



MID-TERM REVIEW OF AUSTRALIA'S SUPPORT TO THE ECONOMIC RESEARCH INSTITUTE FOR ASEAN AND EAST ASIA (ERIA)

**Prepared for the Australian
Mission to ASEAN, Department of
Foreign Affairs and Trade (DFAT)**

1 February 2021

Clear Horizon

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Document review and authorisation

Version	Date distributed	Issued to	Comments
1	4 December 2020	Listi Irawati	First draft of MTR_report for DFAT review
2	22 December 2020	Listi Irawati	Second version of MTR report responding to DFAT and ERIA feedback
3	1 February 2021	Listi Irawati	Final version responding to DFAT feedback

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Clear Horizon Reference No.	

Contents

Executive Summary	1
1 Background and Context	6
1.1 Australia’s Support to ERIA	6
1.2 Review purpose and scope.....	6
1.3 Review audiences	6
2 Review Methodology and Situation Assessment	8
2.1 Review methodology	8
2.2 Situation assessment.....	9
3 Analysis and Findings	13
4 Recommendations	26
5 Annexes	29
Annex 1: List of stakeholders interviewed/consulted	29
Annex 2: Reference list of documents reviewed	30
Annex 3: Summary linkage analysis map	32

List of Figures

Figure 1: Progress Ratings Against the End of Program Outcomes and Intermediate Outcomes.

List of Tables

Table 1: Risk Matrix with Main Risks for Australia's Support to ERIA

Acronyms	
AAC	Academic Advisory Council
AADCP II	ASEAN-Australia Development Cooperation Program Phase II
ACCMSME	ASEAN Coordinating Committee on Micro, Small and Medium Enterprise
ADB	Asian Development Bank
AEM	ASEAN Economic Ministers
AMS	ASEAN Member States
ANU	Australian National University
APEC	Asia-Pacific Economic Cooperation
AQC	Aid Quality Check
ASEAN	Association of Southeast Asian Nations
ASEC	ASEAN Secretariat
CBD	Capacity Building Director
CBP	Capacity Building Program
CLM	Cambodia, Laos, and Myanmar
CLMV	Cambodia, Laos, Myanmar and Vietnam
COO	Chief Operating Officer
COVID-19	Coronavirus disease
DFAT	Department of Foreign Affairs and Trade
EAS	East Asia Summit
EMM	Economic Ministers' Meeting
EOPOs	End of Program Outcomes

Acronyms	
ERIA	Economic Research Institute for ASEAN and East Asia
G20	Group of Twenty
IPD	US and Indo-Pacific Strategy Division
KEQs	Key Evaluation Questions
MSMEs	Micro, Small and Medium Enterprises
MTR	Mid-Term Review
M&E	Monitoring and Evaluation
NTMs	Non-Tariff Measures
NTBs	Non-Tariff Barriers
OECD	Organisation for Economic Co-operation and Development
PCC	Program Coordination Committee
RIN	Research Institutes Network
RTD	Regional Trade Agreements Division
SAP SMED	Strategic Action Plan Small Medium Enterprise Development
SME	Small and Medium-sized Enterprise
SPD	Strategy and Partnership Director
SPP	Strategy and Partnership Program
STA	Short Term Advisor
ToC	Theory of Change
UNCTAD	United Nations Conference on Trade and Development
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
WEF	World Economic Forum

Executive Summary

Introduction

Australia provides grant financing of A\$5 million (September 2018-June 2023) to the Economic Research Institute for ASEAN and East Asia (ERIA). The Department of Foreign Affairs and Trade (DFAT) commissioned Clear Horizon to conduct a Mid-Term Review (MTR) of their support to ERIA over the period July to December 2020. The overall purpose of the MTR was to inform program improvement, assess effectiveness and efficiency of the program, including whether it has successfully pivoted to address the impacts of Coronavirus disease (COVID-19), and decisions about future funding of the program.

MTR Methodology

The MTR began with a review of 29 documents to inform the development of the MTR plan. A total of 42 stakeholders were then consulted (18 women and 24 men), including 16 DFAT staff, 13 stakeholders from ERIA, 9 Government officials from throughout the region, 2 Association of Southeast Asian Nations (ASEAN) dialogue partners and 2 representatives from the Australian National University (ANU). Some program activities were also observed, including a policy webinar under the Strategy and Partnership Program (SPP) and the Trade Logistics and Trade Facilitation for E-Commerce seminar under the Capacity Building Program (CBP). The information from the interviews and observations was thematically analysed and cross-referenced with the results of the document review to develop the MTR findings below.

The review's overall finding is that there is sufficient evidence to suggest the program is having a positive impact in the region. The program has effectively pivoted to respond to COVID-19 in delivering results linked to both ASEAN and Australian priorities in a resources-efficient manner. Building networks should ensure the ongoing sustainability of the investment in ERIA.

MTR Findings

Key Evaluation Question (KEQ) 1: How and to what extent is ERIA on track to achieve its End of Program Outcomes (EOPOs)? (Criterion - Effectiveness)

Progress ratings against the EOPOs:

EOPO 1	ERIA and partners influence ASEAN and East Asia Summit (EAS) policy debate on issues of interest to Australia.		There is some evidence that this is emerging and partially attributable to the program.
EOPO 2	Strengthened linkages between ERIA and regional policy outcomes.		There is some evidence that this is emerging but it is difficult to attribute this to the program.
EOPO 3	ERIA increasingly gains visibility in high-level international policy fora.		There is some evidence that this is emerging and partially attributable to the program.
EOPO 4	Cambodia, Laos, and Myanmar (CLM) Government officials increasingly follow robust economic policy processes.		There is some evidence that this is emerging and partially attributable to the program.

The MTR found that the program is likely to partially achieve its EOPOs by June 2023.

How and to what extent is ERIA influencing ASEAN and EAS policy debate on issues of interest to Australia? (EOPO 1)

There are some indications that Australia is able to influence ASEAN and EAS policy debate, however it is through a number of mechanisms and not necessarily just the initiatives funded under the CBP and SPP, although these do make valuable contributions. There appear to be five mechanisms to influence ASEAN and EAS policy debate directly and indirectly through ERIA:

1. Through the annual EAS Economic Ministers' Meeting (EMM) (usually Trade Ministers) policy briefing note prepared by ERIA.
2. Through the Governing Board and Australia's representative.
3. Through the Academic Advisory Council (AAC) represented by an expert from the ANU.
4. Creating feedback mechanisms through the CBP and SPP for demand driven research to meet regional policy needs.
5. Through the Research Institutes Network (RIN) and Australian Universities and research institutions.

How and to what extent are linkages being strengthened between ERIA and regional policy outcomes? (EOPO 2)

There is some evidence that linkages are being strengthened between ERIA and regional policy outcomes, particularly through the CBP and to some extent the SPP. There is also clear evidence that ERIA is maintaining and strengthening its partnerships with key regional and international stakeholders such as the ASEAN Member States (AMS), ASEAN Secretariat (ASEC), EAS, Asia-Pacific Economic Cooperation (APEC), RIN, Organisation for Economic Co-operation and Development (OECD), Group of Twenty (G20), United Nations Conference on Trade and Development (UNCTAD) and others. A good understanding of the work of the ASEAN Committees and Sectoral Bodies could provide alternative linkages between ERIA and regional policy outcomes. Part of the outreach and partnership strategy should be about understanding these opportunities for creating stronger linkages between ERIA, ASEAN and other DFAT initiatives.

To what extent is ERIA gaining visibility within ASEAN and globally? (EOPO 3)

There is evidence that ERIA is gaining visibility within ASEAN and globally particularly in the last few years, during which ERIA partnered with a range of institutions and strengthened its outreach. However, the visibility appears to be mainly within academic circles and through specific channels where activities have been focused. Concerns were also raised by some informants that the program was not focused enough on regional visibility and had instead focused on global institutions. The need for a greater emphasis on working with regional bodies, including the private sector, was noted as a priority.

While ERIA's global think tank rating has increased to 13th in 2019 from 14th in 2018, ERIA does not appear to be as well known outside of those directly involved, with DFAT Canberra appearing to have limited visibility and other donors working within the region not appearing to be as aware of its role.

Of those who are aware of ERIA, the quality of its research is well regarded and considered to be high standard as confirmed by ERIA's relatively high ranking for economic policy research.

How and to what extent is the ERIA program influencing CLM Government Officials to follow robust policy processes? (EOPO 4)

Both the CBP and SPP were becoming increasingly engaged at the CLM level with some tangible instances of influence on government officials. The challenge has been trying to get the right people involved. Having local Program Advisors in CLM countries has helped facilitate this process.

CLM officials appreciate that the program is flexible and responsive in developing projects. There is some evidence that CLM Government officials are beginning to apply more evidence-based policy development and adopting the research and policy briefs being developed by ERIA. One significant challenge is the ability to provide follow up support involving experts to guide officials on the next steps for policy formulation and reform based on the knowledge they gain through workshops and seminars. There are some examples of how this can work but it requires significantly more resources to do it effectively. Follow up support may need to be provided through relevant donor bilateral programs.

KEQ 2: How efficiently is ERIA managing its resources? (Criterion – Efficiency). Is the program making appropriate use of Australia’s time and resources to achieve outcomes?

The review found that the program is using its moderate resources relatively efficiently and achieving good leveraging of other resources. Stakeholders interviewed provided feedback that DFAT’s investment in ERIA is providing significant value, with DFAT staff from all three CLM Embassies commenting favourably as to how the Capacity Building Director (CBD) engages with them and noting that Australia’s contribution to ERIA was well recognised by the Economic Ministries ERIA supports. The CBD and Strategy and Partnership Director (SPD) provide new and innovative ideas and those interviewed advised it was appreciated that they and ERIA were not rigid or bureaucratic.

The program delivery and management structure is relatively efficient, however the lack of an overall manager is potentially reducing program coherence. The program is using its modest resources relatively efficiently and achieving good leveraging of other resources.

The current approach to Monitoring and Evaluation (M&E) could be more efficient and better add value to the program. The MTR found that the program is likely to partially achieve its EOPOs by June 2023. This suggests that the current Theory of Change (ToC) is too ambitious and should be reviewed and simplified. The Annual Reports are currently structured to provide a description of the activities and outputs delivered, with some outcome level information. The focus on collecting data from the capacity building workshops is taking a lot of effort and not providing much useful information to support program management. The Impact Stories¹ are good at providing more detail about some key achievements, but more strategic M&E support is needed to report effectively on the program’s achievements and progress towards its intended outcomes.

KEQ 3: Is the program making progress in effectively promoting gender equality and women’s empowerment in the program implementation? (Criterion – Gender Equality)

Australia’s promotion of gender equality is seen as a real value add under the program by DFAT and ERIA staff and is being well received. The program is generally performing well in terms of encouraging female workshop participants and panel members, and some respondents noted that they could see a difference from DFAT’s advocacy in this area.

The program’s weakness relates to how well gender is being included in ERIA research and therefore the topics being taught under the CBP and the SPP. Many stakeholders noted gender analysis in relation to the economic and trade themes are an area where more could be done and there was

¹ Two impact stories have been produced. The first is titled *Reducing barriers to international trade by increasing Awareness of Non-Tariff Measures (NTMs)* in relation to the CBP program and the second is *Advancing gender equality during the COVID-19 post-pandemic recovery* for the SPP program. Both were produced in 2020.

untapped potential. The lack of gender expertise within ERIA was cited as the main barrier to progressing this.

KEQ 4: What are the key program's risks (up to three) that may affect successfully achieving EOPOs? (Criterion – Risk).

The MTR team believe the main risk categories relate to COVID-19, the program's ability to demonstrate its impact and the ongoing sustainability of the investment in ERIA. COVID-19 has affected the program's workplan and because of the necessity of remote working and online activity delivery, potentially affected the program's ability to achieve its EOPOs. The weaknesses in the M&E system and program reporting described above have meant that the program is not sufficiently capturing impact information, posing a risk to future support and funding. The reliance on key donors and the relationships of key ERIA staff pose sustainability risks.

KEQ 5: How effectively has the program pivoted to address the impacts of COVID-19?

The program has effectively pivoted to respond to COVID-19. The move to online workshop and seminar delivery has provided significant benefits, reaching far more people than through face to face workshops. However the delivery of CBP workshops has been more challenging, with stakeholders agreeing it was more difficult to effectively transmit knowledge online and manage language barriers.

The topics of webinars and seminars have also effectively pivoted to be related to COVID-19. The high number of participants demonstrated the significant interest in the topic and there was good feedback about the relevance of the topics chosen. Stakeholders commented that ERIA could continue to add value by conducting COVID-19 relevant research and helping to fill the gaps left by other donors. The ongoing relevance of research in responding to COVID-19 related policy challenges was highlighted.

Recommendations

Recommendations for Australia's current support to ERIA (September 2018- June 2023)

1. Revise the program management approach so that monthly meetings include discussion on the strategic direction for the program and effective allocation of resources across the program's priorities.
2. The Draft Strategic Outreach Strategy for ERIA be re-written to more clearly articulate its purpose, goals, objectives, challenges, strategies and actions.
3. The SPD work with the ERIA Communications Team to develop regional policy briefs and work with Program Advisors in the CLM to develop opinion pieces for local publications.
4. Australia continues to actively champion gender and continues to make available its internal technical expertise on gender for ERIA to access.
5. The program's workplan includes funds to pay for technical skills to help design effective online CBP courses where online courses are deemed feasible and appropriate.
6. CBD and SPD, with DFAT, look for more opportunities to build synergies with bilateral program economic initiatives by working closely with CLM posts.
7. CBD and SPD strengthen relationships with policy analysts and political advisors based in CLM countries who can help to provide direct face-to-face engagement and activity support to help with the implementation of knowledge built during the CBP sessions.

8. The Program Advisors work with the CBD to establish an 'alumni network' or 'community of practice' in each country around key topics to help maintain interest, networks and momentum on critical policy issues.
9. The Program's ToC be revised and the M&E plan simplified to better target data collection around capacity building activities and instead increase the focus on strategic reporting. The program should engage a Short Term Advisor (STA) to support the program to regularly assess progress and write its Annual Progress Reports.

Recommendations for a future phase of the program

10. Australia fund a further phase of support to ERIA once the current phase finishes in June 2023.
11. Under the new program, budget management becomes the responsibility of the Chief Operating Officer (COO) and the SPD and CBD report to the COO regarding their budget allocations.
12. Australia fund a gender advisor to support ERIA to include gender considerations and to help ERIA build linkages with other organisations working in this area.
13. Engage with other donors, including the private sector, to encourage them to consider supporting ERIA and diversifying the funding base.

1 Background and Context

1.1 Australia's Support to ERIA

ERIA is an International Governmental Organisation based in Jakarta. It works closely with EAS officials and ASEC to undertake and disseminate economic policy research and report to EAS Senior Economic Officials and Economic Ministers. Australia supports ERIA through grant financing (A\$5 million, September 2018-June 2023) to improve ASEAN regional economic integration, in order to contribute to sustainable and inclusive economic growth in ASEAN. ERIA implements the program in two approaches or strategies (with separate sets of objectives and components):

- Pathway 1: SPP: to increase ERIA's ability to influence economic policy debate within ASEAN, EAS and other key regional policy fora. This pathway is more recent and it started in May 2019.
- Pathway 2: CBP: to strengthen the link between ERIA research and expertise and policy-making in CLM. This pathway continues work under an earlier phase of the program.

The Program seeks to contribute to its broader goal through four EOPOs which correlate with the two pathways above:

EOPO 1: ERIA and partners influence ASEAN and EAS policy debate on issues of particular interest to Australia (Pathway 1);

EOPO 2: Strengthened linkages between ERIA and regional policy outcomes (Pathway 1);

EOPO 3: ERIA increasingly gains visibility in high-level international policy fora e.g. G20, APEC (Pathway 1);

EOPO 4: CLM Government Officials increasingly follow robust policy processes (Pathway 2).

To achieve EOPO 4, ERIA CBP works through three Components: 1) Participation in Research; 2) ASEAN Priorities; and 3) Increased Research Capacity.

1.2 Review purpose and scope

The overall purpose of the MTR was to inform program improvement, assess effectiveness and efficiency of the program, including whether it has successfully pivoted to address the impacts of COVID-19 and decisions about future funding of the program. It has considered the potential usefulness of additional support in order to allow a decision on future funding.

The scope of the MTR included providing an assessment of the effectiveness and efficiency of program management arrangements. It assessed progress, reviewed lessons learned and recommended any changes needed to improve implementation. It has focused on Australia's support for ERIA over the first two years of the current funding agreement (2018-2020).

1.3 Review audiences

The primary audience for the review is the Australian Mission to ASEAN and relevant DFAT Divisions in Canberra including US and Indo-Pacific Strategy Division (IPD) and Regional Trade Agreements Division (RTD). DFAT intend to share the final MTR report with ERIA and, subject to management approvals, publish it on the DFAT website.

The secondary audiences are ERIA staff and other development partners currently supporting ERIA.

2 Review Methodology and Situation Assessment

2.1 Review methodology

As a MTR, the review team assessed the extent of achievement of the outputs, intermediate outcomes and EOPOs in the program logic. This included an assessment of the extent of delivery of the investment's activities and the quality of delivery.

The review was focused on the following KEQs:

KEQ 1: How and to what extent is ERIA on track to achieve its EOPOs?

Sub-questions for KEQ 1:

- How and to what extent is ERIA influencing ASEAN and EAS policy debate on issues of interest to Australia? (Criterion- Effectiveness)
- How and to what extent are linkages being strengthened between ERIA and regional policy outcomes? (Criterion- Effectiveness)
- To what extent is ERIA gaining visibility within ASEAN and globally? (Criterion- Effectiveness)
- How and to what extent is the ERIA program influencing CLM Government Officials to follow robust policy processes? (Criterion- Effectiveness).

KEQ 2: How efficiently is ERIA managing its resources? (Criterion– Efficiency). Is the program making appropriate use of Australia's time and resources to achieve outcomes?

KEQ 3: Is the program making progress in effectively promoting gender equality and women's empowerment in the program implementation? (Criterion– Gender Equality)

KEQ 4: What are the key program's risks (up to three) that may affect successfully achieving EOPOs? (Criterion– Risk).

KEQ 5: How effectively has the program pivoted to address the impacts of COVID-19?

The data collection approach and methods were designed to accommodate the restrictions arising from the COVID-19 pandemic. Therefore, all data collection was done remotely, with key informant interviews being conducted through virtual videoconferencing, Whatsapp and over the telephone. Consultations about the Aide Memoire findings with DFAT and ERIA were also completed through videoconference.

Document review

The MTR began with an initial analysis of 29 documents, including program design documents, reports, management documents and key strategic documents such as the draft Strategic Outreach Strategy. This analysis identified relevant information against the KEQs and identified gaps to be filled by the other data collection activities during the review. Further documents were identified throughout the review and fed into the analysis. Annex 2 includes a list of the documents reviewed in the MTR.

Key informant interviews

A total of 42 stakeholders were consulted by the review team (18 women and 24 men), including 16 DFAT staff, 13 stakeholders from ERIA, 9 Government officials from throughout the region, 2 ASEAN dialogue partners and 2 representatives from the ANU. The list of stakeholders interviewed is included in Annex 1. The majority of consultations involved interviews and 3 stakeholders provided written responses. The people consulted were purposefully selected based on the extent of their knowledge of and involvement in the program. The interviews were semi-structured interviews against an interview guide aligned with the KEQs.

Observation of selected CBP and SPP sessions.

The MTR team also observed three program activities. These included two policy webinars, one on the *Impact of COVID-19 on Australian Business in ASEAN* and another entitled *Women Entrepreneurs Amidst COVID-19, Boom or Bane?* under the SPP. The team also observed a Trade Logistics and Trade Facilitation for E-Commerce workshop under the CBP. These sessions to be observed were selected purposively, in consultation with ERIA, as being key examples of ERIA's work over this period. An observation guide was used to guide data collection, as outlined in the MTR plan.

Data analysis methods

An evidence matrix was used to analyse the document review findings against the KEQs. The information from the interviews and observations was analysed using basic thematic analysis in an excel document. Triangulation was used to validate information from interviews with documentation and progress reporting.

Linkage analysis

A linkage analysis was also undertaken to map the different stakeholders and their relationships. It helped to evaluate how ERIA influences regional and CLM policy outcomes through its status as an authoritative, credible, consistent, exclusive, consensus-building and respected research organisation. The simplified map from the linkage analysis is included in Annex 3.

Limitations

As the review was conducted remotely, with online consultations, the data is possibly not as complete and rich as if field visits and face to face interviewing had been undertaken due to the loss of observational data from field visits. The original MTR plan also envisaged conducting an episode study of one of the topics of the Impact Stories, with the intention of externally reviewing and validating the information in the impact story. However, the stakeholders interviewed were not all sufficiently familiar with ERIA's work around this to provide the relevant information required for the episode study. Instead, the findings from these consultations have been included in the broader thematic analysis and have contributed to the assessment against the KEQs.

2.2 Situation assessment

The situation assessment helps contextualise the MTR findings and puts overall performance and progress in perspective. The current situation is best understood by appreciating the way in which the program has developed since 2018, building on previous initiatives which commenced in 2014; and

reviewing the recent impacts of the COVID-19 pandemic, which started to affect the program in March 2020.

The current phase of the program developed as two separate components within ERIA, under a single grant agreement, commencing at different times. The first is focused on providing capacity building activities to senior officials and policy makers so that ERIA research can have a greater influence on policy development. This program commenced in September 2018 with the appointment of a CBD who had previously worked on an iteration of the program from 2014-2018. Subsequently DFAT funded a SPP to strengthen ERIA's outreach in engaging with regional policy makers and government officials to share the research of ERIA and act as a feedback loop with ERIA to articulate their research needs. This commenced much later in May 2019 with the appointment of a SPD.

Both programs were designed to increase the uptake of evidence-based policy with the goal of improving ASEAN economic integration and sustainable and inclusive growth. Specifically the objectives of the program were to *“Build ERIA's capacity to influence ASEAN and EAS policy debate, particularly in areas of core interest to Australia”* and *“Increase knowledge and skills to engage with ERIA's policy and research agenda in CLM to support inclusive economic growth, regional economic integration and economic reform”*. Areas of core interest to Australia include trade liberalisation, regional value chains, connecting Small and Medium-sized Enterprises (SMEs) to global supply chains, connectivity, women's economic empowerment and regional security (the rules-based order).

In 2019 the program logic was reviewed culminating in two pathways aligning with four EOPOs. It is implicit in the logic model that both pathways need to reinforce one another to achieve the main objective of *improved ASEAN regional economic integration, and result in sustainable and inclusive economic growth*.

Pathway 1 encompassed ERIA partnership and outreach activities leading to:

1. **ERIA and partners influence ASEAN and EAS policy debate on issues of particular interest to Australia** with the precondition (or intermediate outcome) that ERIA knowledge products are used and valued by stakeholders, in particular AMS, EAS and ASEC.
2. **Strengthened linkages between ERIA and regional policy outcomes** with the preconditions that ERIA maintains and strengthens partnerships with key regional and international stakeholders (AMS, ASEC, EAS and RIN)
3. **ERIA increasingly gains visibility in high-level international policy fora** (e.g. G20, APEC) with the precondition that ERIA is invited to and actively participates in regional and international high-policy fora and round tables.

Pathway 2 encompassed capacity building activities leading to:

4. **CLM Government Officials increasingly follow robust policy processes.** The preconditions to achieving this outcome are that CLM Government planning reflects new concepts, ideas and ERIA research findings; CLM officials are more aware of barriers to integration; CLM participants advocate and suggest initiatives and develop action plans; CLM officials share policy briefs and guidelines with colleagues that incorporate ERIA models and research.

The CBP was able to build on DFAT's previous support to ERIA which commenced in November 2014 and continued until June 2018. This previous program worked in Cambodia, Laos, Myanmar and Vietnam (CLMV) with the current phase of the program focusing on CLM. This continuity enabled the CBP to build on already established relationships. In early 2019 the program also mobilised local

Program Advisors in CLM to work with both the CBP and SPP. One of the roles of the Program Advisors were to act as a conduit for ensuring local opinion pieces on key policy issues emanating from ERIA would be included in local media. This approach was to help influence local opinions on economic policy based on research and evidence. One of the roles of the SPD was also to be responsible for producing policy briefs and synopses of ERIA research to share with senior officials and policy makers. It was also initially intended that the SPD would act as a liaison between ERIA and the Governing Board Members to increase cohesion between ERIA and the Governing Board.

Recently ERIA has been working on increasing its visibility and strengthening partnerships with relevant international organisations including key regional policy forums, such as APEC, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), UNCTAD, Asian Development Bank (ADB), ASEAN+3 Macroeconomic Research Office, OECD, World Bank, and World Economic Forum (WEF), among others. This has been reinforced with the advent of the SPP since May 2019.

ERIA has been working towards increasing its standing as a global think tank, increasing its rankings slightly over the last 2 years according to the Global Go To Think Tank Index Report. In 2018 and 2019 it was ranked number 11 in terms of top think tanks in Southeast Asia and the Pacific. In terms of global economic policy think tanks it was ranked number 14 in 2018 and 13 in 2019. It was ranked 23 in terms of the best think tank network in 2018 slightly increasing to 22 in 2019.

In early 2020 the global COVID-19 pandemic resulted in social distancing restrictions while a lack of health insurance coverage and reduced flights forced many overseas workers to return to their home countries. This resulted in remote working for most and the need to quickly adapt to working and learning online.

At the time of the MTR (July-December 2020) the program had been operating remotely with the CBD and SPD both working from home bases in Europe. By necessity the COVID-19 pandemic forced a new way of working for everyone. Remote and home-based work became the norm from March 2020. While some activities were able to continue through online webinars and forums, face to face interaction limited the ability to strengthen relationships and outreach. It came at a critical juncture as the SPP was gaining momentum after 10 months of implementation (May 2019-March 2020). The SPP was designed around key upcoming policy forums. In 2019-2020 this included support to Vietnam's Chairmanship of ASEAN as well as strengthening ERIA's visibility and impact during APEC Malaysia 2020. This initiative resulted in ERIA working with the APEC chair for the first time. The SPP was starting to make some valuable contributions but outreach activities and engagements were subsequently affected by remote working.

Fortunately, the CBP had been able to continue to build on its strong relationships and foundations created through years of development with the assistance of local Program Advisors, so the transition to online training, while having some limitations, was relatively effective.

At the commencement of the MTR, DFAT considered that the program had made adequate progress, however, a number of issues were identified in DFAT's Aid Quality Check or AQC (approved June 2020) that needed addressing in the MTR:

- Ensuring the work program continued under COVID-19 conditions by pivoting to online delivery and remote working and ensuring activities align with DFAT's Partnerships for Recovery: Australia's COVID-19 Development Response;
- Closely monitoring the SPP to ensure it increases its performance and effectiveness under the current conditions;
- Improving oversight of the program to ensure it complies with reporting requirements and addresses expenditure issues;

- Addressing gender equality by developing a gender strategy, advocating its importance to ERIA and supporting additional initiatives on gender.

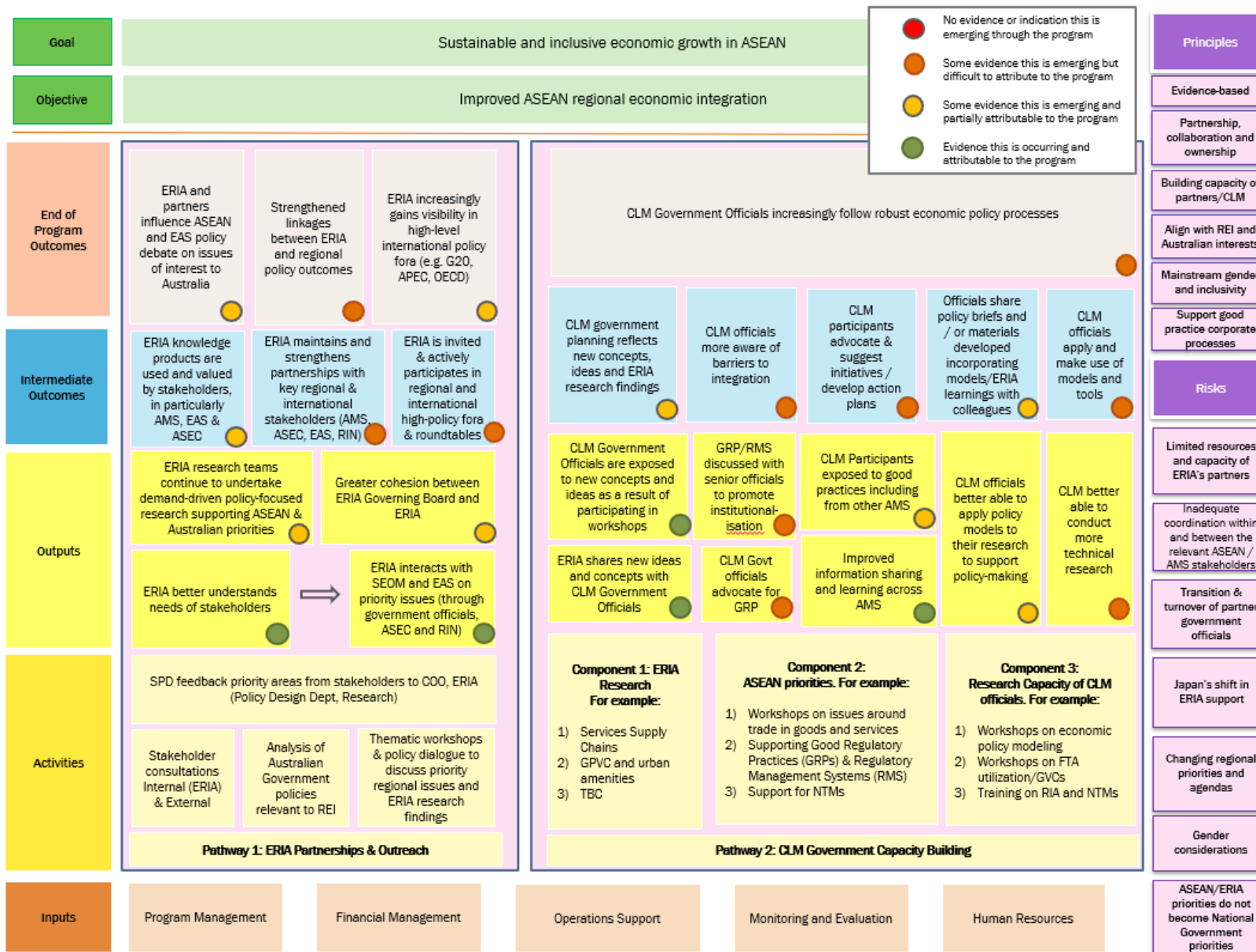
3 Analysis and Findings

KEQ 1: How and to what extent is ERIA on track to achieve its EOPOs? (Criterion - Effectiveness)

The program is likely to partially achieve its EOPOs by June 2023, however, a change in the way M&E is conducted will need to be implemented in order to demonstrate the program's contributions. There are many factors that will contribute to the program's intended outcomes outside of the program's control. However, DFAT's contribution can play a catalytic role, if well targeted, to encourage evidence-based policy development in areas of interest to Australia such as trade liberalisation, economic integration and inclusive growth.

Figure 1 indicates the MTR teams' perceptions of current progress towards EOPOs based on available evidence collected through the MTR. The colour dots indicate the extent to which the programs' outputs and outcomes are being achieved and the degree to which they can be attributed to the program's initiatives. The program is gaining a better understanding of the needs of stakeholders through the SPP and CBP feedback mechanisms and ERIA is interacting more with senior officials on priority issues. In addition the CBP is resulting in CLM officials sharing new ideas and concepts and improving information sharing and learning on key policy issues.

Figure 1: Progress Ratings Against the EOPOs and Intermediate Outcomes



How and to what extent is ERIA influencing ASEAN and EAS policy debate on issues of interest to Australia? (EOPO 1)

Overall progress rating against EOPO 1:

	There is some evidence that this is emerging and partially attributable to the program.
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Influencing policy debate is premised on the need for ERIA knowledge products to be used and valued by stakeholders, in particular the AMS, EAS and ASEC. The MTR has found that ERIA's products are valued and considered to be of high quality. There are also some indications they are used to help guide policy development at the AMS and regional levels.

There are some indications that Australia is able to influence ASEAN and EAS policy debate, however it is through a number of mechanisms and not necessarily just the initiatives funded under the CBP and SPP, although these do make valuable contributions. Influence is happening through ERIA and by continuing to emphasise the need for evidence-based policy development. The most recent example being the inclusion of gender issues raised by Australia in the policy briefing to the EAS EMM in 2020.

There appear to be five mechanisms to influence ASEAN and EAS policy debate directly and indirectly through ERIA:

- 1. Through the annual EAS EMM (usually Trade Ministers) policy briefing note prepared by ERIA.** ERIA consult widely on the briefing note, with DFAT officials providing comment which may or may not be adopted by ERIA. In the most recent example (September 2020), Australia's inputs were acknowledged and adopted, indicating some level of influence. The policy briefing sets the forward agenda for ERIA's research program and is therefore the most direct mechanism to influence the policy debate through ERIA. DFAT Canberra have visibility of this policy brief (usually 2 pages) and it is often their only interaction with ERIA. In terms of leveraging from DFAT's investment in the SPD, these messages could be reinforced by improving communication between the SPD, DFAT and other Australian institutions reinforcing the same policy messages.
- 2. Through the Governing Board and Australia's representative.** Australia's Governing Board member represents Australia, rather than DFAT. The Governing Board meets once a year and does not meet frequently enough to regularly steer the research agenda and policy debate. Also, there are limited opportunities for the Governing Board to provide substantial input to ERIA's strategic direction. The SPD has engaged the Governing Board in webinars to help outreach and be more involved in setting research directions but this does not yet appear to have been effective. To be more effective a more consultative process with the Governing Board will be required to allow opportunities to consider feedback.
- 3. Through the Academic Advisory Council (AAC)** represented by an expert from the ANU. This also meets once a year coinciding with the meeting of the Governing Board, however it appears to provide limited opportunity to influence policy debate in areas of interest to DFAT.
- 4. Creating feedback mechanisms through the CBP and SPP for demand driven research to meet regional policy needs.** The CBP and SPP can influence regional policy makers to raise policy debate on issues of mutual interest to Australia to ensure they are addressed by ERIA through a demand driven mechanism. This approach is demonstrating some potential provided participation is with senior policy makers in each country. It was reported that some of the junior

officers originally involved in CBP training have moved into senior positions, and are beginning to influence others to understand and adopt ERIA research with its policy implications. The benefits from the CBP will come if policy makers in CLM adopt evidence-based policy evaluation processes that will subsequently align with Australia's position.

- 5. Through the RIN and Australian Universities and research institutions.** The RIN is consulted regarding research topics and activities, with the ANU playing an active role as a member of RIN in working with ERIA and key donors on areas of mutual policy interest. These activities are conducted independently of DFAT's support to the CBP and SPP activities. DFAT provides grants directly to the ANU and other universities for policy research. ERIA engages with a number of universities in Australia through collaborative research or by commissioning research directly with academics. There is an opportunity for the SPD to develop stronger linkages between ERIA and Australian research institutions to help emphasise policy issues of importance to Australia.

How and to what extent are linkages being strengthened between ERIA and regional policy outcomes? (EOPO 2)

Overall progress rating against EOPO 2:

	There is some evidence that this is emerging but it is difficult to attribute this to the program.
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There is some evidence that linkages are being strengthened between ERIA and regional policy outcomes, particularly through the CBP and to some extent the SPP. There is also clear evidence that ERIA is maintaining and strengthening its partnerships with key regional and international stakeholders such as the AMS, ASEC, EAS, APEC, RIN, OECD, G20, UNCTAD and others.

A good example, is the work done on NTMs and Non-Tariff Barriers (NTBs). Discussions with informants suggests that in some countries they have improved their awareness of these issues and are beginning to address them through policy and regulatory reform leading to greater trade liberalisation and facilitation. It is a long-term process but there is sufficient evidence to suggest DFAT's program is having a direct impact.

To directly influence CLM officials, relevant webinars or workshops need to be conducted at a time when the issue is of direct importance to the Ministry. For instance, conducting a webinar on COVID-19 at a time when most officials are concerned with management and recovery strategies will obviously draw significant attention as it will be directly relevant to their day to day needs. This in turn influences regional policy outcomes through Ministers being better able to raise policy issues with ASEAN sectoral bodies and the EAS. This approach appears to be a focus for the CBP enabling it to achieve more effective outcomes by strategically timing engagement activities.

It was noted that one of the roles of the SPD was to develop policy briefs and work with Program Advisors in the CLM to develop opinion pieces for local publications. This does not appear to have been progressed, with some informants noting that a greater emphasis should now be placed on regional outreach and targeted policy briefs to engage senior officials in the AMS.

It was noted that ERIA products such as the SME Policy Index are well referenced at the national and regional levels with AMS using the product in conjunction with the Strategic Action Plan on SME Development (SAP SMED 2016-2025) to develop national policy frameworks consistent with regional policy outcomes. The SAP SMED 2016-2025 is being implemented through the ASEAN Coordinating Committee on Micro, Small and Medium Enterprise (ACCMSME) with representatives from each AMS. It

was also supported by DFAT through AADCP II. The SAP SMED (2016-2025) is also working in areas such as e-commerce and women's empowerment which could be leveraged through the CBP and SPP to strengthen linkages between ERIA and regional policy outcomes. This is just one example where a good understanding of the work of the ASEAN Committees and Sectoral Bodies could provide alternative linkages between ERIA and regional policy outcomes. Part of the Strategic Outreach Strategy should be about understanding these opportunities for creating stronger linkages between ERIA, ASEAN and other DFAT initiatives.

The Strategic Outreach Strategy appears to be a work in progress but could benefit from a more structured and strategic approach that is more targeted towards the achievement of program outcomes. The example above illustrates the potential for linking the work of ERIA with a range of regional and global policy initiatives.

To what extent is ERIA gaining visibility within ASEAN and globally? (EOPO 3)

Overall progress rating against EOPO 3:

	There is some evidence that this is emerging and partially attributable to the program.
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There is evidence that ERIA is gaining visibility within ASEAN and globally particularly in the last few years, during which ERIA partnered with a range of institutions and strengthened its outreach. However, the visibility appears to be mainly within academic circles and through specific channels where activities have been focused. Concerns were also raised by some informants that the program was not focused enough on regional visibility and had instead focused on global institutions. The need for a greater emphasis on working with regional bodies, including the private sector, was noted as a priority. It was also noted that the AMS had recently increased their financial contributions to ERIA as a percentage of overall funding. This is indicative of a greater recognition of the value of work that ERIA does within the region.

ERIA's Communications Director has done substantial work to try to increase the profile of ERIA, working to increase its global think tank rating to 13th in 2019 increasing slightly from 14th in 2018. This change in visibility is not attributable to the SPP given it only commenced in May 2019, however it has the potential to work with the Communications Director to further increase visibility and ERIA's standing.

While the ranking is a significant achievement, ERIA does not appear to be as well known outside of those directly involved. DFAT Canberra appear to have limited visibility (other than the EAS policy briefing prepared by ERIA), and other donors working within the region do not appear to be as aware of its role. However, evidence suggests that much of the program is demand driven through the AMS, RIN and ASEC.

Of those who are aware of ERIA, the quality of its research is well regarded and considered to be high standard as confirmed by ERIA's relatively high ranking for economic policy research.

Although COVID-19 has impacted on face to face meetings and direct relationship building, the use of webinars has increased ERIA's reach and exposure. Whereas previously workshops and seminars would accommodate 20-30 participants, several hundred are now connecting to ERIA webinars, many of which have been instigated through DFAT funding, usually involving collaboration with other organisations. Post COVID-19, a strategy that combines workshops and face to face meetings with webinar series would achieve both breadth and depth of exposure. It was noted that this strategy will be adopted by ERIA once COVID-19 restrictions have eased.

How and to what extent is the ERIA program influencing CLM Government Officials to follow robust policy processes? (EOPO 4)

Overall progress rating against EOPO 4:

	There is some evidence that this is emerging and partially attributable to the program.
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Both the CBP and SPP were becoming increasingly engaged at the CLM level with some tangible instances of influence on government officials. It is acknowledged that most of the work is about raising awareness of policy issues with government officials as the first stage of a long-term process of policy reform and regional alignment. Few areas have progressed further than this (pre-COVID-19) except for a few specific areas such as the work on NTMs, NTBs, e-commerce and Micro, Small and Medium Enterprises (MSMEs).

The challenge has been trying to get the right people involved. Having local Program Advisors has helped facilitate this process. It is not an easy bureaucratic process to get officials involved in workshops. However, having a Program Advisor on the ground makes a significant difference, and the CBD has built up an excellent network and good rapport with both DFAT and local officials to ensure appropriate attendance.

CLM officials appreciate that the program is flexible and responsive in developing projects. However, they also do not necessarily know what to request in terms of training and development. This has advantages in terms of Australia's policy priorities in that the program can propose areas of importance to Australia and officials will select based on current interest and relevance. Uptake and implementation of policy following training and development is often contingent on current political issues. For instance, the recent webinar on COVID-19 came at the right time for the Ministry of Planning and Investment in Laos, since the Minister was heading a special committee to draft policy on the impact of COVID-19. The advice given during the webinar was useful and helped the Director General directly with the analysis for the committee. The timing of engagement around important topics is critical.

There is some evidence that CLM Government officials are beginning to apply more evidence-based policy development and adopting the research and policy briefs being developed by ERIA. Given the few resources available to the program, it has appeared to have had a positive impact at the CLM level, albeit in very specific areas such as investigations and policy development around NTMs and NTBs.

In another specific example (Myanmar), the program has helped to encourage government officials to engage with the private sector as part of the MSME policy development process. This arose out of a workshop on MSMEs which was organised by the program and included both government officials and the private sector as participants. This policy consultation process with the private sector did not previously happen in Myanmar.

One significant challenge is the ability to provide follow up support involving experts to guide officials on the next steps for policy formulation and reform based on the knowledge they gain through workshops and seminars. There are some examples of how this can work but it requires significantly more resources to do it effectively. Follow up support may need to be provided through relevant donor bilateral programs.

Most informants agree that workshops in country are more effective than the current online arrangement. They build stronger relationships and enable follow up discussions. Webinars are convenient under the current circumstances but follow up support and questioning is less likely.

Interaction between workshop participants in each country is also very important and a significant benefit of the program. This helps build a local community of practice, at least while the seminar series is underway. It helps connect people within CLM who need to collectively address particular problems. Maintaining this beyond the webinar series is problematic and will require on ground support and leadership for it to continue.

KEQ 2: How efficiently is ERIA managing its resources? (Criterion – Efficiency). Is the program making appropriate use of Australia’s time and resources to achieve outcomes?

The review found that the program is using its moderate resources relatively efficiently and achieving good leveraging of other resources.

The efficiency of the program is assessed by considering its effectiveness and value add for DFAT in terms of overall achievement against the costs of the program. It also considers the efficiency of spending, staffing and program delivery arrangements, how well the program is leveraging other funds to deliver activities and the effectiveness of the current M&E arrangements. The management burden for DFAT of the program was also considered.

Stakeholders interviewed provided feedback that DFAT’s investment in ERIA is providing significant value to both DFAT and ERIA. DFAT staff from all three CLM Embassies commented favourably as to how the CBD engages with CLM posts when arranging CBP activities and provides CLM Embassies an opportunity to participate in capacity building workshops and seminars. Those interviewed noted that the CBD reaches out in advance to the Embassy to invite them to participate, and provides information about the seminar. While as noted earlier, visibility of Australia’s support to ERIA was low amongst those interviewed in DFAT Canberra and amongst some partners, DFAT Embassies in CLM countries felt that Australia’s contribution to ERIA was well recognised by the Economic Ministries ERIA supports. There was more mixed feedback about Australian branding, with one CLM Post commenting that the branding was good while other DFAT stakeholders felt there was room for improvement.

The CBD’s strong relationships with CLM Counterparts was highlighted as a particular value add for both Australia and ERIA research teams by ERIA staff. For the SPD, an ASEC stakeholder noted that the international networks and connections she brings were seen to add value to ERIA as an organisation and an ERIA stakeholder noted that she has helped with building relationships with ASEC. A DFAT stakeholder also raised the opportunity for cooperation with key donors through the program as a benefit, noting cooperation between researchers and linkages between Universities under the program. ERIA also noted the cooperation with a key donor on negative lists.

The program delivery and management structure is relatively efficient, however the governance structure hasn’t worked in the way envisaged in the design. As discussed above, the two main Directors are adding value and the in-country Program Advisors were recognised as important additional resources. The flexibility of the program was raised by some ERIA and DFAT stakeholders as a strength. The CBD and SPD provide new and innovative ideas and those interviewed advised it was appreciated that they and ERIA were not rigid or bureaucratic. The program design document envisaged that the Annual Workplan and Annual Progress report would be discussed and approved in the Governing Board meeting, however in reality this isn’t happening as the Board is too senior. These documents are instead being reviewed by DFAT. There is also a Program Coordination Committee (PCC) involving the ERIA

COO and DFAT representatives which meets six monthly and has provided a good forum for discussion about the program's progress. It also formally approves the Annual Report, work plans, budget and program staffing.

The program has experienced an underspend, due to the late commencement of the SPP and disruption to activity delivery due to COVID-19. The SPD only began in her role in May 2019, 8 months after the program started, and COVID-19 had led to delays and disruptions in activities such as workshops and seminars.² As of 21 February 2020, the program had expensed 59% of its first two years of funding (A\$1,179,390 out of A\$2,000,000)³ however the situation had improved by the end of the second year of the program (September 2020) with 83% of the budget expensed (A\$1,658,088 out of A\$2,000,000).⁴ The program now moves funding between the CBP and SPP to manage budget underspends.

Two opportunities to improve efficiency were identified by those interviewed. The first was for the program to better leverage DFAT's bilateral programming by working more closely with bilateral economic programs, particularly in CLM countries, to try and provide more ongoing support to embed capacity building work. The second is that the program lacks a single overarching manager to explore and promote linkages with other DFAT programs to promote better engagement with bilateral investments. This lack of an overarching manager has led to a bi-focal approach where the budget is split in two between the CBP and SPP and then managed within each of these rather than the program being viewed and managed as a coherent whole. However, the SPD and CBD noted examples of where budget had been moved between the two pathways through negotiation between the two directors. There have so far been few joint activities across SPP and CBP, however ERIA noted that they continue to look for opportunities for joint activities, with an opportunity for CBP activities to spin off gender activities under SPP as one option.

The program is using its modest resources relatively efficiently and achieving good leveraging of other resources. For a small investment, the program is delivering well and providing the value described above. Stakeholders interviewed noted that the recent move to the online delivery of activities has reduced costs while providing greater exposure to a broader range of participants, increasing efficiency in the SPP, however there is a caveat for the CBP. Delivering capacity building activities effectively online requires a significant up-front investment in developing online course materials, which can pay off in the longer term where the course is repeated, but if the course is delivered as a one off, as many of the current CBP courses are, the efficiency dividend is lessened. The funds leveraged through the small CBP investment (A\$1,581,000) as reported in the Annual Report is considerable, and noted to be more than four times greater than CBP's own budget.⁵

The current approach to M&E could be more efficient and better add value to the program. The MTR found that the program is likely to partially achieve its EOPOs by June 2023. This suggests that the current ToC is too ambitious and should be reviewed to consider whether the EOPOs are too high level. The ToC is also quite complex and could be simplified.

The Annual Reports are currently structured to provide a description of the activities and outputs delivered, with some outcome level information. There is clearly a strong emphasis on collecting data from participants in the CBP similar to some levels of the Kirkpatrick Framework⁶ and the results of this are reported in Annual Reports. However, ERIA questioned whether this information is really valuable or

² ERIA AQC 2020

³ ERIA AQC 2020

⁴ Advice from DFAT based on the ERIA budget report November 2020

⁵ ERIA 2020 Annual Report, May 2020

⁶ <https://www.mindtools.com/pages/article/kirkpatrick.htm>

informing ongoing program improvement, given many of the workshops are only delivered once. The level of effort of all this data collection and analysis does not appear to be proportionate to the benefit in terms of understanding the performance of the program and its progress against outcomes. The Impact Stories⁷ are good at providing more detail about some key achievements, but more strategic M&E support is needed to report effectively on the program's achievements and progress towards its intended outcomes. This could be achieved by engaging a senior evaluator to meet with the team on a quarterly basis to capture and document information about emerging outcomes and lessons learned from the team, ERIA and key beneficiaries. This would reduce the reporting burden, allowing the CBD and SPD to focus on implementation based on regular feedback and lessons learned.

KEQ 3: Is the program making progress in effectively promoting gender equality and women's empowerment in the program implementation? (Criterion – Gender Equality)

While gender is not an objective of the program⁸, a program which is effectively mainstreaming gender equality and women's empowerment would ensure women are benefitting equally in terms of participation in activities such as workshops and seminars, and would actively apply a gender lens to economic research, workshop and seminar content.

Australia's promotion of gender equality is seen as a real value add under the program by DFAT and ERIA staff and is being well received. DFAT staff strongly felt that a focus on gender was a clear value add of Australia's involvement with ERIA. CLM government staff commented that they had requested gender related material in the program's activities and there were record numbers of attendees at gender related SPP activities and high levels of interest in gender activities. ERIA staff generally appreciated that DFAT was encouraging this agenda and recognised the value and need for this. The importance of looking at the gendered implications of COVID-19 was raised by a number of donors in the October 2020 Governing Board meeting. It was also noted that there was growing interest in ASEAN on gender, including the desire to mainstream gender in the ASEAN Comprehensive Recovery Framework. The ASEAN Committee on Women is also currently developing a Gender Mainstreaming Framework that it hopes to roll out through ASEC to the AMS.

The program is generally performing well in terms of encouraging female workshop participants and panel members, and some respondents noted that they could see a difference from DFAT's advocacy in this area. Under CBP, there are many female government officials in Myanmar including at senior levels, who join the workshops. In Cambodia and Laos, the program does actively encourage women's participation where possible, although there are fewer women in the counterpart Ministries who can attend. The 2020 Annual Report noted that from 1 March 2019 to 29 February 2020, the program supported 21 activities for 387 government officials, of whom 44 percent were women. Furthermore, 17 out of 28 facilitators (61%) were women. The program is also actively trying to have gender balanced panels for seminars and workshops under both CBP and SPP activities. Program progress reporting notes that the program is conscious of the narrative and images used in communications products to effectively promote the role of women.⁹ Gender disaggregated monitoring data is collected in the form of surveys of workshop participants under Pathway 2 to look at any differences in how men and women are responding to and learning from CBP events.¹⁰

⁷ Two impact stories have been produced. The first is titled *Reducing barriers to international trade by increasing Awareness of NTMs* in relation to the CBP program and the second is *Advancing gender equality during the COVID-19 post-pandemic recovery* for the SPP program. Both were produced in 2020.

⁸ The ERIA AQC 2020 notes that there is not an explicit gender objective under the program.

⁹ ERIA 2020 Annual Report

¹⁰ ERIA AQC, 2020

The program’s weakness relates to how well gender is being included in ERIA research and therefore the topics being taught under the CBP and the SPP. Many stakeholders noted gender analysis in relation to the economic and trade themes are an area where more could be done and there was untapped potential. There has been some initial good work in the program on these topics. The SPD has very successfully internally promoted gender and included analysis of the implications for women of COVID-19 through the op ed on the Digital Gender Divide and by hiring a global expert on women in the digital economy to do more research on gender, commencing a new stream of research. Under CBP, following a request from Myanmar to include a unit on women in an e-commerce training package, this was added as a topic within one of the modules. A unit on making e-commerce and the digital economy less gender blind is also planned to be included in the e-commerce training for Cambodia. DFAT staff noted success in having gender included in the Economic policy paper prepared by ERIA for the EAS Economic Ministers’ Meeting (EMM) once a year. However, stakeholder feedback from both DFAT and those working with ERIA was that more could be done and there was broad support for this. The lack of gender expertise within ERIA was cited as the main barrier to progressing this. It was noted that 4 out of the 11 researchers in ASEAN are women.¹¹

KEQ 4: What are the key program’s risks (up to three) that may affect successfully achieving EOPOs? (Criterion – Risk).

The MTR team believe the main risk categories relate to COVID-19, the program’s ability to demonstrate its impact and the ongoing sustainability of the investment in ERIA. Table 1 below outlines these three risk categories.

Other risks mentioned during the consultations were about the ongoing challenge of effectively translating ERIA’s research into policy relevant research, cited by both DFAT and ERIA stakeholders. This links to the key risk identified in relation to COVID-19 of the program potentially not meeting its outcomes. The risk of capacity building activities not being sustainable was also highlighted by two DFAT stakeholders. The perception that because the majority of funding comes from key donors, however as noted under KEQ1, the review team does not believe that this is a significant risk. The level of ERIA management engagement was also cited as a risk by one of the DFAT stakeholders

¹¹ Interviews with ERIA researchers.

Table 1: Risk Matrix with Main Risks for Australia’s Support to ERIA

Risk category	Risk type	Description	Risk level	Potential responses	Updated risk level	Current treatment
COVID-19 Risks	Inability to complete the project’s workplan	The restrictions on travel and movement limit the project’s ability to complete key workplan activities. Uncertainty and changes have meant that it has been difficult to lock in work planning activities.	Medium	The program pivots to new approaches to deliver activities within the limits of the restrictions. Workplans are adapted to reflect where there are opportunities to deliver activities.	Low	Workplans have already been reworked relatively successfully, but some challenges remain with CBP.
COVID-19 Risks	Inability to meet program outcomes	The inability to deliver workshops and have meetings face to face reduces their effectiveness and therefore the program’s ability to meet its outcomes. Delays in programming activities from COVID-19 may also reduce ability to meet program outcomes. Question of whether program outcomes are too ambitious.	Medium	Strengthen in-country linkages to ensure there are staff on the ground who can encourage those face-to-face linkages.	Low	The program advisors are already providing some of this support.
Demonstrating Impact	The program is unable to report on its impacts effectively	The current approach to M&E does not appropriately capture the impacts of the program and these are not available to demonstrate the value the program is providing. This links to lack of visibility in Canberra and could lead to challenges with funding in the future.	Medium	The M&E approach is simplified and better targeted to ensure impacts are captured. Short term resources are engaged to write progress reports which highlight strategic program achievements.	Low	A new program officer has been engaged and is supporting M&E data collection and analysis. However this role will not be able to capture the strategic achievements of the program.

Sustainability risks	<p>Limited funding pool for ERIA leaves the program vulnerable</p> <p>Valuable relationships are held by one individual.</p>	<p>ERIA is reliant on key donors, with limited other donor support</p> <p>Personal connections are dependent on the people involved in the program and vulnerable to personnel changes.</p>	Low	<p>Policy dialogue with wealthier ERIA member countries or other donors to try and broaden the funding base for ERIA.</p> <p>Building more linkages with other policy staff within the region and bilateral programs to broaden relationships.</p>	Low	N/A
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KEQ 5: How effectively has the program pivoted to address the impacts of COVID-19?

The assessment of the effectiveness of the program's pivot is made on the basis of two factors. Firstly how well it has been able to adapt the delivery of activities within the boundaries of COVID-19 related restrictions and secondly, whether the workplan topics have been sufficiently adapted to respond to the needs of ASEAN policy makers tackling the virus.

The program has effectively pivoted to respond to COVID-19. The recent ERIA Governing Board Meeting in October praised how well ERIA had responded to COVID-19.

The move to online workshop and seminar delivery has provided significant benefits, but the delivery of CBP workshops has been more challenging. There has been significant success in reaching far more people through online webinars (up to 300 instead of 30 for events based in Jakarta) and so there is interest in continuing to use online webinars, even after the COVID-19 restrictions end. ERIA also noted that the use of online seminars had allowed them to engage a greater diversity of speakers as it was more efficient to identify presenters when they don't need to travel.

Seminars observed by the review team were well run, professionally presented, involved good interaction between stakeholders and were well attended. This aligns with positive feedback heard by the review team about how well ERIA was presenting material online, including in comparison to other programs. There have been some of the usual challenges with internet connectivity and electricity interruptions, but generally the feedback was that this has been going well. This pivot has been particularly effective for the SPP, although the inability to have networking meetings with stakeholders was identified as a constraint to building critical relationships to advance the SPP portfolio. The lack of opportunities for 'side chats' during face to face events was also cited as potentially affecting the effectiveness of outreach and engagement work. It has been more challenging for the CBP to move online. It is more difficult to deliver the capacity building work effectively through an online format, and more challenging for some of the stakeholders in the region to engage this way. Partner government officials commented that delivering training online could lead to misunderstandings and that the transfer of knowledge was not as effective as in a face-to-face environment. There have however been some successful examples. The e-commerce modules developed for the Ministry of Commerce in Myanmar were highly regarded (5 of the 7 modules were funded by the program and the other 2 from a DFAT grant awarded to Australian firm Trade Worthy).

The topics of webinars and seminars have also effectively pivoted to be related to COVID-19 and there was good feedback about the relevance of the topics chosen. The high number of participants (more than 120) per webinar demonstrated the high level of interest and therefore relevance of the topic. The need for ongoing support around COVID-19 to policy makers within the region was highlighted. ERIA stakeholders noted that they were doing COVID-19 relevant research, which should soon provide topics for program webinars and seminars. The program was regarded as being particularly relevant in supporting the region to respond, including promoting regional approaches. ERIA also prepared a 2 pager for the EAS-Senior Economic Officials Meeting and the EAS EMM which touches on the economic challenges generated by the COVID-19 pandemic.

Stakeholders commented that ERIA could continue to add value by conducting COVID-19 relevant research and helping to fill the gaps left by other donors. The ongoing relevance of research in responding to COVID-19 related policy challenges was highlighted.

4 Recommendations

Recommendations for Australia's current support to ERIA (September 2018-June 2023)

No	Aspect	Review Finding	Recommendation
1	Management efficiency	Lack of an overall manager reduces strategic coherence across the program.	Revise the program management approach. The DFAT First Secretary for ASEAN and DFAT Program Manager should meet monthly with the SPD, CBD and COO to discuss the strategic direction for the program and effective allocation of resources across the program's priorities. The ERIA Communications Director could be an optional attendee at the meeting. The current fortnightly updates could be reduced to monthly updates which form the basis for this monthly meeting.
2	Effectiveness of the SPP	The Strategic Outreach Strategy appears to be a work in progress but could benefit from a more structured and strategic approach supported by the findings from the MTR.	The Draft Strategic Outreach Strategy for ERIA be re-written to clearly articulate its purpose, goals, objectives, challenges, strategies and actions. As a Strategic Outreach Strategy it should be more focussed on increasing its visibility and status regionally, influencing external stakeholders and policy makers, and engaging with different levels of government, regional and national economic forums, the business community, and providers of economic data at the national and regional levels. The document needs to be owned by ERIA and the Governing Board and its purpose clearly articulated. Further consultation on the goals and objectives of the Strategy should be undertaken with key stakeholders prior to the revision.
3		The SPD does not appear to be developing many policy briefs or opinion pieces for local publications.	The SPD work with the ERIA Communications Team to develop regional policy briefs, in addition to working with Program Advisors in the CLM to develop opinion pieces for local publications. A greater emphasis should now be placed on regional outreach and targeted policy briefs to engage senior officials in all ten AMS.
4	Incorporating gender in the program.	Gender issues are not being well incorporated into ERIA research. Lack of gender expertise in ERIA is the main barrier to this.	Australia continues to actively champion gender and remains explicit that it expects ERIA to include gender in its activities, leveraging the program as much as possible. Australia should continue to make available its internal technical expertise on gender for ERIA to access, such as gender advisors in CLM posts and encourage linkages with relevant work in the bilateral programs.

No	Aspect	Review Finding	Recommendation
5	Pivot to COVID-19	The delivery of online CBP content is challenging, and has created a risk around the achievement of the program's outcomes.	The program's workplan include funds to pay for technical skills to help design effective online CBP courses where online courses are determined to be feasible and appropriate. The experience in Myanmar demonstrates that well designed courses can deliver online learning very effectively in challenging environments.
6	Maximising the effectiveness of the CBP	The CBP work could be strengthened through a greater on the ground presence to engage with partners and assist them to apply their CBP learnings.	CBD and SPD, with DFAT, look for more opportunities to build synergies with bilateral program economic initiatives by working closely with CLM posts.
7		More could be done to ensure capacity building knowledge is retained and applied by program partners.	CBD and SPD strengthen relationships with policy analysts and political advisors based in CLM countries who can help to provide direct face-to-face engagement and activity support to help with the implementation of knowledge built during the CBP sessions.
8			<p>The Program Advisors work with the CBD to establish an 'alumni network' or 'community of practice' in each country around key topics such as NTMs, e-commerce, 4IR, MSMEs etc following training activities to help maintain interest, networks and momentum on critical policy issues. Where practical the Program Advisor will advise on whether local experts can be used to further support the 'community of practice' to advance policy debates, and connect to related DFAT bilateral programs where it makes sense to do so.</p> <p>Australia has established alumni networks in most countries where it provides university scholarships and short courses to local students. One of the objectives of the alumni network is to build a network of active leaders and advocates of mutually beneficial bilateral interests and viewpoints. Strategies include bringing together alumni and Australian officials to discuss development trends and professional achievements, as well as convening workshops to enhance professional development and networking locally and regionally. Topics cover subjects such as local economic development, gender equality, governance, trade and business leadership. It is recommended that ERIA tap into these existing networks and experts rather than duplicating these structures.</p>

No	Aspect	Review Finding	Recommendation
9	Simplifying and strengthening the program's M&E	<p>The program is likely to partially achieve its EOPOs</p> <p>Current Annual Reports are focused on activities and outputs and not capturing outcome and impact information. There is a risk that the program's overall impact is not being documented, with implications for future program funding support.</p>	<p>The Program's ToC be revised to better demonstrate how the two pathways contribute to all the EOPOs and the M&E plan simplified to better target data collection around capacity building activities and instead increase the focus on strategic reporting. The program should engage a STA to support the program to regularly assess progress and write its Annual Progress Reports, working with the newly recruited Program Officer to gather and follow up on monitoring data. The STA would be a senior evaluator with extensive DFAT experience who could work with the team and DFAT to capture information that demonstrates progress towards intended outcomes and lessons learned. They could meet with the team on a quarterly basis (e.g. 20-30 input days per year), and discuss progress with ERIA, key stakeholders and beneficiaries. They would feedback information to the team to enable ongoing improvement on a regular basis while reducing the overall burden of reporting on the CBD and SPD.</p>

Recommendations for a future phase of the program

No	Aspect	Review Finding	Recommendation
10	A further phase of support	The program is providing significant value to DFAT and ERIA and being delivered relatively efficiently.	Australia fund a further phase of support to ERIA once the current phase finishes in June 2023.
11	Improving program effectiveness and efficiency	There are opportunities to ensure that program budget management is more efficient as part of ensuring more strategic coherence across the program.	Under the new program, budget management becomes the responsibility of the COO and the SPD and CBD report to the COO regarding their budget allocations. This would support the management of the budget in a more cohesive way across the program.
12	Better incorporating gender	Lack of gender expertise is the main barrier in ERIA to more of a gender focus in research activities.	As part of the new program, Australia fund a gender advisor to support ERIA to including gender considerations and to help ERIA build linkages with other organisations working in this area.
13	Improving likelihood of sustainability	The ongoing sustainability of ERIA is a risk due to the reliance on key donors.	Engage with other donors including the private sector to encourage them to consider supporting ERIA and diversifying the funding base.

5 Annexes

Annex 1: List of stakeholders interviewed/consulted

Organisation
Australian Mission to ASEAN, DFAT
DFAT Canberra
DFAT Phnom Penh Post
DFAT Vientiane Post
DFAT Yangon Post
ERIA
ASEC
New Zealand Mission to ASEAN
US Mission to ASEAN
Myanmar Mission to ASEAN
Laos Mission to ASEAN
Ministry of Commerce, Cambodia
Ministry of Industry and Commerce, Lao PDR
Ministry of Commerce, Myanmar
SPP and CBP contributors from Australia/Malaysia and Singapore
ANU, Canberra

Annex 2: Reference list of documents reviewed

DATE	DOCUMENT	TYPE
1 July 2015	Strategy for Australia's Aid for Trade Investments – Supporting developing countries to trade and prosper. DFAT, Australian Government	<i>Strategy</i>
1 February 2016	Gender equality and women's empowerment strategy. DFAT, Australian Government	<i>Strategy</i>
1 April 2017	DFAT M&E Standards, Australian Government	<i>Guidelines and Standards</i>
1 November 2017	Equality and Inclusion Strategy ASEAN Mission, DFAT, Australian Government	<i>Strategy</i>
14 June 2018	Australia's Support to ERIA	<i>Design Document</i>
12 September 2018	ERIA Grant Agreement 74714 Provision of Capacity Building Activities for Regional Research Organisation (East Asia)	<i>Grant Agreement</i>
12 December 2018	Project 2045: The Path to Peaceful and Prosperous Indonesia in 2045. United Nations Development Programme and ERIA 158pp	<i>Strategy</i>
1 March 2019	ASEAN Vision 2040: Towards a Bolder and Stronger ASEAN Economy Vol 1 ERIA 183pp	<i>Strategy</i>
1 March 2019	ASEAN Vision 2040: Towards a Bolder and Stronger ASEAN Economy Vol 2 Collective Leadership, ASEAN Centrality, and Strengthening the ASEAN Institutional Ecosystem ERIA 198 pp	<i>Strategy</i>
1 March 2019	ASEAN Vision 2040: Towards a Bolder and Stronger ASEAN Economy Vol 3 Transforming and Deepening the ASEAN Community ERIA 174pp	<i>Strategy</i>
1 March 2019	ASEAN Vision 2040: Towards a Bolder and Stronger ASEAN Economy Vol 4 Integrated and Connected Seamless ASEAN Economic Community ERIA 268pp	<i>Strategy</i>
1 March 2019	Provision of Outreach and Capacity Building Activities for Regional Research Organisations (East Asia) First Report	<i>Annual Report</i>
21 May 2019	ERIA Annual Report April 2018 – March 2019	<i>Annual Report</i>
3 September 2019	Harnessing the Digital Revolution for Enhanced Trade Facilitation, MSME and Skills Development, and Inclusive Growth in the EAS Member Countries – Paper for EAS EMM Discussion	<i>Discussion Paper</i>

5 September 2019	Joint Ministerial Statement of the 13 th EAS Energy Ministers Meeting Bangkok Thailand	<i>Ministerial Statement</i>
4 November 2019	Joint Ministerial Statement of the 14 th EAS) Bangkok Thailand	<i>Ministerial Statement</i>
2 December 2019	Australia's Support to ERIA M&E Plan – Clear Horizon	<i>M&E Plan</i>
3 December 2019	First ERIA PCC Meeting Notes	<i>Minutes of Meeting</i>
1 March 2020	Provision of Outreach and Capacity Building Activities for Regional Research Organisations (East Asia) Second Report	<i>Annual Report</i>
28 February 2020	A draft Strategic Outreach Strategy for ERIA	<i>Strategy</i>
9 April 2020	Strategic Communications and Outreach COVID-19 Period Workplan	<i>Work Plan</i>
19 May 2020	ERIA Capacity Building Activities March 2020-September 2020	<i>Work Plan</i>
20 May 2020	Partnerships for Recovery: Australia's COVID-19 Development Response	<i>Policy</i>
22 May 2020	Second ERIA PCC Meeting Notes	<i>Minutes of Meeting</i>
22 May 2020	Communications: Pathway 1 and 2 for the Second ERIA PCC Meeting Notes	<i>Communications Briefing</i>
29 June 2020	AQC for INL547 – Support to ERIA – 2 nd Phase	<i>Performance Review</i>
15 July 2020	Compilation of Op Eds from ERIA 2020 (47pp)	<i>Media Products</i>
16 July 2020	Impact Story: Reducing barriers to international trade by increasing awareness of NTMs	<i>Impact Story</i>
17 July 2020	Impact Story Number 1 – ERIA SPP	<i>Impact Story</i>
25 August 2020	The 52nd ASEAN Economic Ministers (AEM) Meeting 25 August 2020, Virtual Meeting Joint Media Statement	<i>Media Product</i>
28 August 2020	The 8 th EAS EMM 28 August 2020, Video Conference Meeting Joint Media Statement	<i>Media Product</i>

Annex 3: Summary linkage analysis map

