



**Australian Government**  
**Department of Foreign Affairs and Trade**



# **AID PROGRAM PERFORMANCE REPORT 2017-18**

**BANGLADESH**

September 2018



## KEY MESSAGES

This report summarises the performance of Australia's aid program in Bangladesh from July 2017 to June 2018 against the *Aid Investment Plan, Bangladesh 2015-19 (AIP)*.

Australia's aid program in Bangladesh reflects the development priorities of the Governments of Australia and Bangladesh and a shared commitment to inclusive economic growth and poverty reduction. The key objectives of the AIP are to improve access to quality education and skills; and to build economic resilience and inclusion by strengthening social protection systems and creating economic opportunities for the poor. Australia is also supporting Bangladesh to respond to a major influx of displaced Rohingya people from Myanmar. The AIP reflects a central tenet of Australia's 2017 Foreign Policy White paper – Australia's future prosperity relies on a stable and prosperous Indo-Pacific.

With sustained economic growth and relative political stability the assumptions underpinning the AIP remain valid. This positive trajectory is subject to pressure from security and governance challenges, the impacts of climate change, the Rohingya humanitarian crisis, and developments in the lead up to parliamentary elections. Slowing poverty reduction rates and widening income inequality reaffirms the importance of our focus on creating opportunities for the poor and most disadvantaged.

Australia's aid program in Bangladesh made good progress in 2017-18, with 14 of the 19 annual AIP Performance Assessment Framework (PAF) targets<sup>1</sup> and 6 of 7 Performance Benchmarks being met. There has been strong performance in responding to gender inequality<sup>2</sup> across both objectives. In 2017-18 our aid investments in Bangladesh:

- contributed to over 900,000 displaced Rohingya and members of the host community in Cox's Bazar gaining access to food, shelter, clean drinking water, and safe spaces for women and children;
- supported the Bangladesh Government's primary education program to implement key reforms, including the roll-out of a new Diploma in Primary Education across all training institutions;
- helped 72,804 women and their households graduate from ultra-poverty, making a direct and significant difference to the lives of poor people; and
- supported the Government of Bangladesh to strengthen implementation of the National Social Security Strategy in 23 line agencies through the development of Ministry action plans.

In 2017-18, Australia's bilateral Official Development Assistance to Bangladesh increased by over 70 per cent in response to the Rohingya humanitarian crisis. Our longstanding partnerships with organisations like the World Food Programme (WFP) and Bangladesh's BRAC enabled us to respond quickly and effectively to the crisis. Through our response Australia is implementing commitments made at the 2016 World Humanitarian Summit and in the associated Grand Bargain, including for flexible funding and to localise humanitarian action.

Australia's aid program in Bangladesh is delivered through partners with a reputation for strong performance, quality development outcomes and policy influence. Our partnerships with the Bangladesh Government, BRAC, WFP and the UK Department for International Development (DFID) provided opportunities for policy dialogue in the education, social protection and humanitarian sectors. We also commenced new partnerships with the United Nations Development Programme (UNDP) to continue our support for government reform in social protection and with a range of humanitarian agencies in response to the Rohingya crisis.

Australia will not participate in the next phase of the Bangladesh Government's Primary Education Development Program (PEDP4). We will explore opportunities to engage in education and skills development in a more targeted way, focusing on gaps where we can make a difference.

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<sup>1</sup> The PAF was revised with new humanitarian targets, following Australia's response to the Rohingya crisis, which we will report against in 2018-19.

<sup>2</sup> All investments performed strongly against gender indicators, exceeding Australia's strategic target for gender equality, which is a rating of satisfactory or above in gender equality for 80 per cent of Australian investments.



## CONTEXT

The assumptions underpinning the Aid Investment Plan remained valid in 2017-18 with economic growth and relative political stability supporting progress towards poverty reduction and improvements in development indicators. However challenges to growth, a slowing poverty reduction rate, widening income inequality, the impacts of climate change and the humanitarian crisis in southern Bangladesh are placing pressure on development gains.

**Bangladesh's economic trajectory continues to be strong** with a resilient GDP growth rate of 7.3 per cent<sup>3</sup> in 2017. Exports rebounded in 2018 (6 per cent growth), primarily led by the Ready-Made Garments (RMG) sector and remittances grew (by 17 per cent). The industrial production and services sectors displayed strong growth (10 per cent) helped by growing confidence on infrastructure development prospects, strong domestic demand and stronger global markets<sup>4</sup>.

In March 2018 the UN Committee for Development Policy announced that Bangladesh met all three criteria for eligibility to begin graduation from Least Developed Country (LDC) status, and may graduate in 2024. The decision was welcomed by the Government, but Bangladesh will need to manage the challenges associated with the loss of trade concessions and development financing that the transition will bring. The country's low skill base, challenging business environment and need for institutional reforms all point to the significant action required if Bangladesh is to make the best use of new opportunities.

**Skill shortages are emerging as a key constraint to economic growth.** Bangladesh's labour force is under-skilled: 41 per cent have no education and 23 per cent have not completed primary education. Three-quarters of newly recruited workers in industry are unskilled<sup>5</sup>. Only 0.2 per cent of the workforce have received any vocational education<sup>6</sup>. Of those accessing training, just 24 per cent are women and girls<sup>7</sup>. To fulfil its economic ambitions, Bangladesh needs to create more and higher productivity jobs and improve education and skills development.

**Economic growth is becoming less inclusive** and income inequality is widening<sup>8</sup>. Twenty four per cent of the population still live below the poverty line<sup>9</sup>. While GDP growth rates have averaged 6.8 per cent over five years, the pace of poverty reduction has dropped over this time, and the impact on the poor has been compounded by a decreasing rate of job growth<sup>10</sup>. This underlines the case for an Australian aid strategy that focuses on creating economic opportunities for the poor to increase their productive capacity, and on strengthening safety nets for the most vulnerable.

While the Government of Bangladesh is committed to poverty reduction, including through a reformed social security system, its spending on health and education continues to be low in comparison to international benchmarks<sup>11</sup>.

**Bangladesh remains a challenging environment for gender equality**, despite outperforming many of its South Asia neighbours on indicators such as achieving gender parity in primary and secondary school enrolments. The readymade

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<sup>3</sup> <https://data.worldbank.org/country/bangladesh>

<sup>4</sup> Bangladesh Development Update (April 2018), World Bank.

<sup>5</sup> DFID Business Case, YES for Growth, May 2017

<sup>6</sup> DFID Business Case, Yes for Growth, May 2017


<sup>7</sup> DFID Business Case, Yes for Growth, May 2017

<sup>8</sup> Centre for Policy Dialogue (CPD) report on *Interim Review of Macroeconomic Performance* (June 2018): The share of income of the lowest five per cent of households dropped to 0.23 per cent in 2016 from 0.78 per cent (2010). While the income share of the top 5 per cent of households went up to 27.89 per cent in 2016 from 24.61 per cent (2010); Bangladesh Development Update (April 2018), World Bank.

<sup>9</sup> Bangladesh Development Update (April 2018), World Bank

<sup>10</sup> The national poverty rate fell by 1.2 percentage points annually from 2010 to 2016 compared to 1.7 percentage points from 2005 to 2010. Between 2003 and 2010, total employment grew by 3.1 per cent per annum, compared to only 1.8 per cent per annum between 2011 and 2016; Bangladesh Development Update (April 2018).

<sup>11</sup> Bangladesh Government's allocation for education was stagnant at 2.6 per cent of GDP in 2017-18 and 2018-19. According to the Education 2030 Framework for Action of UNESCO, Bangladesh spending should be around 4 to 6 per cent of GDP. Similarly, Bangladesh's health spend as per cent of GDP increased marginally from 0.89 per cent (2017-18) to 0.92 per cent (2018-19), this is well below the WHO benchmark of 5 per cent of GDP; Centre for Policy Dialogue (June 2018).



garment industry, where approximately 80 per cent of workers are women, has driven economic participation in the formal workforce for a large number of Bangladesh's poorest women. Overall however, women's workforce participation remains low (34.7 per cent in 2017 compared to 81.9 per cent for men)<sup>12</sup> and has not increased appreciably in the last decade<sup>13</sup>. Moreover, these employment opportunities leave women vulnerable to exploitation through low wages and unsafe working conditions. Bangladesh also continues to have one of the highest child marriage rates in the world: fifty two per cent of girls are married before the age of 18, of which 18 per cent (one in five) are married under the age of 15<sup>14</sup>. While women's participation in Bangladeshi society is relatively high on some indicators, long-standing societal, cultural and religious norms will continue to limit the potential of women, and especially poor women, in the medium term.

**In 2017-18, the operating context was transformed by the influx of over 700,000 Rohingya fleeing Myanmar.** This has changed the economic and development landscape in southern Bangladesh through its impact on the physical environment, service provision, stability of the host communities and resources required to host the new arrivals. The crisis has also placed Bangladesh on the world stage with Kutupalong camp in Cox's Bazar District now the world's largest refugee camp settlement.

The Government of Bangladesh's role in responding to the Rohingya crisis has been commendable. The scale of the influx nonetheless continues to be a challenge, with significant ongoing humanitarian support required. In 2017-18, Australia contributed approximately \$62.5 million in humanitarian funding for life-saving assistance in the Cox's Bazar district. DFAT staff resources were supplemented to manage Australia's response, while established strategic partnership arrangements with BRAC and WFP provided a flexible and effective mechanism to assist in addressing the impact of the crisis, including on host communities.

During the reporting period the **security threat from extremist groups has remained unchanged**, but has had less impact on aid program delivery as Australian partners have adapted their practices. The political environment has also become more contested in the lead up to national elections expected at the end of 2018.

### Australian Aid Program

Australia's aid program in Bangladesh focuses on inclusive economic growth and poverty reduction, aligning with the Bangladesh Government's *Seventh Five Year Plan 2016-2020* and the Australian Government's *2017 Foreign Policy White Paper*. Our aid investments support Bangladesh's ambitions for economic transition and its inclusive growth agenda by helping to address skills gaps and creating economic opportunities for the poor, particularly women and girls. Australia is also providing humanitarian assistance in response to the influx of displaced Rohingya in southern Bangladesh.

Our aid program is delivered through strategic partnerships with the Government of Bangladesh, WFP, BRAC, UNDP and DFID. We supported partners to promote economic growth and address inequality with a focus on key sectors - primary education, skills development, social protection and women's empowerment. These flexible partnership arrangements enabled Australia to be responsive to emerging priorities, including the humanitarian crisis in the Cox's Bazar district.

The two objectives of the Australian aid program are: (i) *improving education access, equity, efficiency and learning outcomes*; and (ii) *building resilience by reducing vulnerability and improving inclusion in the growing economy*. In 2017-18, total foreign aid to Bangladesh constituted approximately 1.3 per cent of GDP, of which Australia's contribution of \$89.9 million represented approximately 0.025 per cent<sup>15</sup>.

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<sup>12</sup> Bangladesh Development Update (April 2018), World Bank

<sup>13</sup> <https://www.dhakatribune.com/business/2018/08/17/labour-force-participation-of-females-stagnant-in-bangladesh>

<sup>14</sup> UNICEF: A Scoping Analysis of Budget Allocations for Ending Child Marriage in Bangladesh (February 2018)

<sup>15</sup>Source IMF:

<http://www.imf.org/external/pubs/ft/weo/2018/01/weodata/weorept.aspx?pr.x=21&pr.y=6&sy=2016&ey=2023&scsm=1&ssd=1&sort=country&ds=.&br=1&c=513&s=NGDPD%2CPPPDP%2CNGDPDPC%2CPPPDC&grp=0&a=>

## EXPENDITURE

Table 1 lists the Bangladesh 2017-18 Financial Year bilateral expenditure for aid objectives, for regional and global programs, and Other Government Departments. Australia's ODA to Bangladesh in 2017-18 was \$89.9 million, with the bilateral program accounting for \$72.8 million (81 per cent) of total ODA.

**Table 1 Total ODA Expenditure in FY 2017-18**

Objective	A\$ million	% of total ODA
<b>Bilateral <sup>1</sup></b>		
Objective 1: Improving education access, equity, efficiency and learning outcomes	12.4	13.8
Objective 2: Building resilience by reducing vulnerability and improving inclusion in the growing economy	49.4	54.9
Other: Australia Awards, Gender Equality Fund, The Asia Foundation, and Post Management	11.0	12.3
<b>Sub-Total Bilateral</b>	<b>72.8</b>	<b>81.0</b>
<b>Regional and Global</b>	<b>14.7</b>	<b>16.3</b>
<b>Other Government Departments</b>	<b>2.4</b>	<b>2.7</b>
<b>Total ODA Expenditure</b>	<b>89.9</b>	<b>100</b>

<sup>1</sup> Bilateral expenditure in 2017-18 included an additional estimated \$30.7 million allocated to the Bangladesh bilateral program to support Australia's response to the Rohingya humanitarian crisis, included in Objective 1 and 2 expenditure figures. An estimated \$62.4 million was allocated to the Rohingya crisis response in Bangladesh as part of Australia's overall \$70 million commitment to support the crisis.

## PROGRESS TOWARDS AIP OBJECTIVES

**Table 1 Rating of the Program's Progress towards Australia's Aid Objectives**

Objective	Previous Rating	Current Rating
Objective 1: Improving education access, equity, efficiency and learning outcomes	Green	Green
Objective 2: Building resilience by reducing vulnerability and improving inclusion in the growing economy	Green	Green

**Green.** Progress is as expected at this stage of implementation and it is likely that the objective will be achieved. Standard program management practices are sufficient.

**Amber.** Progress is somewhat less than expected at this stage of implementation 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 at this stage of implementation and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

## OBJECTIVE 1: IMPROVING EDUCATION ACCESS, EQUITY, EFFICIENCY AND LEARNING OUTCOMES



The objective was rated green because of good progress against the Performance Assessment Framework (PAF) for Australia's Aid Investment Plan 2015-19. **Five out of seven PAF targets were met.** Two PAF targets were partially achieved. **All four Performance Benchmarks (PB) were met** (see Annex B).


Australia's strategy under this objective is to support wide ranging reforms to the national primary education system through the Government of Bangladesh-led *Third Primary Education Development Program (PEDP3)*, and to complement this with support to BRAC to provide quality education programs for the poor and marginalised, particularly girls, who are unable to access government schools. In 2017-18, approximately 13.8 per cent of Bangladesh program funding (\$12.41 million) was invested in our two education investments.

Since 2011, Australia has invested in PEDP3, a \$10 billion dollar Government-led sector wide initiative in pre-primary and primary education reform for 20 million children through 122,716 primary schools. Australia is one of nine donors and in 2017-18 contributed \$4.03 million to PEDP3, complemented by funding for technical assistance through UNICEF and the World Bank. Pooling funding through a sector wide approach has enabled Australia to achieve sustainable results at scale. Central to the modality was policy dialogue to influence government reform decisions. Our engagement through PEDP3 was focused on improving education quality; inclusiveness; and financial management and accountability.

With PEDP3 concluding in June 2018, Australia's investment in the reporting period was focused on engaging with the Government of Bangladesh to prepare the next phase of the sector program (PEDP4) through policy dialogue and technical assistance – four of the six PAF targets related to this investment in 2017-18 are for the delivery of inputs to the formulation of PEDP4. Australia supported the Government-led design process by funding the Government's design team and engaging in policy dialogue over the two years of the design phase.

While Australia was effective in influencing the Government's reform agenda in PEDP3, including in setting the agenda and supporting its implementation, our policy dialogue in the design process for PEDP4 was less effective in securing government agreement to build on these reforms in Australia's priority areas. A key challenge was achieving a harmonised position on reform priorities among development partners, particularly in relation to improving education quality.

As a result, Australia has decided not to invest directly in PEDP4 but remains committed to supporting the Government's prioritisation in national development plans. PEDP4 will continue in its original form, noting multilateral donors and the Government have met the required funding needs. Australia will explore new opportunities to engage in education and skills development in a more targeted way, focusing on gaps where we can influence and make a difference (identified as a **Management Action for 2018-19**, refer to Pg 20). We will continue to complement the Government's education initiatives through our support to the non-formal primary education sector through BRAC to support children who face challenges accessing government schools. We will also remain engaged with Government through local donor- government education consultative mechanisms.



## Outcome 1: More girls and boys attain improved literary, numeracy and the core competencies identified at each level of primary education.

Australia's contribution to PEDP3 in this outcome area was targeted at improving education quality and learning outcomes through teaching materials and through teaching and assessment methodologies. In 2017-18, the key focus of our support was to work with the Government of Bangladesh and other donors to finalise the evidence and analysis to inform the next phase of the Government's primary education sector wide program (PEDP4) commencing on 1 July 2018. While we were successful in generating an evidence base from PEDP3, we were not able to secure the improvements we anticipated in the PEDP4 design in all areas.

### Of the related three PAF targets for 2017/18, two were met and one partially met:

- The planned review of the curriculum and learning materials was undertaken in **line with the PAF target**, and resulted in the Government's commitment to strengthen learning materials in PEDP4. This will build on the curriculum revision and textbook development for all five grades, and improvements in textbook distribution (99 per cent of schools received free books within a month of school opening in 2017 compared to a third in 2010) achieved in PEDP3<sup>16</sup>.
- A review of the Each Child Learns pilot funded by Australia was finalised and provided useful information for PEDP4 planning. Australia utilised findings to fund a design paper on literacy and numeracy to drive quality and learning outcomes in the new phase. However, the pilot findings weren't fully incorporated into the final PEDP4 Design Document as planned, **partially achieving the PAF target**.
- The Primary Education Completion Exam (PECE) was transformed with 65 per cent of questions in the 2017 Grade 5 completion exam now competency based, moving away from rote learning - **in line with the PAF and PB target**.

Through Australian funded technical assistance, we contributed to the development of the National Student Assessment (NSA), a standardised assessment of learning achievements, and the development of school and classroom based formative assessment tools in PEDP3. Our funding also supported the development of a Diploma in Primary Education (replacing a Certificate of Education), piloted and delivered in all Government of Bangladesh training institutions, transforming teacher training to focus on child centered and active learning methods.

Over the life of the investment, impressive results were achieved through PEDP3 in improving access to primary education. The program delivered Bangladesh's achievement of the Millennium Development Goals on education, specifically enrolment and sustained gender parity. In fact girls outperformed boys on all PEDP3 outcome indicators (eg. enrolment, school completion, learning outcomes)<sup>17</sup>. Of particular interest is that there was no significant difference in student performance in Bangla and Mathematics by gender across grades 3 and 5 in the 2015 National Student Assessment (NSA). The 2015 NSA scores, as with 2011 and 2013, show clear evidence of gender parity - this is not typical of gender-differentiated performance in many other countries in this region and represents an important achievement of PEDP3.


However improvements in learning outcomes are not yet evident, and significant challenges remain in improving education quality. Our expectations on improved learning outcomes may have been unrealistic considering the time needed for reforms to consolidate across a large system already managing a significant increase in students. The Government of Bangladesh has identified improving the quality of the education system and learning outcomes as the key focus and challenge of the next phase (PEDP4).

## Outcome 2: Poor children particularly girls benefit from non-formal education

Under a Strategic Partnership Arrangement with BRAC, Australian funding supports pre-primary and primary education for the poor and marginalised, particularly girls. BRAC primary schools implement student-centered teaching techniques through a curriculum that emphasises not only core subjects, but also confidence-building, team-

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<sup>16</sup> Bangladesh Directorate of Primary Education Annual Sector Performance Report 2017



work skills, gender rights, nutrition and hygiene. Teachers are recruited from the local community, and are all female, in order to encourage the attendance and enrolment of female students, a barrier to school attendance by girls.

BRAC's innovative education program focuses on supporting children who have never been to school or dropped out of school, and face challenges in accessing government schools. In 2017, BRAC's Boat School initiative was chosen as one of the 100 most innovative education projects around the world<sup>18</sup>. The initiative provides primary education to children excluded from traditional schools due to seasonal flooding or other water-based barriers, a major challenge to access in the poorest areas of Bangladesh.

BRAC has a number of small scale initiatives to support children with disabilities to access and remain in school, including by linking them to BRAC health services and government supports. However, BRAC could enhance its focus on working with the most marginalised by scaling up these initiatives and mainstreaming a disability inclusive development approach across all of its schools. DFAT will support BRAC in mainstreaming disability across relevant programs next reporting period (identified as a **Management Action for 2018-19**, refer to Pg 20).

During the reporting period, Australia supported 547,232 children (**exceeding the PB and PAF target of 539,154**) to complete BRAC's primary schooling, of which 53 per cent (290,635) were girls and 17,190 were children with disabilities. The quality of BRAC's primary schooling is comparable to the formal education system. BRAC's student performance in the national end of primary exams exceeded the national average. The pass rate of BRAC students was 97.91 per cent which was slightly higher than the national average of 95.18 per cent<sup>19</sup>. Girls marginally out performed boys in pass rates (98.23 to 97.49 per cent) in BRAC schools, consistent with national patterns. Around 58 per cent of BRAC primary students attained a grade point average of 3.5-5, which is 7.7% higher than the national average<sup>20</sup>. These are significant achievements given the level of disadvantage these children experience.

BRAC continues to work collaboratively with relevant stakeholders, including the Government of Bangladesh to improve primary education quality, **in line with the PAF target**. BRAC is conducting an internal review (to be completed in December 2018) of the formative assessment system of BRAC primary schools, supported by the Institute for Education and Research at Dhaka University and the Government's National Curriculum and Textbook Board. The review findings will be shared with the Government of Bangladesh to inform its formative assessment system.

### **Outcome 3: Partnership between Government and Development Partners improves effectiveness, equitable and accountable service delivery of primary education outcomes**

Development partners, including Australia worked collaboratively with the Government of Bangladesh to implement the reform agenda underpinning PEDP3. Of the 59 reform areas linked to donor funding, the Bangladesh Government successfully implemented 56 (95 per cent)<sup>21</sup>. This is strong performance in an ambitious sector wide program, and demonstrates the effectiveness of multi-donor policy dialogue when government is receptive to policy dialogue and collaboration and donors are harmonised on reform priorities. With PEDP3 concluding during the reporting period, important reforms supported by Australia within PEDP3 such as improved learning materials, the upgrading of teacher qualifications and a new approach to assessments will be sustained in PEDP4, funded through the Government's budget and loans from multilateral banks.

During the reporting period, 50 per cent of Australia's funding was tied to the achievement of Government reform efforts (**a PB and PAF target**). This results-based funding model, while very effective in driving results, did mean a lack of predictability in DFAT disbursements and challenges for DFAT program management. The model also proved to involve high transaction costs for the government in dealing with multiple development partners, despite the latter's efforts to coordinate amongst themselves.

Australia supported improvements to primary education sector governance and gender approaches under this outcome, with efforts in the reporting period focused on contributing to the design of the next phase. The PEDP4

<sup>18</sup> <https://www.thedailystar.net/backpage/global-ngo-honours-brac-boat-school-1473565>

<sup>19</sup> BRAC Annual Operation Plan for BRAC Education Program 2017

<sup>20</sup> BRAC Annual Operation Plan for BRAC Education Program 2017

<sup>21</sup> Reporting from PEDP3 Joint Consultation Meeting, March 2018. The Government of Bangladesh and donors jointly assessed progress on key reform milestones at Joint Consultation Meetings and Joint Annual Review Missions.



design team reviewed primary education planning and monitoring processes, with the result that reforms implemented in PEDP3 will be sustained in PEDP4 such as the Annual Sector Performance Report, the Annual Primary School Census, the National Student Assessment, and mechanisms to decentralise management to enable schools and school districts to identify and fund priorities, **achieving the PAF target**. Our efforts through technical support to incorporate gender lessons from PEDP3 to the new phase (PEDP4) was only partly successful (**partly achieving the PAF target**). Expected improvements in the quality of PEDP4's Gender Inclusive Education Action Plan compared to the previous phase were not achieved, but the new program has a strong system in place for capturing and monitoring gender disaggregated data.

## OBJECTIVE 2: BUILDING ECONOMIC RESILIENCE BY REDUCING VULNERABILITY AND IMPROVING INCLUSION IN THE GROWING ECONOMY



The objective was rated **green** because both Performance Benchmarks and **9 of 12 PAF targets were met** (see **Annex B** and **Annex E** for detail) during the reporting period. **Three PAF targets were either partially achieved or unmet**, including a target impacted by the significant Rohingya influx (over 700,000 displaced people, including 60 per cent children) into Cox's Bazar District distorting results in addressing wasting in children. With the scale-up of Australia's humanitarian funding in 2017-18, the AIP Performance Framework was updated to include a fourth program outcome. **Of the two PBs, one was met, and the other only partially met** (see Annex B).

Australia has contributed to building the resilience of the most vulnerable in Bangladesh's growing economy by helping to strengthen the Government's social security system, and supporting the poorest to improve their productive capacity through access to livelihoods and skills. Australia also responded to a large-scale and protracted Rohingya humanitarian crisis in the Cox's Bazar District. This objective has a strong focus on addressing gender inequality through the inclusion of large numbers of women and girls in livelihoods activities; targeting social security reform, where women are the major beneficiaries<sup>22</sup>; and addressing protection needs of women and girls in humanitarian responses. Our investments through selected partnerships [BRAC; UN agencies (WFP and UNDP); and Australian NGOs] continued to catalyse change at scale. Approximately, 54.9 per cent (\$49.4 million) of the Bangladesh ODA was allocated to this Objective in 2017-18 through five investments.


### Outcome 1: Government of Bangladesh implemented its National Social Security Strategy informed by best international practices

Australia supports the Government of Bangladesh to implement the National Social Security Strategy (NSSS) through our *Strengthening Government Social Protection Systems (SGSP) initiative*, a four year delegated cooperation arrangement with DFID. The NSSS outlines Government's ambitious reform agenda to improve the impact and sustainability of public expenditure on social security programs with the aim of building an inclusive social security system which effectively tackles extreme poverty and inequality.

SGSP concluded in 2017-18 and in its final year of implementation met all project milestones and the **five related PAF targets (See Annex E.)**. A DFID led review in May 2018 concluded the investment was high performing. SGSP embedded the Government's policy commitment to increase the impact of social security spending – the program supported the Government to strengthen governance structures to translate the NSSS into planning, to increase sector funding, and to consolidate the number of safety net programs.

At the conclusion of SGSP the Government's commitment to sector reform remains strong and SGSP has supported the development of the institutional structures and capability required to deliver sustainable social protection reform.

<sup>22</sup> NSSS Gender Policy (Draft), UK DFID and UNDP (2017)



These institutional changes will have a significant impact on the delivery of social protection programs, particularly for women. For example, the Ministry of Finance has launched an electronic payment pilot for the Maternity Allowance, and a new model has been developed to increase the impact of the Vulnerable Group Development program, one of the largest safety net programs in Bangladesh targeted to ultra-poor women.

**In line with PAF expectations:**


- NSSS implementation continues to be led and monitored by a Central Management Committee in the Government's Cabinet Division. The SGSP established Social Protection Budget Management Unit in the Ministry of Finance and the NSSS Unit in the Planning Commission are now fully resourced to enhance efficiency of budget provision and provide leadership for social sector reform. NSSS is being mainstreamed across all 23 implementing line ministries, including through the endorsement of action plans (**PAF target**).
- SGSP commissioned diagnostic studies to improve the impact and efficiency of welfare schemes and the Management Information System (MIS) at the Ministry of Finance developed through the program are being used by ministries to make evidence based decisions on budgets and to maximise outcomes within their funding envelopes (**PAF target**). The MIS developed under the Ministry of Finance is monitoring expenditure and validating beneficiary data of all social protections programs thus reducing overlap and duplication of payments to beneficiaries.
- Sector funding increased from 2.09 per cent of GDP (2016-17) to 2.17 per cent in 2017-18 (equating to an increase from \$50 billion to \$57 billion), **achieving a PAF target**. However a percentage of funding is allocated to government pensions and not social safety nets, and Australia will investigate this to inform policy dialogue in the next reporting period.
- Welfare schemes are being consolidated in line with the NSSS reform agenda – the number dropped from 145 in 2015 to 136 in 2017-18, while the number of beneficiaries accessing these schemes increased from 52 million to 62.7 million<sup>23</sup>, **achieving a PAF target**.

In response to a request from the Government for further support, Australia invested in the *Social Security Policy Support program (SSPS)* in partnership with UNDP. SSPS builds on the support and progress made in SGSP with a continued focus on supporting the Government to strengthen governance and delivery of social security programs. The investment will support development of a NSSS monitoring and evaluation framework, an enhanced evidence base for policy decisions, a grievance redress system to improve governance, and a direct electronic payments scheme to increase efficiency and transparency. Noting the focus of social security programs on women, we will also support the development of a gender policy for the NSSS, and tools to ensure it delivers results. With women lagging behind men in almost all counts of socio-economic indicators in Bangladesh owing to gender discriminatory norms and practices, and due to limitations in reaching social security coverage and services, a gender sensitive social security system will be instrumental in narrowing gender gaps in poverty, security and resilience from shocks.

With SGSP concluding in 2017-18, a key lesson learned in SGSP was that assessing the performance of policy reform programs that use an iterative and adaptive approach is challenging. With NSSS reforms moving from strengthening institutions for policy development and planning to implementation and delivering program outcomes (such as social safety net program consolidation) during SSPS, new challenges will emerge. Australia will work through our partnership with UNDP in the next reporting period to support a Government led mid term review of NSSS implementation (identified as a **Management Action for 2018-19**, refer to Pg 20). We will work with the Government to test the monitoring and evaluation systems in place to capture performance information; assess progress; and identify achievements, challenges, and priorities for future action.

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<sup>23</sup> <https://mof.portal.gov.bd/site/page/32220b73-846f-4a33-b4c0-a6650c918e25/Safety-Net>



## Outcome 2: NGOs and other partners provide the poorest women and women-led households with increased income and nutrition, greater assets and capacity to participate in the economy.

With poor women experiencing the highest rates of income poverty, Australia's partnerships with BRAC and WFP are helping women and their families to find pathways out of extreme poverty, and supporting improvements in nutritional status, particularly for pregnant and lactating women and children in vulnerable communities, including in Cox's Bazar District. **Of the four related PAF targets, one was not achieved and one was partially achieved.** Following the Rohingya influx into Cox's Bazar in August 2017, malnutrition levels have increased, resulting in the indicator for wasting not being met. BRAC's ultra poor program delivered good results in poverty reduction, but **only achieved 96 per cent of the target** to graduate 75,506 ultra-poor<sup>24</sup> households from extreme poverty<sup>25</sup>.

In 2017-18, our funding to BRAC and WFP **provided 54,789 women and their households (against a PAF target of 54,600) with cash transfers** to support livelihood activities. A DFAT review (January 2018) found that WFP's activities in Cox's Bazar over two years had contributed to a four-fold increase in women's income; improved household food consumption and dietary diversity; increased confidence levels among women and; reduced use of strategies to cope with food shortages. WFP had also contributed to improvements in stunting outcomes. Stunting in children reduced from 42.1 per cent (2016-17) to 36.4 per cent (**against a PAF target of 39.8 per cent in 2017-18**). The review also pointed to the significant change in the context and the possible impact on the sustainability of the outcomes from livelihood activities, which we will continue to monitor.

Australia's partnership with BRAC continues to deliver good results in increasing economic opportunities for the poorest and most marginalised women in Bangladesh through their ground-breaking Targeting the Ultra Poor Program (TUP). TUP was designed to respond to extreme poverty by building socioeconomic resilience, as well as promoting sustainable livelihoods. A two-year time-bound 'Graduation' approach blends together elements of livelihoods, social safety nets, financial inclusion and social integration - each of which tackles separate aspects of ultra-poverty. It combines multidimensional support to address immediate needs of beneficiaries using stipends and asset transfers, as well as long-term investments in life skills and technical skills training, enterprise development, savings and financial planning. Gender and women's empowerment is core to TUP through focusing on increasing women's economic position, and therefore their bargaining power within the household. TUP also supports activities to address abuse and discrimination such as violence against women, dowry and early marriage, through complementary social development activities aimed to contribute to wider changes in equality between men and women, at the individual, household and community level.


Through TUP, Australia supported 72,804 women and their households to graduate from extreme poverty in the reporting period, but **fell short of the PAF target (75,506)** due to households failing to meet one of seven graduation criteria – the use of a sanitary latrine. Ultra poor participants could not bear the costs of maintaining their sanitary latrines in the reporting period due to natural disasters and other challenges in the highly vulnerable coastal and "haor" (seasonally flooded) geographic areas. In response, BRAC has commenced more rigorous follow-up in coastal and "haor" areas, and is providing additional grant support to ultra poor participants to help them establish sanitary latrines through BRAC's Water, Sanitation and Hygiene (WASH) program. This PAF target is assessed as partially achieved as the program delivered 96 percent of expected results. It delivered additional poverty reduction outcomes, considering those households who met some but not all criteria for graduation in this multidimensional poverty reduction program.

BRAC continues to build on the proven results from TUP and to innovate within the model (over 95% of women have graduated from extreme poverty in the sixteen years of the program and the model has been adapted in 45 countries). In the reporting period BRAC commenced a new phase to increase the cost effectiveness of the program and to improve targeting in the context of changing extreme poverty indicators in Bangladesh's growing economy. Program entrants were scaled down for this first year (45,396 women were provided with an integrated package of

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<sup>24</sup> BRAC defines ultra-poor as those living on half the \$ 1.90-a-day poverty line (\$0.70-\$0.80 per day) with a dietary intake below 80 per cent of their energy requirements despite spending at least 80 per cent of their income on food

<sup>25</sup> Extreme poor are defined as those living on less than \$1.90 per day.



support). BRAC is closely monitoring the pilot and exploring options for an impact assessment of this year's entrants. The new phase will be scaled up in 2019.

### Objective 3: Disadvantaged youth have access to skills and jobs

Australia supports BRAC's Skills Development Program (SDP), which is aligned with the Bangladesh Government's National Skills Development Policy and its focus on building a skilled workforce to drive economic growth. SDP provides skills training to youth from ultra-poor and disadvantaged families and **supports job placement and micro enterprise development**. Increasing skills and economic opportunities also has the potential to prevent early and forced marriages, as global experience has shown that poverty, lack of education and economic opportunities are some of the key drivers of child marriage.

Australia's predictable funding supports BRAC to pilot new approaches, deal with the challenges and risks involved in innovating, and evolve the skills program. In its second year, SDP expanded its successful apprenticeship model and commenced an institution based learning model. Both models respond to the needs of the private sector and are underpinned by industry partnerships and analyses of in-demand skills. BRAC has also increased its focus on building the environment for decent work, utilising the International Labour Organization (ILO)'s decent work standards and is exploring opportunities to work directly with the Bangladesh Government.


SDP is complemented by other BRAC programs including the Post Primary Basic and Continuing Education Schools (PACE) initiative, and the Adolescent Development Program (ADP), which aim to build life skills, create safe places for adolescent girls to socialise, help older children retain literacy skills, improve capacities of rural secondary school teachers, and promote positive community attitudes towards education and vocational training. PACE is a collaboration with government schools. During the reporting period, **two PAF targets were met and one was partially met**. Australia's key contributions include:

- Assisting 1,422,369 youth (**against a PAF target of 1,422,000**), especially girls (53%) by providing vocational skills, health awareness (including reproductive health), continued learning, and leadership.
- Providing competency based vocational training to 16,805 people (**PAF target: 18,876**) including 6,979 women and 1,085 people with a disability. Eight nine per cent of participants secured a job or started their own business following the training. While BRAC exceeded targets within the apprenticeship model, **it fell short of targets in its new institution based learning model** due to establishment delays in the first year of this new initiative.
- Supporting 1,400 Post Primary Basic and Continuing Education Schools (**against a PAF target of 1,400**) to improve classroom pedagogy as well as the overall quality of education.

### Outcome 4: Support an effective humanitarian response to the Rohingya refugee crisis

Australian support to the Rohingya response is focused on delivering immediate lifesaving assistance including the provision of basic health, nutrition and shelter. This assistance supports the needs of the most vulnerable, including women and children, who form 80 per cent of the refugee population. DFAT seeks to support coordination efforts and leverage trusted partners who have capacity to implement timely, context specific, multisector interventions. The humanitarian response aims to progress global humanitarian reform and implement international humanitarian commitments made at the 2016 World Humanitarian Summit under the associated Grand Bargain including cash programming, flexible funding and localising humanitarian action.

Since August 2017, **Australia has contributed over \$70 million in humanitarian funding** towards the Rohingya crisis, including \$62.4million for response efforts in Cox's Bazar District delivered by a mix of Non-Government Organisations (BRAC, Oxfam, CARE, Save the Children, Australian Red Cross) receiving approximately 25 per cent of funding and UN partners (WFP, UNHCR, IOM and UNFPA) the remaining 75 per cent of the \$62.4million committed for Bangladesh. Our funding is complemented by international and regional engagement and advocacy on a sustainable solution to the Rohingya crisis, including the safe and voluntary repatriation of the displaced Rohingya to Rakhine State, Myanmar. In Bangladesh, Australia is an active member of key donor coordination forums, including the UN led Strategic Executive



Group, which provides strategic direction for the international humanitarian effort in Cox's Bazar. Australia attended all key Dhaka-based donor coordination meetings in 2017-18.

In line with Australia's commitments made at the 2016 World Humanitarian Summit in the Grand Bargain, our funding is largely un-earmarked, enabling partners' flexibility to allocate funds to the most critical priorities, program funds quickly, and adapt the response to the rapidly changing situation on the ground. An independent review of WFP's operations in Cox's Bazar (conducted in January 2018) found that Australia's willingness to allow its contribution to be used flexibly across the Cox's Bazar program was recognised by WFP as a major contribution to their efficiency, allowing an uninterrupted flow of funds to **WFP's Enhancing Food Security and Nutrition program in Cox Bazar**, which depended for its success on timely inputs. This flexibility and our long standing partnerships has allowed Australia to be one of the first responders to the new arrivals in August, with WFP providing immediate life-saving nutrition support in the first days of the influx using prepositioned high-energy biscuits funded by Australian aid.

We also made a modest contribution to strengthening national and local leadership in the humanitarian response by channeling funding through local actors, including BRAC. Of the \$62.4million, \$5 million (around 8 per cent)<sup>26</sup> was allocated to BRAC to meet the localisation agenda. **BRAC has been an effective local actor**, able to reach a large population within a very short time because of its dedicated human resources and programs all over the country, and years of experience with the Rohingya community. Despite initial challenges in BRAC's sanitation activities, particularly the construction of toilets<sup>27</sup>, which has now been addressed, BRAC remains an important partner for Australia that is able to **scale-up quickly, leverage established relationships with government and deliver multi-sectoral programs in both the refugee camps and the host community**. Although BRAC's involvement in the humanitarian response provides a positive case study for the localisation agenda, there are challenges to implementing the localisation agenda more broadly. There remains a cultural perception around the capacity of local actors which means they are not always integrated into decision-making, consultation or coordination mechanisms and are not fully leveraged as part of the response.

In line with humanitarian best practice, Australia through WFP continued to promote cash-based assistance to empower the affected population to make choices about their priority needs. WFP is one of few organisations providing cash-based assistance. WFP's Porter and Volunteer system pays cash to 'volunteers' helping manage lines and deliver food. A multi-wallet system (e-voucher), developed by WFP in previous phases of our support was rapidly expanded, allowing beneficiaries to access different services using the one cash card. The multi-wallet system is being used by UNHCR, WFP and IOM and allows beneficiaries to access different services using the one card. Other agencies are considering joining the multi-wallet platform.

Australian funding prioritises the needs of women and children. **DFAT is supporting Child and Women Friendly spaces through partnerships with BRAC, Save the Children and UNFPA**. These facilities provide a safe space for children to play and access health and psychosocial services, but also offer critical protection services. Children who attend these facilities are registered and monitored, and are less likely to spend time alone or be sent on household errands. Women Friendly Spaces provide a safe places for women and girls to rest, share experiences, and rebuild a sense of community. They are also access points for information and referrals for support services, including medical care, counselling and case management for survivors of gender-based violence. During the reporting period, Australian funding jointly with donor partners helped:

- 302,049 women and children access safe spaces, through implementing partners BRAC, Save the Children and UNFPA<sup>28</sup>.
- To provide 358, 576 health consultations including vaccinations for diphtheria for Rohingya women, men and children at Australian supported health facilities, managed by IOM<sup>29</sup>.

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<sup>26</sup> DFAT's target is 25 per cent of humanitarian funding to local and national actors.

<sup>27</sup> BRAC constructed toilets criticised for not meeting international Sphere standards, which was disputed by BRAC's spokesperson, Iffat Nawaz <https://www.devex.com/news/in-bangladesh-did-groups-build-emergency-latrines-for-rohingya-refugees-or-for-donors-91538>

<sup>28</sup> Inter Sector Coordination Group (ISCG) Report (June 2018)

<sup>29</sup> IOM Bangladesh External Update, May 2018

- 223,600 women and men access safe drinking water, and a further 245,700 people with improved access to sanitation facilities, responding to acute water, sanitation and hygiene needs in camp settlements (through Australian NGOs Save the Children, Oxfam and CARE and BRAC)<sup>30</sup>.
- 882,800 people (196,180 households) receive food assistance consisting of rice, sugar, vegetable oil and pulses monthly in camp settlements in Cox's Bazar (through WFP)<sup>31</sup>.

Our funding is complemented by the **deployment of Australian civilian specialists through the Australia Assists program, implemented by RedR Australia**. These civilian specialists work with governments and communities to prepare for, respond to and recover from natural disasters and conflict. The program enables the Australian Government to deploy quickly and safely Australian civilian specialists into high priority and difficult situations in line with Australia's humanitarian responsibilities. During the reporting period, approximately 27 specialists were deployed to provide surge capacity to a range of UN agencies, including UNHCR in Cox's Bazar. For example, an Australian geologist and shelter expert deployed through UNHCR is helping Rohingya families understand the impact of landslides and the importance of preparedness for the monsoon rains. An Australian site engineer deployed to WFP designed and supervised construction of a bridge across the Bakkhali River that has enabled WFP to truck food to a camp hosting 100,000 refugees.

Responding to the Rohingya crisis has not been without challenges. At the onset of the crisis, hundreds of humanitarian actors entered Bangladesh. There was little coordination between agencies and the cluster system was not implemented immediately. There was also a degree of confusion over the unusual co-leadership arrangements between UNHCR and IOM. However, the **establishment of the Inter Sector Coordination Group (ISCG)** and the implementation of the sector system (similar to the cluster system) improved coordination mechanisms over time. Maintaining funding from the international community required to support humanitarian efforts remains a consistent challenge. Approximately 32 per cent of the Joint Response Plan for the Rohingya Crisis has been funded to date. Internally, DFAT's resources were put under pressure in the initial months of the response. Whilst \$20.24 million of DFAT funding was channeled to existing Strategic Partnerships with BRAC and WFP, in order to contribute funding across sectors DFAT entered into several new partnerships including with IOM, UNHCR and UNFPA. In order to manage resource constraints, DFAT's Dhaka Post re-allocated local staff and supplemented the team with a Humanitarian Advisor for 12 month from February 2018. With the humanitarian crisis likely to remain protracted, Australia will work to develop a framework to respond to the needs of the displaced Rohingya population in Cox's Bazar (identified as a **Management Action for 2018-19**, refer to Pg 20), with careful consideration of sectoral engagement and partnership choices.

## CROSS-CUTTING, REGIONAL, GLOBAL AND OTHER GOVERNMENT DEPARTMENTS

Bangladesh's development program was supported by a range of cross-cutting investments funded from bilateral, global, regional and other Australian Government departments (\$17.1 million, 19 per cent of total Australian ODA to Bangladesh).


### Australia Awards

Australia Awards supports aid program objectives by helping to develop human resource capacity, supplementing existing initiatives. Australia Awards is the largest source of scholarships for Bangladeshis, particularly for public sector employees. In 2018, 70 Bangladesh students (35 females) were offered graduate scholarships **in line with the Performance Benchmark target** (gender parity in the Awards program), but one female Awardee withdrew prior to commencing study in Australia.

The program offered eighty-four Short Course Awards (43 per cent females; 57 per cent males) through six short courses covering countering violence extremism, international trade, project management and energy security

<sup>30</sup> Calculated based on the proportion of Australia's funding allocation to the water and sanitation sectors, 17.2 per cent and 18.9 per cent, respectively and drawing on the ISCG Situation Report Rohingya Refugee Crisis (05-20 June, 2018)

<sup>31</sup> WFP Bangladesh – Rohingya Refugee Response Situation Report #13 (27 March 2018)



targeted at government officials. These short courses are providing officials with institutional linkages to key sectors in Australia, supporting the bilateral security, trade and energy agendas. It is also a valuable source of learning and information sharing. A memorandum of understanding was signed between Bangladesh Financial Intelligence Unit of the Central Bank of Bangladesh and the National Board of Revenue – enabling closer inter-agency cooperation on anti-money laundering and counter-terrorism financing activities, learning from Australia’s experience on whole-of-government coordination.

Awards Alumni continue to contribute to development efforts in Bangladesh, according to the 2017 Alumni Development Impact Survey conducted by Scope Global, DFAT’s implementing partner. For example, an alumnus is developing a disability-inclusive skills training module and recruitment manual for the ready-made garments sector, utilising skills gained through the Awards program.

### **Australian NGO Cooperation Program (ANCP)**

Twelve Australian NGOs delivered a range of projects across Bangladesh through local partner organisations, benefitting 450,000 people (total funding: \$6.4 million). Disability inclusiveness, women’s economic empowerment, and promoting the safety and security of women and girls were strong themes (\$3 million). Australian funding supported Save the Children Australia, Oxfam Australia, ActionAid Australia and Habitat for Humanity Australia implement climate change and disaster risk reduction projects (\$2.3 million) benefitting more than 175,000 people. Under the ANCP program, The Fred Hollows Foundation (\$0.5 million) contributed to strengthening the Government’s eye health care service system, directly benefitting 76,000 people living in rural and marginalised areas. The Australian High Commission in Dhaka maintains a strong relationship with Australian NGOs and hosted two networking events to facilitate and strengthen networks between NGO partners.

### **Direct Aid Program (DAP)**

In 2017-18, nine projects received small grants (totaling \$429,084.71) to support activities across multiple sectors, including in education, health, human rights and women’s empowerment. For example, our funding to local organisation Kapaeeng Foundation contributes to enhancing the voice of indigenous’ human rights defenders in addressing land related violence through training, strengthening the platform for advocacy and access to justice. UCEP Bangladesh, through Australian funding is providing young women with disability access to finance, vocational training and employment opportunities in Khulna district. DAP provides modest public diplomacy gains and increases our understanding of poverty and inequality through engagement in sectors outside our bilateral program (such as health, access to justice and high rights).

### **Business Partnerships Platform (BPP)**

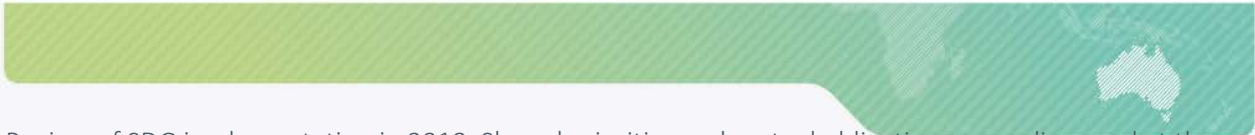
The Business Partnerships Platform is a flagship initiative to support the work of the private sector in addressing social and economic development challenges in the region, including Bangladesh. In 2017-18, Australia contributed \$4.4 million, leveraging \$6 million from the private sector to fund two projects aimed at improving the dairy sector through sustainable energy use, and promoting affordable vision correction services to rural populations in Bangladesh. These projects will benefit close to 100,000 poor people, including 4,000 dairy farmers.

### **Gender Equality Fund (GEF)**

Australia through the DFAT managed Gender Equality Fund is supporting local NGO Acid Survivors Foundation (\$1 million, 2015-2019). The Foundation was formed to address the growing concern around the rising trend of acid violence in Bangladesh, a form of gender-based violence. Australian funding contributes to an ‘ICT based response and support mechanisms for acid survivors. The project, implemented in Bogra and Narsingdi districts maps available emergency support services at the local level, is developing a phone based alert system for reporting and a helpdesk for quick response and referral. An e-clinic will be established for medical, legal and psycho social support and to provide tele-counseling services to survivors and at risk women and girls.

## **MUTUAL OBLIGATIONS**

Australia’s aid investments align with the Government of Bangladesh’s national development plan – the *Seventh Five Year Plan 2016-2020*. This was recognised by the Government at the government led Bangladesh Development Forum



and the Review of SDG implementation in 2018. Shared priorities and mutual obligations were discussed at the Australia Bangladesh Senior Officials Talks held in Dhaka in November 2017. The Australian High Commission in Bangladesh has regular dialogue with the Bangladesh Government on development policy through the Local Consultative Group mechanisms, including in the Executive Committee and key working groups on aid effectiveness, social protection, gender equality, primary education and humanitarian action.

Our funding for social protection aligns with the Government of Bangladesh's National Social Security Strategy (NSSS). The Bangladesh Government made solid progress toward meeting its responsibilities under the SGSP and SSPS programs through efforts to institutionalise NSSS within government policies, plans and budgets. Twenty-three line ministries have approved NSSS Action Plans, and a Cabinet led Central Management Committee continues to provide leadership and ensure accountability on reform efforts. In line with the NSSS consolidation agenda, the social security programs reduced from 136 in 2017 to 118 in 2018, while the number of beneficiaries accessing these programs increased from 52 million to 62.7 million (2017-18).

Australian funding to the Government of Bangladesh led Third Primary Education Development Programme (PEDP3) links donor funding to mutually agreed performance indicators (known as Disbursement Linked Indicators, DLIs). The Bangladesh Government met 56 out of the 59 DLIs, all of which are linked to the achievement of reforms.

Australia's humanitarian funding is aligned with the 2017 and 2018 UN-led Joint Response Plan for the Rohingya crisis, and is consistent with the Government's National Strategy on Myanmar Refugees and Undocumented Myanmar Nationals in Bangladesh. Bangladesh's response to the humanitarian response is commendable, keeping borders open, undertaking international advocacy and carrying the significant financial burden in hosting the displaced population.

## PROGRAM QUALITY AND PARTNER PERFORMANCE

### Overview

In 2017-18, Australia's bilateral investments performed strongly, with key investments receiving a rating of 'Good' against the Aid Quality Checks effectiveness and efficiency criteria. Additionally, the program's capacity to generate and use effective performance information increased. The Results Framework for the BRAC Strategic Partnership Arrangement was finalised in 2017. The Performance Assessment Framework for Australia's Aid Investment Plan 2015-19 was updated to reflect new humanitarian investments.

Reviews were undertaken of two key investments - WFP's Cox's Bazar livelihood program and the SGSP - and recommendations helped inform the next phases of the partnerships. For example, our new partnership with UNDP supporting the Government to strengthen its social protection systems builds on our achievements supporting the Government under SGSP, and was entered into in response to a request for continued support from the Government. Evaluation planning information is at **Annex C**


Australia continued to ensure its support was well-coordinated and complementary with other development and humanitarian partners. Australia had a very strong role in development partner coordination, including active participation in the Local Consultation Group, which focuses on donor harmonisation and coordinating donor engagement with the Government of Bangladesh, and in the UN led Steering Executive Group, which provides strategic direction for international humanitarian efforts in Cox's Bazar.

During the reporting period, due to the scale-up of Australia's humanitarian response effort in Cox Bazar, several new partnerships were entered into, and the number of investments increased from eight (2016-17) to nine(2017-18).

### Aid Quality Checks (AQC)

In 2017-18, Aid Quality Checks (AQC) for five investments were conducted, including three Final AQCs for WFP, SGSP and PEDP3. A summary of AQC ratings is at **Annex D**. Overall ratings improved during the reporting period, with investments receiving a satisfactory rating (4 or above) across all key AQC assessment criteria (Effectiveness, Efficiency, Relevance, Gender Equality, Monitoring and Evaluation, and Sustainability). The improved rating reflects assessments of the overall performance of programs against their end of program outcomes. For example, significant progress was made in SGSP in 2017-18 on achieving key milestones, despite initial delays. Additionally, in 2017-18 partner capacity to adapt to the security context in Bangladesh improved, supporting timely program delivery.





Overall portfolio performance on gender equality was strong, and met Australia's aid program strategic target for gender equality - i.e 80 per cent of investments achieving a rating of satisfactory or above. However, there is room for improvement. Australia is supporting partners to mainstream a gender perspective across their programs and to improve their results on gender equality. In PEDP3 we learnt that a sustained and comprehensive strategy is required to support change within government systems.

Three investments (PEDP3, BRAC and SGSP) had a score of less than satisfactory for disability inclusiveness in programming. In 2018-19, DFAT will work with partners to develop a comprehensive strategy to support partners improve their systems to address disability inclusiveness **(a management action)**.

In 2017-18, Partner Performance Assessments were conducted for two partners (BRAC and WFP). Assessments show Australia's partners are effective and that DFAT is achieving value for money in these partnerships.

### Performance of key delivery partners

Australia's aid to Bangladesh is delivered through strategic partnership with a range of partners that have the capability to deliver results at scale in a complicated aid context – the Government of Bangladesh (discussed under Objective 1 and Objective 2), BRAC, WFP, UNDP, and DFID. With the scale-up of humanitarian assistance to Cox's Bazar, Australia entered into several new partnership arrangements including with - UNHCR, IOM, UNFPA and Australian NGOs (Oxfam, CARE and Save the Children, Australian Red Cross).

### BRAC

Australia's Strategic Partnership Arrangement with BRAC leverages BRAC's high quality, large scale programs in areas of priority for Australia, including in primary education, skills development, women's economic empowerment and humanitarian response. BRAC is strongly aligned with the priorities of the Australian aid program, particularly with the aim of helping poor and marginalised people into productive activity and of equipping poor people through better education to play a part in society and to contribute to the economy. BRAC provides direct benefits to poor households to find pathways out of poverty and towards participation in the growing economy, and complements Australia's work supporting the large scale but slower change achievable through the reform of government systems.


During the reporting period, BRAC exceeded program targets, reaching 110 million people and enabling DFAT to accelerate progress against development goals in Bangladesh with a focus on improving the status of women and girls. BRAC also met its targets against its ambitious institutional strengthening agenda, which aims to transform its business model in the context of Bangladesh's transition to middle income country status. Increasing program relevance and financial sustainability in Bangladesh's changing poverty landscape are core goals of BRAC's strategic plan.

In 2017-18, DFAT worked with BRAC and DFID to strengthen the partnership approach. A Results Framework and an Evaluation Plan were endorsed by all partners to strengthen results reporting. Although DFAT faced challenges in finalising the Results Framework in a timely manner, it was considered important to allow BRAC additional time to strengthen their internal monitoring and evaluation systems on which the framework draws. Further work is needed to improve the reporting on BRAC's institutional strengthening agenda and this will be a priority for the next reporting period.

In 2018-19 DFAT will undertake a Mid Term Review to assess progress against objectives and engage partners to identify lessons learned that can inform partnership improvement in the remaining years of the program. DFAT will also work with BRAC to support their efforts to mainstream disability into key programs, noting that BRAC had unsatisfactory scores on disability inclusiveness in their 2017/18 Aid Quality Check and have already initiated action to address this issue.

Following the Rohingya influx, Australia channeled additional humanitarian funding to BRAC under a separate agreement. The relationship and the knowledge of BRAC's capacity built through the SPA enabled DFAT to quickly engage BRAC at the onset of the humanitarian crisis. Our funding to BRAC draws on BRAC's deep knowledge of host communities and relationships with local stakeholders, including the Government of Bangladesh, and supports Australia's commitment to the localisation of humanitarian response efforts.

Australia has put more effort into strengthening our technical engagement with BRAC on the programs in which we are most interested. This has been a long standing deficit in the partnership and more needs to be done to deepen our engagement in this way. The ambition to develop the partnership beyond financing BRAC's results into a knowledge



partnership where practice and innovation are shared is still a work in progress. DFAT, BRAC and DFID have faced challenges in finding a shared focus for this objective and the Mid Term review will provide recommendations on this.

### **World Food Programme**

Effective collaboration with WFP continued in 2017-18. Australia entered into a new Strategic Partnership Arrangement with WFP over a three year period (2017-2020). The new SPA will enable Australia to contribute across the range of WFP activities in Bangladesh. The Rohingya influx in August 2017 delayed joint work on improving partnership modalities, but work on this has resumed.

In 2017-18, Australia's funding to WFP formed part of our overall contribution to the Rohingya crisis. Australia is the third largest donor to WFP (out of 18 donors) and our flexible funding approach was important in the humanitarian response. We remain the only development partner to provide flexible funding to WFP's whole Bangladesh country program, enabling Australia to respond quickly, and to direct funding to improve the food security and nutrition outcomes of the most vulnerable households and individuals. The well-established relationship built on mutual respect and cooperation over the years in the partnership with WFP (since 2012) has enabled Australia to mount a quick and effective first response to the Rohingya crisis. It has also enabled Australia to engage with Government through diplomatic and humanitarian focused discussions regarding broader political and human rights issues related to Rohingya arrivals and repatriation.

Our partnership has helped WFP to improve its results reporting. However, the rapid scale-up in operations in Cox's Bazar has stretched WFP's capacity across its operations, resulting in a drop in the quality and frequency of reporting, which will be closely monitored in 2018. A review of Australian support for WFP activities in Cox's Bazar found that the Enhanced Food and Security Nutrition program has been a successful initiative, and identified areas where Australia could add value to WFP operations, including in monitoring and evaluation and disability.


### **Humanitarian Partnerships**

Australia's humanitarian response in Cox's Bazar was delivered through Australian NGOs (Oxfam/Care, Save the Children, and Australian Red Cross), BRAC and UN partners (WFP, UNHCR, IOM and UNFPA). Through the Australian Humanitarian Partnership (AHP) initiative, funding was provided to Save the Children and Oxfam (co-funded with Care). AHP is a partnership between DFAT and Australian NGOs that supports the delivery of effective, innovative and collaborative humanitarian assistance by allowing Australia to utilise the networks of Australian NGOs to respond to humanitarian crises. Australian NGOs play a niche role in building local capacity and targeting the most vulnerable in Cox's Bazar, particularly women and children. For example, Save the Children has a core focus on children, providing 24-hour protection for unaccompanied children, facilitating safe-space for children to play and learn, nutrition and conducting emergency clinics to address urgent life-saving healthcare, supporting around 152,388 beneficiaries (through our funding). Oxfam (with Care) aims to support 75,000 of the most vulnerable men, women, girls, boys and people with disabilities so that their basic water, sanitation and hygiene needs are met, in a protective environment, especially for women and girls.

Complementing our support to NGOs, Australian funding to UN partners (IOM, UNHCR and UNFPA) has enabled Australia to respond to the crisis at scale, support coordination and engage the Government of Bangladesh on strategic policy issues, including on monsoon preparedness and relocation. UN response efforts in a complex emergency have been impressive. IOM's activities in the construction of critical infrastructure projects in camps has helped mitigate the effects of monsoon rains. UNFPA has delivered good results focused on strengthening life-saving sexual and reproductive health services, and have significantly scaled-up operations to meet the needs of women and girls from the refugee and host community. The establishment of women friendly spaces has provided much needed dedicated spaces for providing respite, social connection and referral pathways for health and counselling services for women and teenage girls.

### **DFID**

Australia and the UK have a strong complementarity of development interests in Bangladesh, including prioritising social protection, disability inclusive development, gender equality and women's empowerment in their programs. Australia is a partner with DFID in the BRAC SPA, has a delegated cooperation agreement for SGSP, and is a co-participant in support for primary education and humanitarian response in Cox's Bazar.



Australia's approach, working through DFID in SGSP to leverage our financial and human resource contribution, remained appropriate given DFAT's modest funding (\$3 million). Our partnership with DFID on SGSP enabled Australia to establish institutional relationships across key stakeholders in social protection, including across Government and implementing agencies, to enhance our technical capacity in social protection reform, to safeguard our investment, and to capitalise on further opportunities with the conclusion of SGSP in June 2018.

Australia will continue to explore opportunities to leverage DFID's capacity in monitoring and evaluation (demonstrated in the BRAC SPA), and share our partnership expertise, and learn from DFID's own experiences.

# RISKS

Table 3: Management of Key Risks to Achieving Objectives

Key risks	What actions were taken to manage the risks over the past year?	What further actions will be taken to manage the risks in the coming year?	For emerging/ ongoing risks provide a Risk Rating (low, medium, high, very high)	Are these same risks in Post's Risk Register (Yes/No)*
Upcoming parliamentary elections in Bangladesh result in changed government policy directions, and operating environment affecting program delivery.	Close contact maintained with development partners and Government on security impacts on partnerships.	Adjust expectations according to political, operating and security context and re-align partnerships as required. Maintain mix of support through government and non-government partners (NGOs and multilaterals) that have an established presence and deep understanding of context in Bangladesh.	Medium	Yes
Bilateral aid funds and resources diverted to humanitarian efforts in Cox' Bazar.	Utilised the built-in flexibility in the Aid Investment Plan to respond to emergencies in Bangladesh.  Advocacy for global humanitarian allocations, including through the DFAT managed Emergency Fund.  Prioritisation of staffing resources.	Jointly with DFAT's Humanitarian NGOs and Partnerships Division work towards developing a framework to guide Australia's future response to the protracted humanitarian crisis in Cox's Bazar.	Medium	Yes
Funding gaps prevent the delivery of life saving assistance in Cox's Bazar.	The Joint Response Plan for the Rohingya humanitarian crisis identified priority needs for 1.3 million people and donors advocated with government to enhance humanitarian access and support coordinated delivery of assistance and funding across sectors.	Jointly with DFAT's Humanitarian Partnership Division work towards developing a framework to guide Australia's medium term response to the protracted humanitarian crisis in Cox's Bazar.	Medium	No
Corruption and fiduciary risks.	Maintained close liaison with partners to monitor risks. Supported sound implementation of the DFAT Fraud Control and Anti-Corruption Strategy for Bangladesh.	Assess fiduciary risks involved in all potential partnerships. Continue to report to the Fraud Control Section in DFAT.	High	Yes
Partners lose strategic alignment with DFAT's	Partnership training was provided to DFAT and partner key staff to strengthen shared partnership objectives and understanding of DFAT	Continue to influence partners' strategic directions through the access partnerships provide to partners' strategic decision	Medium	Yes

objectives, impacting on results	expectations of performance within the partnership modality. Evaluation of WFP partnership.	making mechanisms (eg. BRAC Board). Review of BRAC partnership.		
Increasing the number and breadth of humanitarian partnerships impacts on partner performance and the achievement of Australia's objectives.	Established regular communication mechanisms to ensure objectives align (such as the WFP monthly strategic partnerships meeting) and participated in agency-specific review processes (such as the BRAC After Action Review on the Humanitarian Response)	Post will conduct an independent evaluation of the collective Australian response to the Rohingya crisis (assessing all humanitarian partnerships) in 2019.	Medium	No

The operating environment remained challenging and the associated risk remained medium to high throughout 2017-18. Australia managed risks through maintaining a program level risk register; Dhaka Post's risk register and fraud and anti-corruption strategy; regular dialogue with implementing partners on emerging risks and mitigation strategies; and contracting public financial management expertise to address the risk of working through partner systems.

## MANAGEMENT ACTIONS

The 2016-17 APPR management responses were met. A summary of progress on management actions is included in the table in **Annex A**. Management responses for the Bangladesh aid program for 2017-18 are as follows:

- o DFAT (Dhaka Post) to complete the mid-term review of DFAT's Strategic Partnership Arrangement (SPA) with BRAC by June 2019. The review will assess progress against the SPA's objectives and engage partners to identify lessons learned that can inform partnership improvement in the remaining years of the program.
- o DFAT (South and West Asia Division) in collaboration with Dhaka Post to finalise the next phase of the Bangladesh Aid Investment Plan by June 2019 in alignment with Australia's Foreign Policy White Paper and Bangladesh's LDC graduation trajectory and SDG agenda.

### Objective 1: Improving education access, equity, efficiency and learning outcomes.

- o In consultation with DFAT Canberra, Dhaka Post to finalise investment decisions aligned with the Aid Investment Plan Bangladesh 2015-16 – 2018-19 and (i) program unallocated bilateral funds by December 2018 and (ii) to identify opportunities for continued policy engagement in the education sector.

### Objective 2: building economic resilience by reducing vulnerability and improving inclusion in the growing economy

- o DFAT (Dhaka Post) to support the Government of Bangladesh's review of NSSS implementation, through the Australian funded Social Protection Policy Support Program, to inform the future focus of DFAT's support to social protection reform by May 2019.
- o In consultation with DFAT's Disability Section, Dhaka Post to identify actions to enhance our focus on disability inclusive development and support our partners, particularly BRAC and WFP, to improve their systems and results.
- o Jointly with DFAT's Humanitarian Partnership Division, South and West Asia Division and Dhaka Post to develop a medium term framework to guide support for the Rohingya humanitarian crisis in Cox's Bazar by April 2019.

# ANNEX A- PROGRESS IN ADDRESSING MANAGEMENT ACTIONS

## Management actions identified in 2016-17 APPR

Determine Australia's involvement in the next phase of the Bangladesh Government's Primary Education and Social Protection programs by supporting and engaging in partner design processes

- o Utilise Australian commissioned studies on lessons learned from teaching and learning quality interventions in PEDP3 to support the Government of Bangladesh to include effective quality reform initiatives in the PEDP4 design.

Monitor and assess the Post resource implications of increased DFAT global and regional investments in Bangladesh and, through DFAT's Senior Management in Canberra, advocate for greater visibility of these investments and a streamlined approach to implementation, including through clearly identified roles and responsibilities.

Continue to build on our understanding of the political, economic, environmental and security context in Bangladesh in order to inform our expectations of partner performance and decisions on new investments

- o Maintain relevant networks with donors, government and local partners to share information, including on security developments and on political economy analysis.
- o Consult with aid partners on changes in the context and their impact on the delivery of Australian aid investments.

Review the PAF by March 2018 to confirm it aligns with Australia's strategic priorities and incorporates

- o The impact of new phases of strategic partnerships in primary education, social protection and humanitarian support.
- o The new BRAC Results Framework, including changed indicators for BRAC's Targeting the Ultra Poor program.
- o Increased Australian regional programming in Bangladesh and opportunities to accommodate and capitalise on these regional investments.
- o Ongoing, strengthened and overt focus on gender results.

Measures of disability inclusive development

### Note:

- Achieved. Significant progress has been made in addressing the issue
- Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
- Not achieved. Progress in addressing the issue has been significantly below expectations

## Rating

## Progress made in 2017-18

Achieved	Australian commissioned studies, including in second chance education and in literacy and numeracy have informed the design of the next phase of Government of Bangladesh led Primary Education Development Programme. Following consultations with donors and other relevant stakeholders, Australia decided not to fund the next phase of the education investment. This decision was conveyed to the Government of Bangladesh. The social protection investment (SGSP) concluded in June 2018. A new initiative, building on SGSP, and implemented by UNDP – SSPS – commenced in February 2018, responding to a Government request for continued assistance.
Achieved	During the reporting period, DFAT Canberra and post had greater visibility of related global and regional investments. To engage strategically, the program prioritised engagement on selected investments (BPP, ANCP, DAP, GEF), which complemented and enhanced our bilateral interests in Bangladesh. In 2017-18, over 30 regional and global investments were implemented in Bangladesh
Achieved	Australia collaborated with local partners and donors, including through the Local Consultative Groups, and UN led Senior Executive Group, to share security and political assessments. DFAT commissioned a 2-year survey with The Asia Foundation on community attitudes towards democracy and related public institutions which provides useful political analysis.
Achieved	The PAF was updated in June 2018 to reflect the finalised BRAC SPA Results Framework, and our scaled-up humanitarian response in Cox's Bazar. An additional outcome and six targets were added to the revised PAF.

## ANNEX B – PERFORMANCE BENCHMARKS

Aid objective	Performance Benchmark	Rating	Progress in 2017-18
Improving education access, equity, efficiency and learning outcomes	The quality of end of primary cycle examination is improved. Target: 65%	Achieved	Australia funded the Bangladesh Government’s primary education program to increase the proportion of competency based questions in Grade 5 exams, shifting questions based on rote learning and memory to competency based approaches. In 2017-18, 65 per cent (the target) of the Grade 5 exam consisted of competency based questions
	BRAC meets targets for numbers of children completing a course of primary or pre-primary education Target: 539,154	Achieved	Australia provides non-earmarked funding to BRAC, complementing the investment in the Government’s primary education program. In 2017-18, 547,232 children (including 53% girls) completed pre-primary and primary education, exceeding the benchmarks of 539,154.
	50% of donor fund disbursement for PEDP3 linked to results achieved, with the remaining 50% subject to meeting annual audit requirements	Achieved	The Government’s primary education program is funded on a performance basis through Disbursement Linked Indicators (DLIs), tied to reform efforts. 50 per cent of our funds were tied to DLIs. Despite some delay on a few indicators, the Bangladesh Government’s performance in achieving the DLIs has been impressive. By the end of the program 56 of the 59 reform focused DLIs (95%) were met.
	At least 50% of scholarships in each intake awarded to women	Achieved	In 2018, 70 Bangladesh students (35 females) were offered graduate scholarships, in line with PB/PF target of gender parity. However, one of the recipients (a female) dropped out, bringing the total number to 69 (males = 35 and females=34) Australia Award recipients in 2018.
Building economic resilience by reducing vulnerability and improving inclusion in the growing economy	The number of women and their households graduating from our partners’ livelihood programs Target: 75,506	Partly Achieved	In 2017-18, 72,804 households (against a target of 75,506) graduated from extreme poverty, marginally falling short of the target (by 4 per cent) due to some households being unable to meet the full set of BRAC’s Targeting the Ultra-poor Program criteria for graduation in this multidimensional poverty reduction program.
	Number of women and their households able to access social transfers Target: 54,600	Achieved	54,789 women headed households were supported to access social transfers through BRAC and WFP.
Program Management	Reducing the number of investments to deliver targeted, efficient aid program  Target: <9	Achieved	This was achieved across the development program, but a significant increase in humanitarian funding required additional partners to scale up Australia’s humanitarian response to the Rohingya crisis, which was unexpected. The number of active investments increased from 8 to 9 (two related to humanitarian funding).

Note: ■ Achieved. Significant progress has been made and the performance benchmark was achieved ■ Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved

## Performance Benchmarks for remainder of Aid Investment Plan

Aid objective	Performance Benchmark	2017-18	2018-19
<i>Improve education access and learning outcomes</i>	The quality of end of primary cycle examination is improved	65%	N/A
	BRAC meets targets for numbers of children completing a course of primary or pre-primary education, of which 50% are girls.	539,154	597,984
	50% of donor fund disbursement for PEDP3 linked to results achieved, with the remaining 50% subject to meeting annual audit requirements.	50%	N/A
<i>Build resilience by reducing vulnerability and improving inclusion in the growing economy AIP Strategic Objective</i>	The number of women and their households graduating from our partners' livelihood programs	75,506	40,500
	Number of women and their households able to access social transfers	54,600	140,000
	Eligible people received food, health and shelter services in Cox's Bazar	N/A	979,000
<i>Program Management</i>	Reducing the number of investments to deliver a targeted, efficient aid program	<9	<9



## ANNEX C- EVALUATION PLANNING

### List of evaluations completed in the reporting period

Investment number and name (if applicable)	Name of evaluation	Date completed	Date Evaluation report Uploaded into AidWorks	Date Management response uploaded into AidWorks	Published on website
INK969 Support Vulnerable Communities in Cox's Bazaar	Independent Evaluation of DFAT's Investment to the World Food Programme for Supporting Vulnerable Communities in Cox's Bazar	July 2018	July 2018	July 2018	July 2018
INL234 Social Protection and Extreme Poverty Reduction	Annual Review 2017 for the Strengthening Governments Social Protection Program (SGSP)	September 2017	March 2018	N/A	TBA

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## List of program prioritised evaluations planned for the next 12 months

Evaluation title	Investment number and name (if applicable)	Date – planned commencement (month/year)	Date – planned completion (month/year)	Purpose of evaluation	Evaluation type
Mid-term Review of the Strategic Partnership Arrangement with BRAC, Phase 2	INJ579 The Strategic Partnership Arrangement with BRAC	June 2018	December 2018	The mid-term review will assess the effectiveness of an innovative partnership arrangement between Australia (DFAT), the United Kingdom (DFID) and BRAC in delivering results in education, skills development, and livelihoods program in Bangladesh.	DAFT Led Evaluation
INM406 Humanitarian Response to the Rohingya Crisis	Independent Evaluation of Australia's response to the Rohingya crisis		TBA	TBA	TBA
INM406 Humanitarian Response to the Rohingya Crisis	Australian Humanitarian Partnership Evaluation (Save the Children, Oxfam and Care)		October 2018	TBA	TBA

## ANNEX D- AID QUALITY CHECK RATINGS

### AQC RATINGS

AQC investment performance over the previous 12 months and where available last year's AQC ratings are included.

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
The Strategic Partnership Arrangement with BRAC	\$275m 2011-2020	2018 AQC	5	5	6	4	5	5	
		2017 AQC	6	5	5	5	6	5	
Australian Development Scholarships (Regional Program)	\$17.8m 2016-19	2018 AQC	5	5	4	5	5	5	
		2017 AQC	5	5	4	5	5	5	

## FAQC RATINGS

Final AQC's assess performance over the lifetime of the investment (ratings are not compared to previous years).

Investment name	Approved budget and duration	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
Primary Education Development Program III	\$49m 2011-2017	5	6	5	5	5	6	4	
Social Protection and Extreme Poverty Reduction	\$9.1m 2014-2017	5	6	5	5	5	5	5	
World Food Program – Cox's Bazar	\$16.5m 2013-2017	5	6	5	5	5	5	5	

### Definitions of rating scale:

#### Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas. 5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

#### Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas. 1 = Very poor; does not satisfy criteria in many major areas.

## ANNEX E - PERFORMANCE ASSESSMENT FRAMEWORK

Australia's Aid Objective One: Improving education access, equity, efficiency and learning outcomes							
Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	Annual Progress Targets/Milestones			Data source & baseline
				2016-17	2017-18	2018-19	
1. More girls and boys attain improved literacy, numeracy and the core competencies identified at each level of primary education.	Progressive national student assessments show improved performance	The quality of teaching materials is improved	Primary school text books better reflect the Government of Bangladesh (GoB) education curriculum	<p><i>Target: Report on use (quality) of revised text books</i></p> <p>Primary text books were distributed to all schools as scheduled on 1 January 2017. A World Bank led report, funded by Australia, confirmed that textbook quality had improved with fewer spelling errors and structure streamlined, better formatting and simplified language.</p>	<p><i>Review of learning materials informs PEDP4 planning.</i></p> <p><b>Met</b></p> <p>The PEDP4 design team reviewed the quality of learning materials in three design papers (on Foundational Literacy and Numeracy, Curriculum Strengthening, and Teaching and Learning Materials).</p> <p>A comprehensive review of the curriculum and textbooks by the National Curriculum and Textbook Board (NCTB) is ongoing, and scheduled to conclude in 2019.</p> <p>Both review processes informed PEDP4 planning and the final PEDP4 program document includes strengthening of curriculum, textbooks and learning materials as a priority reform.</p>	The program (PEDP3) ended in June 2018.	NCTB/DFID reports
		Primary school learning outcomes improved through use of active rather than rote pedagogy	Proportion of each child learns strategy rolled out to 29 Primary Teaching Institutions and lessons learned incorporated into GoB Planning	<p><i>Target: Completion and review of Each Child Learns pilot program</i></p> <p>The ECL pilot was completed during the reporting period, covering 1500 schools as planned. The planned review, a longitudinal study was conducted by UNICEF with Australian funding. It confirmed improved learning outcomes.</p>	<p><i>Review findings on Each Child Learns integrated into PEDP4</i></p> <p><b>Partially Met</b></p> <p>The DFAT funded UNICEF review of ECL (2016-17) informed PEDP4 Planning. ECL principles and methodologies were incorporated into three design papers. However there was modest integration of ECL findings in the final PEDP4 program document, with the strongest component in the Diploma in Education, which will be rolled out to 50% of teachers who did not receive either Diploma in Education or Certificate in Education training towards the end of PEDP4.</p>	The program (PEDP3) ended in June 2018.	Government of Bangladesh (GoB), UNICEF ECL TA reports and MTR quality analysis

Australia's Aid Objective One: Improving education access, equity, efficiency and learning outcomes

				Annual Progress Targets/Milestones			
Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	2016-17	2017-18	2018-19	Data source & baseline
1. More girls and boys attain improved literacy, numeracy and the core competencies identified at each level of primary education.		Quality of end of primary cycle examination is improved	Increased proportion of competency based questions in Grade 5 exams (as opposed to test items that test memory/recall only).	Target: 50% 50 %	Target:65% 65%	The program (PEDP3) ended in June 2018.	PEDP3 Results Matrix, GoB.
2. Poor children particularly girls benefit from non-formal education	BRAC meets targets of numbers of children completing a course of primary or pre-primary education, of which 50% are girls	BRAC education program effective for remainder of SPA (Phase 1)	BRAC BEP targets for 2017, 2018 and 2019	Target: 470,075 <sup>32</sup> 631,222 children completed BRAC primary and pre-primary school	Target: 539,154 (at least 50 per cent girls) 547,232 children (53% girls) completed BRAC primary and pre-primary school.	Target: 597,984 ( at least 50 per cent girls)	SPA Results Framework
		BRAC education program adapts to Bangladesh's changing needs. BRAC complements government program	Agreed policies and targets for SPA 2. Advocacy with government for change to assessment system.	Target: BRAC policy dialogue with Government to share lessons learned.  BRAC is one of four NGOs selected by the GoB as implementing partners in the pilot on Second Chance Education. The pilot covers 100,000 out of school-children.	Target: BEP plans a review of its formative assessment system in collaboration with government agencies  <b>Met</b> BRAC's formative assessment system was reviewed by an independent consultant, and BRAC is working with other stakeholders, including the Government of Bangladesh through the National Curriculum and Textbook Board (NCTB) to improve its current formative assessment system.	Target: BEP implements the recommendation of the formative assessment review and draws lessons for positive dialogue with government.	SPA Results Framework

<sup>32</sup> This program target was adjusted from 293,200 to align with BRAC program targets.

Australia's Aid Objective One: Improving education access, equity, efficiency and learning outcomes							
Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	Annual Progress Targets/Milestones			Data source & baseline
				2016-17	2017-18	2018-19	
3. Partnership between Government and Development Partners improves effectiveness, equitable and accountable service delivery of primary education outcomes	<i>Key policy and management priorities promoted through policy based dialogue</i>	Disbursement Linked Indicators (DLIs) maintained as the basis for dialogue.	50% of donor fund disbursement for Primary Education development Partnership 3 is directly linked to results achieved with the remaining 50% subject to meeting annual audit requirements	<i>Target: 50%</i> 50%	<i>Target: 50%</i> 50%	Program ended in June 2018	Government of Bangladesh
	Government policies and practice for gender equity in primary education demonstrate analysis and commitment beyond parity	Improved and extended data and analysis available to education officials at UP level	Government generating gender sensitive analysis of primary education system and applying this to implementation of PEDP	<p><i>Target: Qualitative study conducted to deepen understanding gender issues in primary education as part of PEDP4 design process.</i></p> <p>DFAT commissioned a household education survey with a focus on gender. The analysis will inform options for advocacy on gender. The survey to be finalised in June 2017.</p>	<p><i>PEDP4 integrates lessons learned from quantitative and qualitative monitoring and evaluation on gender issues in primary education</i></p> <p><b>Partially met</b></p> <p>PEDP4's Gender Inclusive Education Action Plan (GIEAP) captures some lessons from PEDP3, including the processes for collecting and monitoring gender disaggregated data. However, expected improvements in the PEDP4 GIEAP were not achieved. Gender analysis commissioned by DFAT and other donors (eg. DFAT funded World Bank household survey on obstacles to girls' education, and Gender TA to the design team) were delayed, limiting their influence in the design of PEDP4.</p>	Program ended in June 2018	Government of Bangladesh

Australia's Aid Objective Two: Building economic resilience by reducing vulnerability and improving inclusion in the growing economy

Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	Annual Progress Targets/Milestones			Data source & baseline
				2016-17	2017-18	2018-19	
<p><b>1. Government of Bangladesh implements its National Social Security Strategy informed by best international practices</b></p>	<p><i>National Social Security Strategy (NSSS) formulated and implemented;</i></p>	<p>Better cross-government coordination on policies, budgets and plans for a more effective and efficient social security system</p>	<p>Existence of budgets and costed plans; consistent application across government</p>	<p><i>Target: Data from Government of Bangladesh (GoB) sources analysed and recommendations made for systematic improvement;</i></p> <p>Implementation of Research Framework underway. Research recommendations (for example on coverage, targeting, and budget implications) are informing the development of program reform plans which are to be completed in the next reporting period. Research activities include - analysis of 29 GoB social protection programs; diagnostic studies of 7 programs – 4 completed and 2 underway; and studies on issues that cut across schemes – e.g. payment systems.</p>	<p><i>Target: Consolidation and strengthening of governance structures for NSSS implementation</i></p> <p><b>Met</b></p> <p>The Cabinet led Central Monitoring Committee continues to provide leadership and accountability for NSSS reform implementation. Five thematic clusters were formed to drive coordination across 23 implementing Ministries. All Ministries have developed Action Plans, endorsed by Cabinet. NSSS Gender Policy drafting commenced.</p>	<p><i>Target: Better governance of social security through NSSS Gender policy, Action Plans, Monitoring and Evaluation Framework and Grievance Redress System.</i></p>	<p>Government of Bangladesh and DFID Reporting</p>



Australia's Aid Objective Two: Building economic resilience by reducing vulnerability and improving inclusion in the growing economy

				Annual Progress Targets/Milestones			
Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	2016-17	2017-18	2018-19	Data source & baseline
<p><b>1. Government of Bangladesh implements its National Social Security Strategy informed by best international practices</b></p>	<p><i>Directions of NSSS reflected in national development plans; and</i></p>	<p>Social Protection Unit established and operational at the Ministry of Finance</p>	<p>Unit policy outputs and instances of influence on policy</p>	<p><i>Target: Management Information System (MIS) established as a central hub and linked with other MISs within main implementing line ministries</i></p> <p>Good progress was made to establish a central MIS hub during the reporting period. A needs assessment, project plan, and systems specifications for the MIS were completed. A MIS prototype was developed and piloted in the Directorate of Womens' Affair. On pilot completion, the MIS will be rolled out across other Ministries.</p> <p><i>Target: Increased budget - as a percentage of GDP and fewer safety net programs</i> Budget increased from 2.08 per cent of GDP (2015-16) to 2.09 per cent in 2016-17. Budget expenditure increased from AUD 41.99 billion in 2015-16 to 50.34 billion in 2016-17.</p>	<p><i>Target: Diagnostic studies undertaken to inform Ministry of Finance policy development</i></p> <p><b>Met</b></p> <p>Diagnostic studies undertaken on eight social protection programs, five of which target women (eg. Deserted Women and Widow Allowance). These studies were utilised for evidence-based decisions on budget allocations and to maximise impact.</p> <p><i>Target: Increased budget-as percentage of GDP</i></p> <p><b>Met</b></p> <p>Budget increased from 2.09 per cent of GDP (2016-17) to 2.17 per cent in 2017-18. Budget expenditure increased from AUD 50.34 billion in 2016-17 to 57.38 billion in 2017-18.</p>	<p><i>Target: Evidence base generated on the effectiveness of NSSS reform to inform future government development plans</i></p> <p><i>Target: Increased budget-as percentage of GDP</i></p> <p><i>Target: Evidence of action plans being implemented</i></p>	<p>Government of Bangladesh and DFID Reporting</p>

Australia's Aid Objective Two: Building economic resilience by reducing vulnerability and improving inclusion in the growing economy

				Annual Progress Targets/Milestones			
Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	2016-17	2017-18	2018-19	Data source & baseline
1. Government of Bangladesh implements its National Social Security Strategy informed by best international practices	Number of separate safety net programs; targeting error data	Strengthened capacity within the government of Bangladesh	Increased capacity for data gathering and analysis for making evidence-based policy decisions	<p><i>Target: Relevant trainings and study tours organised for SPU and line ministries</i></p> <p>Over 200 officials attended six courses on public financial management, including in Thailand.</p> <p>The SPBMU Project Director attended the World Bank course on Social Safety Nets in Washington.</p> <p>18 officials benefited from study tours organised in Kenya and Indonesia.</p>	<p><i>Target: Design and implementation capacity at a national level and delivery capacity at local level built.</i></p> <p><b>Met :</b> Over 800 officials trained in public financial management, evidence –based policy making, and in the newly designed Management Information Systems for the Maternity Allowance Scheme.</p> <p>MoU signed with training providers including the BPATC (which provides mandatory training to government officials) to institutionalise and sustain capacity within the relevant ministries.</p> <p><i>Target: Reduction in the number of social safety net programs</i></p> <p><b>Met:</b> In line with NSSS consolidation agenda, the number of social protection programs dropped from 142 (2016) to 136 in 2017 and 118 in 2018.</p>	<p><i>Target: Partnership with Bangladesh Public Administration Training Centre (BPATAC) for foundation, mid-level and senior level officials</i></p> <p><i>Target: Policy decision on single registry of social security management information system at Statistics and Information Division (SID)/Bangladesh Bureau of Statistics (BBS) as a data source to address target errors</i></p> <p><i>Target: Reduction in the number of social safety net programs</i></p>	Government of Bangladesh and DFID Reporting
2.NGOs and other partners provide the poorest women and women-led households with increased incomes and nutrition, greater assets and capacity to participate in the economy	Numbers graduating from NGO livelihoods programs and qualitative assessments of life changes	BRAC TUP and WFP livelihoods programs achieve expected outputs on women's economic empowerment for remainder of current programs	Number of women and their households able to access social transfer	<p><i>Target:102,600<sup>33</sup></i></p> <p>79,480 (TUP); 9,481 (WFP, small cash grants and subsistence allowance);</p>	<p><i>Target: 54,600 = 45,000 (TUP) + 9,600 (WFP)</i></p> <p>45,396 (TUP); 9,393 (WFP)</p>	<p><i>Target:120,000 = 100,000 (TUP) +20,000 (WFP)</i></p>	BRAC,WFP baseline report and annual reporting
			Number of women and their households graduating from partners' livelihoods programs	<p>Target: 81,539</p> <p>86,975 (TUP); CLP ceased June 2016</p>	<p><i>Target: 75,506 (</i></p> <p>72,804 (TUP) <b>(Partially Met)</b></p>	<p><i>Target: 40,500</i></p>	

Australia's Aid Objective Two: Building economic resilience by reducing vulnerability and improving inclusion in the growing economy

Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	Annual Progress Targets/Milestones			Data source & baseline
				2016-17	2017-18	2018-19	
2.NGOs and other partners provide the poorest women and women-led households with increased incomes and nutrition, greater assets and capacity to participate in the economy	Numbers graduating from NGO livelihoods programs and qualitative assessments of life changes	Malnourished women and children treated by WFP in Cox's Bazar District improved their nutritional status	Wasting outcome improved (1% reduction per year)	Target: 10.57% 14.6% (wasting increased significantly due to an influx of over 74,000 refugees in October – November 2016).	Target: 10.9% 11.8%	Target: 10.8%	WFP Annual reporting; Baseline report 2015; Nutrition outcome survey 2017
			Stunting outcome improved (2% reduction per year)	Target: 42.47% 42.1%	Target: 39.8% 36.4% (Not Met)	Target: 34.4%	
3. Disadvantaged youth have access to skills and jobs	Youth receive skills training and are able to secure decent employment in the domestic and foreign markets.	Customize Skills Training programs targeting adolescents and youth, based on age and education level	Number of beneficiaries in BRAC Adolescent Development Program (ADP) and Multi-purpose Community Learning Centre (MCLC or Gonokendro) in BRAC Education Program.	Target: 1.5 million Total beneficiaries from ADP and Gonokendro: 1,551,219 (in 2016)	Target: 1,422,000 Total beneficiaries from ADP and Gonokendro: 1,422,369 (in 2017) (Number of girls: 754,315= 53.08%)	Target: 1,387,000	SPA Results Framework
			Number of beneficiaries receiving vocational skills training in BRAC Skills Development program	Target: 30,000 33,240 people received skills training.	Target: 18,876 16,805 people received skills training, including 6,979 women (42 per cent)	Target: 23,620	
		Support GoB in strengthening skills development initiatives and leverage BRAC's program resources, networks & expertise.	Number of Post Primary Basic and Continuing Education (PACE) Schools	Target: 1,400 1,400 PACE schools	Target: 1,400 1,400	Target: 1,400 1,400	SPA Results Framework

<sup>33</sup> Program targets 102,600 and 81,539 adjusted in 2016-17 to align with BRAC program targets.

Australia's Aid Objective Two: Building economic resilience by reducing vulnerability and improving inclusion in the growing economy

Plan outcome	Plan outcome indicators	Intermediate outcome	Intermediate outcome indicators	Annual Progress Targets/Milestones			Data source & baseline
				2016-17	2017-18	2018-19	
<b>4.Support an effective humanitarian response to Rohingya refugee crisis</b>	<i>Refugees and host community have access to immediate life-saving services</i>	Eligible people received food, health and shelter services	Number of beneficiaries receiving food,, health and shelter services.	n/a	Target: N/A 979,000	Target: 1.3 million	Partner and Inter Sector Coordination Group reporting against Joint Response Plan targets.
		Protection for vulnerable women and children improved	Number of women and children attending women and child friendly spaces	n/a	Target: N/A 302,049	Target:530,000	Partner and Inter Sector Coordination Group reporting against Joint Response Plan targets.
		Effective participation in donor coordination of the international humanitarian effort	% of donor coordination and SEG meetings attended by Australia	n/a	Target: N/A 100%	Target: 100%	Meeting Minutes.
		Effective partnerships with key agencies delivering humanitarian assistance that promote good donor principles and localisation	Number of Partnerships with satisfactory PPA ratings	n/a	Target: N/A 2	Target: 5	AidWorks
			Percentage of funding given to meet localisation agenda	n/a	Target: N/A 8%	Target:15%	Post calculation

Australia's Aid Objective Program Management

		Annual Progress Targets/Milestones			
Plan outcome	Plan outcome indicators	2016-17	2017-18	2018-19	Data source & baseline
<b>1.A consolidated, efficient and effective program</b>	<i>Main partnerships reduced to 4</i>	Maintained four (4) key partnerships with the Government of Bangladesh (GoB), BRAC, DFID and WFP with smaller or supporting investments with TAF.	Partnerships increased from 4 to 9, with the scale-up of Australia's humanitarian funding to the Rohingya crisis.		AidWorks
	<i>Reduction from 17 to 9 investments in AidWorks by financial year 2018-19</i>	Reduced the number of active investments from 11 to 8.	Active investments increased from 8 to 11. With the Australia's bilateral aid program to Bangladesh increasing by 70 per cent in response to the Rohingya humanitarian crisis, we extended selected investments and entered into new arrangements.	<9	AidWorks
	<i>All partnerships meet partnership objectives and are assessed as adding value to DFAT funding</i>	BRAC and PEDP3 -partnerships continue to help leverage Australia's modest funding for larger gains in priority areas.  WFP –delivers essential humanitarian services in a complex context and facilitates broader dialogue for GoA  DFID (SP) – has helped progress GoB's social protection reform agenda.	BRAC and WFP- has helped respond quickly, effectively and at scale to the humanitarian crisis in Cox's Bazar. PEDP3 – continues to help leverage modest funding to achieve results at scale in priority areas. DFID – support GoB's reform efforts in the social protection sector.		MTR and PPAs
	<i>All investments rated 4 or above for effectiveness</i>	<i>All investments rated 4 or above for effectiveness</i>	<i>All investments rated 4 or above for effectiveness</i>		AQCs
	<i>APPR reports assess progress against objectives as green or give reasoned case for lower mark</i>	<i>N/A</i>	<i>Both objectives rated as green. An ODE review of 2016-17 APPRs found the Bangladesh APPR assessment to be robust</i>		APPR

Australia's Aid Objective Program Management					
		Annual Progress Targets/Milestones			
Plan outcome	Plan outcome indicators	2016-17	2017-18	2018-19	Data source & baseline
<b>1.A consolidated, efficient and effective program</b>	<i>Staff have the right skills, knowledge and support to deliver the agreed AIP</i>	<p>Relevant staff attend the following training/workshop:</p> <p>Australia Awards Regional Workshop;</p> <p>Office of Trade Negotiations Trade Policy Course;</p> <p>Humanitarian Emergency Response;</p> <p>Regional Aid Management Training: Design and M&amp;E</p> <p>South-south Knowledge Collaboration: Designing and Implementing Social Protection Programs for Employment;</p> <p>Strategic Partnership Health Check Workshop;</p> <p>ANCP Partners Consultation Workshop;</p> <p>AidWorks Training;</p> <p>Personal Safety and Confrontation Management Training;</p> <p>Work Health and Safety E-learning;</p> <p>Delegations E-learning;</p> <p>Talk on The Asia Foundation survey 'Bangladesh Democracy Survey' and Bangladesh's Electoral System.</p>	<p>APPR management consequences sets out required staff capacities and staff up to date on relevant trainings/ workshops</p>		

