

## DFAT Management Response to the Mid-term Review of the Aus4Skills Phase 2

In November-December 2023, DFAT conducted an independent mid-term review (MTR) of the Aus4Skills Phase 2 (2021-2025). The purpose of the MTR was to identify what is working well in Aus4Skills, what should continue or be replicated, what should be improved, and what should or could cease. In addition, DFAT will commence the design of the subsequent phase of Australia’s human resource development (HRD) support in 2024 to ensure continuation of the Australia Awards Scholarships (AAS) and Vietnam Australia Centre (VAC) beyond December 2025. Therefore, the outcomes of the MTR also contribute to the design.

The MTR found that Aus4Skills is an important, high quality, and well-regarded feature of Australia’s development cooperation program with Vietnam. The Aus4Skills team is highly professional and skilled, with strong leadership, and has developed effective and trusting relationships with the diverse range of partners and stakeholders which are essential to implementation. The Aus4Skills team, and the Embassy HRD team, are strongly committed to the work and to achieving the program’s intended outcomes. As such, they are open to responding to advice, adjusting activities and approaches, and adapting to the constantly changing context for their work.

### Effectiveness

No	Recommendation	DFAT responses ( <i>completed by end-April 2024</i> )
1	<p>DFAT should ensure that the design of the next phase of HRD support allows for a robust analysis of context and assumptions, and the development of a program logic that more fully captures the breadth of intended work.</p> <p>The design should also build in a process during inception of the next phase for a genuine review and revision to the program logic and end-of-program outcomes (EOPOs), to ensure that the EOPOs and logic which will guide implementation as relevant and specific as possible. This is especially important with the expected long time period between design and mobilisation.</p> <p>DFAT should also ensure that the design of the next phase of support integrates a broader understanding of ‘how change happens’ in the specific sectors and contexts of Vietnam and supports a genuinely thinking and working politically approach which can support ongoing adaptation.</p>	<p><b>Agree</b></p> <p>DFAT will ensure the program logic and EOPOs of the new human resource development (HRD) program for Vietnam (2026-2035) (known as Aus4Skills Phase 3) reflects the breadth of intended work and support a genuinely thinking and working politically approach in the context of Vietnam.</p> <p>DFAT Hanoi is currently upskilling its staff in M&amp;E which will assist here.</p>
2	<p>DFAT and Aus4Skills should reconfirm that the primary focus for Program-funded alumni engagement activities remains on ODA-funded alumni. While non-ODA alumni will be included in alumni activities, communications and broad networks, the Program should target ODA</p>	<p><b>Agree</b> that AAS alumni are the primary focus/beneficiaries for the remaining time of Aus4Skills Phase 2 (to 31 December 2025).</p>

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	<p>alumni with the more intensive activities, including the expansion and maintenance of alumni data (in whatever formats and platforms).</p>	<p>During this time, where appropriate include non-ODA alumni in Aus4Skills activities, noting the Embassy engagement among different alumni stakeholders.</p> <p>Noting alumni recommendations in the Southeast Asia Economic Strategy, the HRD Design will consider alumni engagement activities over the next phase and also align with any global or regional alumni guidance from DFAT. Noting alumni recommendations in the Southeast Asia Economic Strategy, the HRD Design will consider alumni engagement activities over the next phase and also align with any global or regional alumni guidance from DFAT.</p>
3	<p>DFAT and the rest of the Embassy could seek additional public diplomacy funds to support broader alumni engagement (depending on internal funding processes, and any limitations associated with existing Subsidiary Arrangement provisions), which could be used to procure Aus4Skills services for delivery of expanded alumni activities.</p>	<p><b>Noted</b> Acknowledge that DFAT already has access to additional funding for Global AAS alumni engagement and has received additional ODA funds in FY23/24.</p> <p>DFAT to consider in the future design how to use AAS Global alumni funding and/or other funding to engage with alumni in Vietnam, noting the Southeast Asia Economic Strategy recommendations and broader work by DFAT globally and the Embassy and Consulate General to improve alumni engagement.</p>
4	<p>The Program should relinquish any consideration of making alumni networks or even the Professional Groups self-sustaining and focus on the implementation and strengthening of the network utilising the available resources, targeting the achievement of end-of-program outcomes.</p>	<p><b>Agree</b> to maintain a focus on alumni engagement utilising available resources to strengthen these networks under the current phase (to 31 December 2025).</p> <p>Self-sustaining alumni networks is a long-term endeavor which is beyond the current programs remit.</p>
5	<p>There would be value in the Program prioritising logistics graduate outcomes studies as soon as possible, to assess the extent to which the new logistics offerings are meeting industry needs. The study should also collect employer feedback and evidence about the extent to which employers have to supplement college training with on-the-job and enterprise training, as a measure of training quality and relevance.</p>	<p><b>Agree</b> The proposed study has been included in the Vocational Education and Training (VET) 2024/25 workplan.</p>
6	<p>Aus4Skills should continue with its focus on increasingly providing structured support for college staff to share their learnings with colleagues, and for colleges which have been involved for some years to provide peer support and advice to colleges which have more recently joined the Program. This could include teacher exchanges, sharing of resources, technical advice and peer review, and collaboration activities.</p>	<p><b>Agree</b> Structured cross-sharing among partner VET colleges will be supported as part of the 2024/25 VET workplan.</p>

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7	<p>The Program should continue to pursue the Logistics Industry Reference Council (LIRC) expansion to the north of Vietnam, perhaps focusing there before turning attention to the central region. Development in the north should be founded on a multi-year plan to identify and support individual champions, maximise links with the key stakeholders in the south (including Vietnam Chamber of Commerce and Industry, Ho Chi Minh City Branch -VCCI HCMC) so they can provide peer support and advice from within the Vietnam system, alongside Program support.</p>	<p><b>Agree</b> An 18-month plan to expand LIRC’s footprint to the north, linking to the existing LIRC’s presence in the south, is being formulated in consultation with government, industry, VET college partners, and Australian experts. Expansion to the central region is not proposed.</p>
8	<p>As part of the upcoming design for a new phase of support the Program should build on its work exploring potential financing models for the LIRC as part of the development of a sustainability strategy. This would form a key element of the next phase of the investment and also feed into the work to advocate for the skills council model more broadly in Vietnam.</p>	<p><b>Agree</b> In the current phase, Aus4Skills is already developing a paper on LIRC financing options to contribute to Government of Vietnam’s consideration in financing sector skills councils.</p>
9	<p>The Program should work closely with DFAT and other key Embassy representatives to ensure that its new advocacy strategy for the VET component is detailed, nuanced, and politically informed. It would benefit from being <i>jointly developed</i> by Aus4Skills and DFAT, with a detailed analysis of opportunities and obstacles and specific tactics for building relationships with the key individuals and agencies which will enable the LIRC, and the broader sector skills council model, to achieve its legal status.</p> <p>The advocacy strategy should be jointly implemented by Aus4Skills and the Embassy, utilising all the relationships and entry points which exist across both parties. It should also increasingly build a coalition of development partners – GiZ and others – to advance the aims of the VET sector component. Partners have varying relationships and entry points but often shared ambitions (regardless of terminology) and thus could work more closely together to support VET sector development in the areas of focus.</p>	<p><b>Agree</b> Joint advocacy efforts to promote an inclusive, competency-based, industry-led VET system will continue in 2024 and 2025 between DFAT/Aus4Skills and key stakeholders involved in skills development, including Government of Vietnam agencies, industry, college partners, and like-minded development partners.</p>
10	<p>The Program should collaborate with partners, especially in the Government of Vietnam, to review the terminology it utilises and promotes, including terms such as ‘industry-led’, to ensure it is sufficiently flexible in shifting to terminology which will work best in Vietnam and be most meaningful and comfortably accepted.</p>	<p><b>Partially agree</b> The term “industry-led” has been widely used by Government of Vietnam counterparts and VET partner colleges in recent years. DFAT will continue to monitor any issues around use of terms and seek confirmation from the Directorate for Vocational Education and Training (DVET) of these terms.</p>

No	Recommendation	DFAT responses ( <i>completed by end-April 2024</i> )
11	DFAT, and the Program, should take care to allocate sufficient attention and support to <i>all</i> foundational partners in VAC (noting that their size, needs and absorptive capacities vary), to ensure all partners remain engaged and perceive value from VAC for their development.	<p><b>Agree</b> DFAT and the Program have been working closely with the Vietnam Australia Centre (VAC) Foundational Partners (FPs) through various governance mechanisms.</p>
12	The VAC Review should proceed as planned in 2024 and be given a high priority. Included in the review should be consideration of the intended outcomes of VAC, the way gender equality and other inclusion factors are integrated, ways to enhance the decision making (including regarding budget and activity allocations), and the reconfirmation of the VAC focus on development outcomes as the primary purpose.	<p><b>Agree</b> The original design for VAC was prepared during COVID and there have been changes in the development context since then, including the recent elevation of the bilateral relationship to a Comprehensive Strategic Partnership (March 2024).</p> <p>The Embassy will undertake an independent review of the VAC in 2024.</p>
13	All partners should remain alert to the importance of clearly maintaining the commitment to, and visibility of, gender equality and women’s leadership within Aus4Skills, and particularly within VAC. Gender research and WILJ activities should receive – and be perceived to receive – at least as much attention, priority and prominence as other VAC activities.	<p><b>Agree</b> DFAT’s commitment to gender equality and women’s leadership development remains a significant focus in VAC activities, aligns with DFAT’s International Development Policy, the Vietnam-Australia Development Partnership Plan (under development) and Australia in Vietnam Equality Strategy.</p> <p>VAC has supported its foundational partners (HCMA, MOFA, OOG) to promote women’s leadership and women’s empowerment within their portfolios, and in the broader public sector, and will continue this agenda. This includes but is not limited to Women in Leadership Journey short courses, GeLEAD partnership and GEDSI mainstreaming.</p>
14	Attempts to create a VAC Alumni Network should be abandoned in favour of directing Program (and DFAT) resources towards other more appropriate approaches to support the creation of robust and meaningful networks through VAC activities. A focus on communities of practice which have meaningful value for participants, such as that within WILJ, would likely be more worthwhile.	<p><b>Partially agree</b> Work-in-progress to formulate the WILJ community of practice (COP) as a pilot activity to inform the establishment of future COPs.</p> <p>Australian alumni network in Vietnam is approximately 100,000 and nurturing this network including VAC remains a global and bilateral focus. The Southeast Asia Economic Strategy suggests we strengthen alumni engagement which DFAT is considering. (See recommendations No.2 and No.3 above).</p>

## Efficiency

No	Recommendation	DFAT responses ( <i>completed by end-April 2024</i> )
15	The Program should undertake a comprehensive assessment of areas where it can shift to greater utilisation of Vietnamese expertise and contractors, either as primary sub-contractors or as co-providers with the support of Australians. There should be a process of assessing the extent to which Australian providers are required for each planned activity, considering the extent to which there is an explicit priority on building Australian links within that activity.	<p><b>Agree</b></p> <p>In June 2024, DFAT released guidance for localisation in the development program as per Australia’s 2023 International Development Policy.. In June 2024, DFAT released guidance for localisation in the development program as per Australia’s 2023 International Development Policy. DFAT will consider how this applies to Aus4Skills.</p>
16	Working within what is possible in the DFAT context, the Program and DFAT should assess the feasibility of, then develop and pilot split site Australia Awards offerings which would combine in-Vietnam and in-Australia studies while also creating potentially more scholarships opportunities within the same budget envelope.	<p><b>Agree</b></p> <p>An Options Paper covering possibilities for split-site study options to increase access and attractive of Australia Awards Scholarships (AAS) was produced in March 2024 following a recommendation under reviews on AAS Assessment and Selection and Targeting and Promotions in late 2023.</p> <p>DFAT is considering the feasibility of the Options Paper in the future design.</p>
17	With the shifting focus towards more strategic approaches to achieving the EOPOs, the Program should consider adding more expertise in strategic and policy engagement in the Vietnam context. This could take the form of short-term inputs (either Vietnamese and/or international), or the addition of full-time personnel roles, to complement the ongoing strategic work of DFAT and other Embassy officials.	<p><b>Agree</b></p> <p>DFAT is considering drawing in appropriate expertise for both the remainder of Phase 2 and into the future design.</p>
18	DFAT is encouraged to review the workload and personnel allocations in the Embassy to ensure that the HRD team is sufficiently resourced to support the ongoing implementation of Aus4Skills (among other responsibilities) while also shepherding through the design of the next phase of HRD investment.	<p><b>Agree</b></p> <p>A Design Manager has been engaged by DFAT in April 2024 to assist with the HRD Design development, appraisal and approval processes. A Design Manager was engaged by DFAT in April 2024 to assist with the HRD Design development, appraisal and approval processes.</p>

## Monitoring and evaluation (M&E)

No	Recommendation	DFAT responses ( <i>completed by end-April 2024</i> )
19	The overall issue of the EOPOs is best addressed in the imminent process to design the next phase. However, the 2024 review of the VAC should pay particular attention to clarifying the EOPOs and their timeframe in advance of the next phase design and should lead into a refreshed and more robust Monitoring, Evaluation and Learning (MEL) Framework to support the implementation and management of VAC activities in the short and medium term.	<b>Agree</b>
20	Aus4Skills should review the M&E Framework (MEF) and the VAC MEF (the latter as part of the overall review and refresh of the VAC) and strengthen the outcome level indicators to utilise more complex and robust measures of progress and performance. This should include qualitative as well as quantitative indicators with a more comprehensive coverage of the nature and scale of change the Program is aiming to achieve.	<b>Partially Agree</b> The Aus4Skills MEF was reviewed before the MTR and improvements are underway.  The VAC review will consider the VAC MEF. See recommendation No.19.
21	Aus4Skills should increasingly invest in evaluation work at the outcome level, including Case Studies which focus on specific outcome areas, and evaluations of key investments such as the development outcomes of a sample of Short Courses. These should be designed to assess the achievement of outcomes more deeply and to identify areas for continual improvement.	<b>Agree</b> DFAT has approved three case studies to be undertaken in 2024 and 2025, including one study of the effectiveness of using Australia Awards short courses to achieve the intended development outcomes of the current program.
22	Program reporting should shift focus to EOPO (End of Program Outcome) reporting, both at whole-of-program and component levels, clearly presenting the extent of progress towards and achievement of outcomes. The range of data and analysis within the Program MEL systems should be utilised as the evidence base for this reporting, but detailed data such as reporting against annual targets, would be better situated in report annexes for cross-referencing as required.	<b>Agree</b> Changes have been applied to the Annual Plan 2024/25 and reporting to follow accordingly, with a better focus on analysis of progress towards and achievements of EOPOs as opposed to reporting against annual targets.
23	DFAT should consider increasing the MEL budget so the Program can undertake more evaluative work in the final two years of Phase 2, especially focusing on EOPOs at component level. This would be of greatest value in Year	<b>Partially agree</b> DFAT will conduct an independent evaluation in 2025-26 to inform the Final Investment Monitoring Report (FIMR). The existing MEL plan and budget, as a part of the overall Aus4Skills workplan, are sufficient to support an increase in evaluation during the remainder of the program.

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	4 of Phase 2, so it can support evaluative work as an input to the design of the next phase.	
24	Aus4Skills should further invest in MEL skills, experience and capacity in the overall Program team (including component leads), particularly to support the VAC with its complex political economy, and to strengthen the scope for more strategic and outcomes focused evaluative work which is less about reducing to quantification of qualitative changes, and more qualitative overall – capturing the nature and significance of the changes arising from Aus4Skills work.	<p><b>Agree</b> In 2024/25 Aus4Skills will develop a MEL professional development plan to enhance MEL skills for Program staff and selected partner organisations.</p>

#### Gender Equality, Disability and Social Inclusion (GEDSI)

No	Recommendation	DFAT responses (completed by end-April 2024)
25	The Program, and DFAT, should take care not to over-use the ‘GEDSI’ terminology, at the risk of losing the meaning and distinct issues associated with addressing gender equality, disability inclusion and the inclusion of other disadvantaged groups.	<p><b>Agree</b> Hanoi Post has dedicated gender and disability specialists working on DFAT programs. Aus4Skills has historically achieved strong results for both gender and disability inclusion (as per moderated Investment Monitoring Reports each year). Aus4Skills also has separate targets for ethnic minority and rural participants. This recommendation will be reflected in the respective GEDSI strategy of Aus4Skills.</p>
26	As an extension of the recommendation regarding, Program documents should expand their reporting of gender equality outcomes (not just participation numbers) and ensure the significance of gender equality achievements are more fully documented.	<p><b>Partially Agree</b> Aus4Skills has already collected qualitative information as part of MEL activities.</p> <p>The program will continue to collect stories of change about gender equality, disability, or social inclusion to demonstrate impact.</p>

## DFAT and Program recommendations

No	Recommendation	DFAT responses ( <i>completed by end-April 2024</i> )
27	<p>There would be value in all whole-of-government partners within the Embassy with an interest in the Program participating in a partnership brokering exercise, or similar facilitated process, to ensure there is clear and shared understanding of the intended outcomes of Aus4Skills, to confirm roles and responsibilities, and to jointly develop plans and tactics for their contributions towards the intended outcomes.</p>	<p><b>Agree</b>                      The Embassy has an internal monthly Deputy Head of Mission chaired, whole-of-government Education working group where HRD (including Aus4Skills) information is shared. The HRD team held a whole-of-Embassy information session on the VAC in 2022, targeted VET sessions during 2023, and other whole-of-government agencies are members of all three steering committees.</p> <p>The coming HRD design process provides a good opportunity for the HRD team to continue to consult and engage with whole-of-government partners to enable an increased shared understanding of the intended outcomes of Aus4Skills and its subsequent phase(s).</p>
28	<p>The Program should consciously consider how to increase its attention to thinking and working politically, to more deliberately understanding and navigating the political economy which shapes the way change happens in the areas of Program activity, as this is central to achieving sustainable outcomes. As part of this the Program should provide professional development for the program team to build their familiarity with, and capacity for, practical political economy analysis and/or thinking and working politically. This would be a worthwhile investment in supporting the transition to a more politically informed and strategic approach to implementation over the remaining two years of this Phase</p>	<p><b>Agree</b>                      For discussion between DFAT/Aus4Skills to look at professional training and on-the-job learning opportunities for HRD team and Aus4Skills team members for the remainder of this phase, noting some HRD team members participated in political economy analysis training in late 2023.</p>