



Australian Government
Department of Foreign Affairs and Trade



AID INVESTMENT PLAN **<NAME OF PROGRAM>**

<Timeframe of plan>

CONTEXT & RATIONALE

This section should outline the development context in the partner country or region and the rationale underpinning Australia's development assistance.

- With reference to the Foreign Policy White Paper, describe Australia's core national interests in the partner country or region, including the potential costs of instability and insecurity;
- Identify the extent, distribution and drivers of poverty in the partner country or region, and consider the relationship between growth and poverty reduction; and
- Make a realistic assessment of what Australia can influence given the political economy of the partner country or region, the scale of our resources (including funding, staff numbers and capacity, and partner capacity) and other factors.

Headings should be used as required using the 'Styles' ribbon on the 'Home' tab (use 'Heading 3' for major sub-sections).

OBJECTIVES & IMPLEMENTATION APPROACH

This section should set out the key development objectives Australia will seek to achieve in the partner country or region and the approach to be employed in doing so.

- State key development objectives (generally between two and four);
- For each objective, describe the approach and key interventions to be employed to achieve them (e.g. partnerships, policy dialogue, major current and planned investments etc.);
- In doing so, explain how the planned interventions will address poverty reduction and contribute to the achievement of the Sustainable Development Goals; and
- Include resourcing implications (budget, people and partners).

Headings should be used as required using the 'Styles' ribbon on the 'Home' tab (use 'Heading 3' for major sub-sections).

PERFORMANCE MANAGEMENT

Performance benchmarks

List the performance benchmarks to be used to assess progress towards Australia's development objectives over the life of the Aid Investment Plan in the table below.

- A mix of performance benchmarks should be identified covering intended outputs/aggregate results (e.g. 5,000 households with increased access to financial services, 250 scholarships provided), significant milestones (including intended partner government policy changes), outcomes related to changes in beneficiary knowledge, skills and behaviours and measures of increased effectiveness and efficiency (e.g. better investment quality ratings or reduced incidence of fraud).
- Programs with an annual budget under \$50m should aim to set 3–6 benchmarks each year; programs over \$50m 6–8 benchmarks; and up to 10 benchmarks for programs over \$300m.
- Programs will report on progress in achieving their performance benchmarks and update the following year's performance benchmarks in Aid Program Performance Reports.

Performance benchmarks should aim to meet the following criteria:

- Demonstrate a clear line of sight to an objective;
- Be within the control of Australia to achieve within the expected time period;
- Build on existing monitoring and data collection efforts;
- Reflect the sectoral breadth and financial profile of the program; and
- At the discretion of programs, cover the whole of Australian Official Development Assistance (ODA), including the activities of other government departments (OGD) in countries or regions where a significant amount of ODA is delivered by OGD.

Performance Benchmarks 20XX-XX to 20XX-XX (can be landscape format to improve readability)

		2018-19	2019-20	2020-21	2021-22
Aid objective	<i>Improved physical access to markets and basic services in targeted provinces</i>				
Performance benchmark	<i>200km of rural roads and basic access ways built, maintained or rehabilitated</i>	<i>20/10/70</i>	<i>40/10/90</i>	<i>80/10/150</i>	<i>60/10/160</i>
Performance benchmark	<i>Progress towards strengthened MoW capacity to manage roads</i>	<i>MoW roads management department needs analysis completed</i>	<i>Skills development program for staff delivered</i>	<i>Provincial roads management plan in place</i>	<i>Evidence of roads managed according to management plan</i>

Mutual obligations

Outline the key mutual obligations of the Australian and partner governments which are of particular importance to the partner government’s development priorities and Australia’s aid investments.

- Australia’s obligations will normally be to deliver aid in line with the objectives of the Aid Investment Plan against the performance benchmarks identified.
- The partner government’s obligations will generally reflect pre-existing commitments relevant to the objectives contained within an AIP (e.g. those contained in a memorandum of understanding / subsidiary arrangement with the Australian Government). It is not necessary to identify new mutual obligations for the purposes of an AIP.
- Programs will assess and report annually on performance against mutual obligations in APPRs.

Monitoring, review and evaluation

Outline how the performance of the program will be monitored, reviewed and evaluated.

- For example, establishment of a Performance Assessment Framework (Annex 1), annual review as part of the APPR process, mid-term reviews of major programs, and strategic evaluations to be conducted by the program or by ODE.
- Note the number of evaluations the program expects to undertake each year, by reference to ODE's minimum number of evaluations per country program (available [here](#)). Note also that the evaluations for the partner country / region for the coming year can be accessed in ODE's Annual Aid Evaluation Plan, published on the DFAT website (available [here](#)).
- Where relevant, outline how key stakeholders (e.g. partner governments and other government departments) will contribute to monitoring, review and evaluation activities.

PROGRAM MANAGEMENT

Governance and resource management

Outline governance and resource management arrangements

- Identify the types – financial and non-financial – and amount of resources required and how they will be used to achieve Australia’s aid objectives in the country or region. This should include consideration of the costs of developing, implementing, and evaluating aid investments, as well as the number of staff required and the sorts of skills and knowledge needed to manage the program based on chosen delivery mechanisms.
- The annexes should be used to set out the program’s funding allocation (Annex 3) and investment pipeline (Annex 2).
- Outline the governance arrangements for implementation of the Aid Investment Plan. This should include roles and responsibilities of senior managers and staff in Canberra and at post, lines of decision-making and reporting arrangements. A diagram or summary table may be useful.

Risk management

Outline the substantive risks facing the program and mitigation strategies.

- Outline the program’s arrangements for active monitoring and communication of risks in the table below. At a minimum, include how often risk registers will be updated and how often formal risk discussions will take place.
- The strategic risks identified in preparing the Aid Investment Plan must be recorded in the program-level risk register. This risk register must be attached to the plan (Annex 4).

Risk Monitoring and Communication

Process	Frequency
Update of program-level risk register	<Required Minimum Quarterly>
Update of investment-level risk registers	<Required Minimum Quarterly>
Mission senior management team discussion on progress of risk treatments, escalation of country aid risks and any new risks	<Recommended Monthly>
Country program senior management team discussion on progress of risk treatments, escalation of sector risks and any new risks	<Recommended Monthly>

ANNEX 1: PERFORMANCE ASSESSMENT FRAMEWORK

- Use the separate Excel template to develop a PAF, then populate the columns in the table below with the relevant text.
- Add additional rows as required.

Intermediate Outcome	Intermediate Outcome Indicator	Milestone 2017-2018	Milestone 2018-2019	Milestone 2019-2020	Milestone 2020-2021	DFAT investments contributing to outcome	Data collection method
Australia's Aid Objective 1: Increased Private Sector Development							
Sub-objective: Poverty for men and women is reduced through a more inclusive and competitive private sector							
Outcome 1: Increased incomes for poor households	1.1 New formal sector jobs (FTE) created as a result of our aid program	222 jobs (by Dec 2017)	250 jobs (by Dec 2018)	300 jobs (by Dec 2019)	350 jobs (by Dec 2020)	Private Sector Development Initiative, Market Development Fund	Annual reports from Private Sector Development Initiative, Market Development Fund
	1.2 Additional personal income for men and women generated as a result of our aid program	USD3.3 million (by Dec 2017)	USD4.2 million (by Dec 2018)	USD5 million (by Dec 2019)	USD5.8 million (by Dec 2020)	Market Development Fund, UN Women Market Program	Annual reports from Market Development Fund, UN Women
	1.3 Country X increases its participation in the Seasonal Worker Program	190 (5 per cent female)	200 (10 per cent female)	Continued increase	Continued increase	Seasonal Workers Program	DFAT central reporting from program area
Outcome 2: Country X's business environment is conducive to inclusive private sector-led growth	2.1 Reduced number of working days to start a business	40 days	35 days	Less than previous year	Less than previous year	XXX	World Bank Doing Business Survey
	2.2 Improved performance of State-owned enterprises, as measured by the return on assets	Maintain baseline	Maintain baseline	5 per cent increase over baseline	7 per cent increase over baseline	XXX	Private Sector Development Initiative, progress reports
	2.3 Improved accountability of State-owned enterprises, as measured by the proportion of SOEs that publish audited annual	10 per cent increase over baseline	20 per cent increase over baseline	40 per cent increase over baseline	50 per cent increase over baseline	XXX	State-owned enterprise annual reports

Intermediate Outcome	Intermediate Outcome Indicator	Milestone 2017-2018	Milestone 2018-2019	Milestone 2019-2020	Milestone 2020-2021	DFAT investments contributing to outcome	Data collection method
	reports within statutory time limits						
	2.4 Improved Micro, Small and Medium Enterprises access to finance through secured transactions reform	A secured transactions framework developed	Personal Property Securities Act passed by Parliament	Online registry established	XXX	XXX	Country X's Treasury
	2.5 Percentage of adults that have an active mobile money account (used in the last 90 days)	2.6 per cent	8 per cent	10 per cent	12 per cent	XXX	Country X's Reserve Bank
Outcome 3: Improved trade competitiveness of key pro-poor sectors	3.1 Market access maintained or improved for three export commodities (ginger, taro, kava)	New indicator to be developed	XXX	XXX	XXX	XXX	Financial inclusion program
	3.2 Growth in tourist numbers to less visited areas of Country X (i.e. destinations other than Y and Z)	95,000 (15 per cent market share)	Further increase	Further increase	Further increase	XXX	Ministry of Tourism
	3.3 Increased private investment due to our aid programs	USD 2.8 million leveraged by Dec 2017	USD 3.5 million (by Dec 2018)	USD 4.5 million (by Dec 2019)	USD 5.5 million (by Dec 2020)	XXX	Private Sector Development Initiative, progress reports
	3.4 Increased aid budget allocated to aid-for-trade initiatives	14.3 per cent	20 per cent	20 per cent	20 per cent	XXX	AidWorks data

ANNEX 2: INVESTMENT PIPELINE

- Outline the program’s pipeline of current and planned investments (funded by DFAT) over the life of the Aid Investment Plan in the table below. This should include all investments over \$3 million and those assessed as high risk.

Investment Pipeline 20XX-XX to 20XX-XX

Australia’s aid objective	Investment name (incl. AidWorks number)	Value (\$m)	Indicative risk (High/Low)	Investment start date	Investment end date	2018-19		2019-20				2020-21				2021-22			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<i>Improved physical access to markets and basic services in target provinces</i>	<i>INJ101 Rural Road Building</i>	<i>90.0</i>	<i>Low</i>	<i>July 2018</i>	<i>June 2024</i>	█	█	█	█	P	P	█	█	█	█	█	█	█	█
<i>Improved physical access to markets and basic services in target provinces</i>	<i>New investment Roads Management</i>	<i>20.0</i>	<i>Low</i>	<i>Apr 2020</i>	<i>June 2026</i>							█	█	█	█				P

█ Concept
 █ Design
 █ P Procurement
 █ Implementation

ANNEX 3: PROGRAM FUNDING ALLOCATION (NON-PUBLIC)

- Outline the indicative aid allocation for the country or region over the life of the Aid Investment Plan and the proposed breakdown by objective. Where possible, this should incorporate total Australian ODA to the partner country or region (i.e. bilateral program, as well as amounts attributable to the country through regional programs, global programs and other government departments). Budget Strategy Section can assist with estimated flows from DFAT regional and global programs and Other Government Departments. Email programplanning@dfat.gov.au if you require further assistance with this section.

Indicative Program Funding Allocation 20XX-XX to 20XX-XX

Australia's aid objective	2018-19 (\$m)	2019-20 (\$m)	2020-21 (\$m)	2021-22 (\$m)
<i>Objective 1</i>				
<i>Objective 2</i>				
<i>Objective 3</i>				
<i>Regional programs</i>				
<i>Global programs</i>				
<i>Other Government Departments</i>				
Total				

ANNEX 4: PROGRAM RISK REGISTER (NON-PUBLIC)

- Attach the program-level risk register for the country or regional program.