

Advancing Multilateral Partnerships for Economic Development (AMPED) Independent Midterm Review

DFAT commissioned the Independent Midterm Review (IMR) for Advancing Multilateral Partnerships for Economic Development (AMPED) through the Procurement, Administrative and Logistics Management Support Services for Aid Program Delivery (PALMSS). The review team was composed of Graham Teskey (Lead Evaluator), Rudini Baoy (Co-evaluator), and Fatima Versoza (GEDSI Adviser) with inputs from Frankie Lawe-Davies.

AMPED is a DFAT-funded investment which has an overall goal of contributing to rapid, sustainable, and inclusive economic growth in the Philippines by enabling support from multilateral institutions including the World Bank (WB), Asian Development Bank (ADB), International and Finance Corporation (IFC), and the United Nations Children's Fund (UNICEF).

AMPED is managed by the Australian Embassy as a single aid investment. A total of six (6) agreements with these multilateral partners sit under AMPED; these partners are the focus of this review. The review assessed implementation progress of the AMPED investment at midterm period (July 2018 to June 2022) against its EOPOs and put forward recommendations on relevant adjustments towards its completion. DFAT has reflected on the findings and recommendations of the midterm review; this document provides DFAT's responses.

October 2024

Summary of Management Response

DFAT welcomes the midterm review findings and agrees with majority of the recommendations proposed in the report. In response to these recommendations, DFAT agrees to:

- Proceed to a design refresh of the AMPED program subject to the direction of the new economic program (PROGRESS-PH) including its scope and objectives, noting that both programs would be contributing to the Economic Growth objective of the Manila Post Development Partnerships Plan (DPP)¹. This will ensure rationalisation and alignment of investments. Design refresh will factor in the strategic, programmatic, and operational recommendations put forward by the review and as responded to in management response matrix below.
- DFAT will continue its partnership with the Word Bank through the AGaP Trust Fund with a multi-year approach to programming both in terms of funding and activity timeline.
- DFAT will reassign the social protection components of AMPED to the SPRING program. Future AMPED activities within its new focus areas that have element of social protection will be closely coordinated with and referred to the SPRING team.

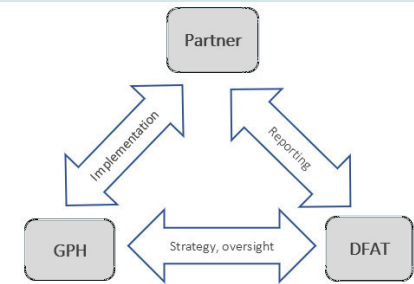
¹ Australia-Philippines Development Partnership Plan 2024-2029

Management response to the recommendations

Recommendation	Response	Explanation	Action plan	If practical, please specify timeframe here
<p>Recommendations 1-3 and 7:</p> <p>(1) DFAT should proceed with a design refresh of the AMPED program.</p> <p>(2) The strategic intent of the program should be clarified.</p> <p>(3) The design update should specify that its focus will be on upstream policy, legal, and regulatory reforms.</p>	<p>Agree</p>	<p>The future direction of AMPED is influenced by several factors: (i) the findings of the review; (ii) the new Development Partnerships Plan (DPP) for Philippines supporting the implementation of the new International Development Policy; and (iii) reorganisation at Post which transferred the management of AMPED from the Development Section to the Economic Section; and, (4) design of the Australia's new economic flagship program (PROGRESS-PH).</p> <p>The design refresh of the AMPED program will be rationalised depending on the scope of the PROGRESS PH design, noting that both programs would be contributing to the Economic Growth objective of the Manila Post DPP.</p>	<p>Senior Program Officer in-charge of PROGRESS -PH design will work with the design team to ensure that the design of PROGRESS-PH is informed by the findings and recommendations from the review to help DFAT determine how AMPED will be considered in the design, AGaP in particular, as may be relevant or applicable.</p> <p>Senior Program Officer for AMPED will look into a refresh of the AMPED as applicable depending on the design of PROGRESS-PH and how this has considered AMPED and/or AGaP in the design. Design Refresh will factor in other design related recommendations as noted in the succeeding section of this management response.</p>	<p>Ongoing (Investment design is expected to be finalised by end 2024)</p> <p>Beginning November 2025</p>

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<p>(7) If the strategic intent of the program is clarified as in recommendation 1, DFAT should engage two partners – the WB and the IFC.</p>		<p>EOPOs of the AMPED program will be revisited and take into consideration the MTR’s proposed reformulation of the EoPOs. DFAT agrees to drop EOPO2 (i.e., on partnerships) and can include this as a principle for working.</p> <p>DFAT will also look into the articulation of theory of change explaining the expected change pathways as suggested by the MTR.</p> <p>Post agrees that there is value in continuing its partnership with the World Bank under AMPED through the Australia-World Bank Growth and Prosperity Trust Fund which will prioritise upstream policy, legal, and regulatory reforms. Post will look into possibility of tapping into IFC as partner where appropriate.</p>	<p>DFAT (Post) will seek advice from Design team (Canberra) on how to proceed with the design refresh to ensure that this will meet aid programming requirements and policy.</p> <p>DFAT will procure the services of a MELF or Design Specialist to support the process.</p> <p>DFAT has extended its partnership with World Bank through AGaP through 2029 with additional contribution (USD10 million). Post will continue to improve on operational arrangements of the partnership taking into consideration relevant findings and recommendations of the AMPED review.</p>	<p>Extension executed (February 2024)</p> <p>Amendments to the Operations Manual was approved by the Operations Committee on 17 September 2024</p>

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<p>Recommendation 4:</p> <p>DFAT should reassign the social protection components of AMPED to the SPRING program</p>	<p>Agree</p>	<p>SPRING will be the primary investment for DFAT's future social protection agreements in the Philippines.</p> <p>While waiting for the SPRING to be mobilised, existing social protection agreements (i.e., ADB and UNICEF) will be used as platforms for bridging activities to facilitate a transition period to the SPRING Program. This enables DFAT to maintain our relationship with these partners.</p> <p>Future AMPED activities that will have some elements of social protection will be closely coordinated with and referred to the SPRING team.</p>	<p>SPRING program team to identify the activities that will be taken forward with social protection partners through a new agreement under SPRING. Execute short term extension of existing social protection agreements to continue DFAT's engagement in the sector.</p> <p>Economic Section (AMPED team) will coordinate with the SPRING team for any future proposed AMPED activities that have elements of social protection</p>	<p>At mobilisation tentatively (Q2 FY24-25)</p> <p>6-month extension executed (May 2024)</p>
<p>Recommendation 5:</p> <p>DFAT should consider its preferred delivery modality.</p>	<p>Agree in Part</p>	<p>DFAT continues to see the value of delivering the program directly through MFIs because it gives DFAT access to upstream policy debates by leveraging its funding with their global expertise and</p>	<p>DFAT to discuss with MFI counterparts better ways of working to ensure that the partnerships are more collaborative and effective partnerships among equals as</p>	<p>Discussion to commence in October 2024</p>

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		<p>systems on areas of common interest with the partners.</p> <p>While DFAT acknowledges the disadvantages of this modality as raised by the review (e.g., reduces access to Government of the Philippines; limit Australian visibility), neither of the delivery modality options presented by the review (i.e., (i) to appoint a third counsellor to the Embassy staff, with sole responsibility for management and oversight of the program or (iii) put in place a small, highly skilled program office, somewhat akin to the Partnerships for Infrastructure (P4I) model) could be implemented primarily because of limited resources. Nevertheless, with the transfer of AMPED to the newly created Economic Section with a new Economic Counsellor, DFAT sees the opportunity for deeper policy engagement with partners and the Government of the Philippines. The Ambassador has also indicated her interest in taking an active role in decision-making for AGaP activities in particular.</p>	<p>envisioned in the original design illustrated by figure 5 of the report:</p>  <p>DFAT will discuss particularly with the AGaP Secretariat (AGaP being the remaining active AMPED activity beyond 2024) visibility planning to identify key activities and events where DFAT could have more active role in policy discussions covered under AGaP.</p>	

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<p>Recommendation 6: DFAT should consider what constitutes a 'result' of the successor program.</p>	<p>Agree</p>	<p>DFAT should be able to draw the line on what AMPED is accountable for and clarify its scope to make it more realistic in terms of what is achievable within the lifetime of the investment. It will continue to support Government of the Philippines' goals on economic reforms.</p> <p>The development of the new economic development program design will be informed by the lessons learned from AMPED review including on the setting of the program's intended results.</p>	<p>DFAT will examine AMPED's revised EOPOs to ensure that the intended results or outcomes are clear, and the scope is within the sphere of DFAT's influence and achievable within the remaining implementation period of the investment. This can be part of the TOR of the specialist who will be hired to look into the design refresh or review of the MELF.</p>	<p>Ongoing (tentative completion of IDD: December 2024 subject to GOA and GPH approvals)</p>
<p>Recommendation 8: The next iteration of the program must have a convincing, realistic, and achievable MELF.</p>	<p>Agree</p>	<p>DFAT recognises that the lack of working program level MELF has made reporting and assessing performance challenging. Any revision on the investment's MELF should take into consideration the current context of the program to ensure that it is useful for evidence building, decision making and reporting.</p>	<p>DFAT will procure the services of a MELF specialist to support the review of the AMPED MELF (e.g., through Procurement, Administrative and Logistics Management Support Services for Aid Program Delivery (PALMSS)). The revision of the MELF is</p>	<p>Commence by November 2024</p>

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			<p>contingent on the how AMPED is considered in the PROGRESS-PH design.</p> <p>DFAT will work with existing AMPED partners to get their buy-in and to ensure that the activity level MELF is able to contribute to the revised program level MELF.</p>	
<p>Recommendation 9: Partners must better integrate, and report on, gender and social inclusion in their projects.</p>	<p>Agree</p>	<p>DFAT recognises that these are areas requiring more attention from partners. With the renewed emphasis of the new International Development Policy for development programs to progress gender quality outcomes, DFAT will work with ongoing AMPED partners to look for appropriate entry points to prosecute these priority policies in activity designs and to integrate these in progress and performance reporting. The requirements will be included in the operations manual for activities that have a longer remaining implementation period (i.e., AGaP).</p>	<p>DFAT to work with World Bank counterparts in revising the AGaP Trust Fund's Operations Manual including improving the guidance on how to integrate and report on gender and social inclusion in the projects.</p> <p>DFAT to explore the possibility of conducting a Learning Event</p>	<p>Done (17 September 2024)</p>

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		<p>In terms of the detailed recommendations for DFAT for the current round in Annex 5 (GEDSI), the holding of Collaboration and Learning event for all partner gender specialists is a welcome suggestion that can be explored.</p> <p>At this point, there are no considerations for a new phase for AMPED but the GEDSI recommendations for any next round are noted.</p>		
<p>Recommendation 10: DFAT should consider what it means by, and how it can better achieve, visibility.</p> <p>Recommendation 11: Regular informal DFAT-WB meetings.</p>	<p>Agree</p>	<p>Visibility for DFAT goes beyond branding (i.e., use of appropriate logos in documents and in events). DFAT is keen to have more active, substantive and policy engagements with the partners and the Government of the Philippines on areas which AMPED is supporting.</p>	<p>DFAT to actively engage with the partners during the different stages of the program cycle to have that substantive involvement in the activities of the partners especially in areas it has clear expertise.</p>	<p>Ongoing</p>

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<p>Recommendation 12: Safeguards to be assessed at project level.</p>	<p>Agree in Part</p>	<p>DFAT requires risk registers at the investment level which includes assessments of safeguards risks. Nevertheless, the identification of safeguard risks can be attributed at the activity level. Partners are also required to maintain risk registers for their respective activities.</p>	<p>DFAT to continue the inclusion of activity level safeguards risks in the quarterly updating of investment level risk registers.</p>	<p>Ongoing</p>
<p>Recommendation 13: Consider moving to a two- or three-year rolling program for the AGaP Trust Fund and establish an unspecified 'just in time' funding line.</p>	<p>Agree in Part</p>	<p>DFAT recognises the importance of multi-year programming which allows more effective planning of activities over a more extended period for maximum impact.</p> <p>Reinstating the flexible funding window previously available under AGaP will be reviewed with World Bank. Alternatively, the new economic development program is also looking into the feasibility of a flexible funding window for on demand requests from the government.</p>	<p>AGaP to adopt a multi-year programming both in terms of funding and activity timeline.</p> <p>DFAT to revisit with World Bank the decision regarding the flexible just in time funding window.</p>	<p>Ongoing. Proposals approved at the AGaP Steering Committee Meeting (18 September 204) have two-three years of implementation.</p> <p>to be taken up at the next Operations Committee Meeting</p>

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<p>Recommendation 14: DFAT to reconsider the role and functioning of the Steering Committees and the Technical Working Groups.</p>	Agree	<p>There are efficiency gains from streamlining decision-making processes and clarifying the roles of the various governance teams. DFAT agrees that the Steering Committees should focus on providing strategic guidance to the various activities.</p>	<p>DFAT and World Bank to review the Operations Manual of the AGaP Trust Fund including refining the roles and responsibilities of the Operations Committee and the Steering Committee.</p>	<p>Completed. Revised Operations Manual approved on 17 September 2024 reflected adjusted functions of the 2 governance committees.</p>
<p>Recommendation 15: Introduce strict investment criteria in the successor program.</p>	Agree	<p>DFAT agrees that there should be a clearer and more defined set of investment criteria for selection of activities and priorities for the new economic development program.</p>	<p>DFAT to work with the PROGRESS-PH design team to ensure that selection of activities or priorities is based on a clearly defined set of criteria.</p>	