	Objective 5:	Disaster response	N/A	Green
Solomon Bilateral Program	Priority Outcome 1	Improved service delivery—health	Amber	Amber

Country/Region	Program	Objective	Previous rating 2011–12	Current rating 2012–13
Solomon Bilateral Program	Priority Outcome 1	Improved service delivery—education	Amber	Amber
Solomon Bilateral Program	Priority Outcome 2	Improved economic livelihoods	Amber	Amber
Solomon Bilateral Program	Priority Outcome 3	Improved economic infrastructure	Amber	Amber
Solomon Bilateral Program	Priority Outcome 4	Addressing economic and fiscal challenges	Amber	Amber
Solomon Bilateral Program	–	SINPA	Amber	Amber
Solomon Bilateral Program	–	Scholarships	Amber	Amber
Solomon RAMSI Program	Objective 1:	Law and justice—participating police force	Amber	Amber
Solomon RAMSI Program	Objective 2:	Law and justice program	Amber	Amber
Solomon RAMSI Program	Objective 3:	Economic governance	Amber	Amber
Solomon RAMSI Program	Objective 4:	Machinery of government	Amber	Amber
South Asia	Objective 1:	Sustainable development—water, food and energy security	Green	Green
South Asia	Objective 2:	Regional connectivity—infrastructure and trade	N/A	Amber
South Asia	Objective 3:	Other—health, cross-cutting and legacy programs	Green	Amber
Sri Lanka	Objective 1:	Improved social and economic indicators in lagging regions	Green	Amber
Sri Lanka	Objective 2:	Policies and programs implemented at national and subnational levels that aim for inclusive growth and improved service delivery	Amber	Amber
Timor Leste	Objective 1:	Food security	Green	Green
Timor Leste	Objective 2:	Water, sanitation and hygiene	Green	Green
Timor Leste	Objective 3:	Roads	Amber	Amber
Timor Leste	Objective 4:	Education and training	Red	Amber
Timor Leste	Objective 5:	Health: maternal and child health	Red	Red
Timor Leste	Objective 6:	Security—police accountable in supporting the rule of law	Green	Green
Timor Leste	Objective 7:	Poverty reduction in Timor Leste through economic development and delivery of services	Amber	Green
Tonga	Objective 1:	A more efficient and effective public sector	Green	Green
Tonga	Objective 2:	Improved health	Green	Green
Tonga	Objective 3:	Improved technical and vocational skills	Red	Amber
Tonga	Objective 4:	Develop infrastructure to improve the everyday lives of the people	Red	Amber
Tuvalu	Objective 1:	Good governance, economic growth and stability	Amber	Green
Tuvalu	Objective 2:	Education and human resources	N/A	Amber
Tuvalu	Objective 3:	Environment and climate change	N/A	Red

Country/Region	Program	Objective	Previous rating 2011-12	Current rating 2012-13
<i>Vanuatu</i>		Support increased access to and quality of education for all boys and girls, and equip them with relevant skills and knowledge	Red	Amber
Vanuatu	Objective 1:			
Vanuatu	Objective 2:	Strengthen health services and accelerate progress toward health Millennium Development Goals	Amber	Amber
Vanuatu	Objective 3:	Develop essential infrastructure to support economic growth and service delivery	Green	Green
Vanuatu	Objective 4:	Progress reform on economic governance issues	Amber	Green
Vanuatu	Objective 5:	More effective legal institutions and improved police services	Amber	Amber
<i>Vietnam</i>		Improvement in the quality of Vietnam's human resources	Green	Green
Vietnam	Objective 1:			
Vietnam	Objective 2:	Better transport infrastructure and policy to support economic integration	Amber	Amber
Vietnam	Objective 3:	Increase rural access to clean water and sanitation	Green	Green
Vietnam	Objective 4:	Advance climate change adaptation and mitigation	Green	Green