



Australian Government
Department of Foreign Affairs and Trade



AID PROGRAM PERFORMANCE REPORT SUMMARY 2018-19

Laos

September 2019



LAOS AID PROGRAM PERFORMANCE INFORMATION 2018-19

SUMMARY

Australia is a valued partner in the Lao PDR. There are strong ties between Australia and Laos, underpinned by over 67 years of unbroken diplomatic relations. Our well-targeted development assistance program is a key element in our relationship. Australia is committed to supporting Laos address development challenges and contribute to ASEAN and the Indo-Pacific as a stable and prosperous country.

Laos experienced a humanitarian disaster in July 2018 when a dam collapsed in Southern Laos and heavy rainfalls led to widespread floods across the country. The crisis impacted over 600,000 people - some of whom continue to be displaced a year on. The total cost of the disaster on Laos' economy is estimated at US\$520 million. All sectors continue to deal with the effects of the flooding. Australia was a first responder providing strong support to the Government of Laos and over \$3 million of critical humanitarian assistance.

Laos' economic growth remained strong at 6.5% in 2018, compared to 6.9% in 2017. Key factors leading to the modest slowdown in growth were reduced revenue from the mining sector, continued fiscal challenges, and the impact of the flooding and related humanitarian crisis.

Laos met some eligibility criteria for graduation from Least Developed Country (LDC) status for the first time in 2018. Laos is expected to graduate from an LDC in 2024. Economic growth in Laos is driven by the capital-intensive natural resources sector and public sector investment in construction. As a result, Laos' sustained growth is yet to have a significant impact on Lao people living in poverty, particularly those in rural areas. There is rising inequality and persistent disadvantage of marginalised groups, especially women and men who identify as ethnic minorities.

Fiscal challenges, including rising public debt and a challenging business environment, alongside gaps in workforce skills, are obstacles to development, employment and investment in Laos. Capacity constraints in Lao Government agencies and budget reductions to the social sectors present a challenging context for delivery of our development program. Laos has one of the youngest populations in South-East Asia with 43% of the population under the age of 20. Of the Lao people without a formal education, 47% live below the poverty line.

Laos is making a concerted effort to develop a policy and regulatory framework that promotes gender equality. Lao women are increasingly represented in the National Assembly (27%) however women in rural areas remain largely excluded from decision-making, and lag behind in economic, education and health opportunities. Over 30% of Lao women experience violence and early marriage remains high.

Australia's development assistance is aligned with Laos' eighth *National Socio-Economic Development Plan 2016-20*. Our priorities include: improving basic education; addressing human resource needs; and supporting quality trade and a robust private sector in an improved business environment. We focus on human rights, including by providing technical assistance that underpins a biennial Laos-Australia Human Rights Dialogue. Through regional and global programs we deliver a range of assistance including improving water resource management, addressing human trafficking and working with civil society.

Australia takes a leadership role in our key sectors. We are currently co-chair of the Education, Trade and Private Sector, Illicit Drugs and Water Working Groups which form part of the donor coordination mechanism in Laos. We have strong people-to-people links. Our Alumni, now over 1,701 people (791 women), are a dynamic part of the relationship between our countries.

The performance of Australia's development assistance in Laos for 2018-19 was strong. All key objectives were on track at this stage of implementation.

EXPENDITURE

Table 1 Total ODA Expenditure in FY 2018-19

Objective	A\$ million	% of total ODA
Objective 1 More disadvantaged girls and boys complete a quality basic education	10.4 m	43%
Objective 2 Improving Laos' human resources through scholarships, training and organisational capacity building	6.0 m	25%
Objective 3 A stronger trade regime and more competitive private sector	2.1 m	9%
Cross-Cutting	5.5 m	23%
Sub-Total Bilateral	24.0 m	100 %
Regional and Global	15.5 m	35 %
Other Government Departments	4.3 m	10 %
Total ODA Expenditure	43.8 m	100%

PERFORMANCE TOWARDS AIP OBJECTIVES

This report summarises the performance of Australia's aid program in Laos from July 2018 to June 2019 against the *Laos Aid Investment Plan (AIP) 2015-16 to 2019-20*. A revised Performance Assessment Framework was finalised in June 2019 and will be used to monitor progress for the year ahead.

Table 2 Rating of the Program's Progress towards Australia's Aid Objectives

Objective	Previous Rating	Current Rating
Objective 1 More disadvantaged girls and boys complete a quality basic education	Amber	Green
Objective 2 Improving Laos' human resources through scholarships, training and capacity building	Green	Green
Objective 3 A stronger trade regime and more competitive private sector	Green	Green

Note:

■ 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: More disadvantaged girls and boys complete a quality basic education



The **Basic Education Quality and Access in Laos (BEQUAL)** program is a 10-year commitment (2015-25) to primary education. Australia's education goal is more girls and boys of primary school-age, particularly those experiencing disadvantage, achieve functional literacy and numeracy and acquire life skills.

Following the completion of a mid-term review in 2018, the program was restructured with a revised: program logic; targeting approach; monitoring, evaluation and learning framework; gender and social inclusion strategy; and, management structure. This process has led to greater program clarity, coherence and focus. Objectives and activities have been streamlined to directly support the development and implementation of the new national curriculum.

These changes have already enabled progress towards Australia's two revised objectives: 1) Improving teachers' practices in primary education; and 2) Strengthening systems to coordinate and manage resource for teaching at national, provincial and district levels. Australia successfully supported the Ministry of Education and Sports (MoES) to complete Grade 1 curriculum materials introducing major changes to teaching practices of Lao language and other subjects, to be implemented in September 2019. This achievement, under tight timeframes, demonstrated MoES' ownership of the new curriculum and willingness to implement significant reforms.

While MoES support is a positive sign, many challenges remain. Curriculum reform and support to teachers are expected to contribute to improved learning outcomes, but this will be hampered by issues such as poverty, poor nutrition, fiscal constraints at subnational levels and language challenges.

In 2018-19, Australia supported a new teacher training system to be embedded in MoES, with 60 master trainers (43% women) and 611 provincial trainers (38% women) selected. Training of more than 16,000 teachers, principals and pedagogical advisers is underway. However, changing behaviour and improving skills of teachers is a long-term endeavour and expectations of change need to be realistic. MoES continues to rely on development partners to support teacher training which is key to education quality improvement.

Australia supported 212 students (64% female) from ethnic minorities to graduate as trained teachers. 209 were deployed to teach as volunteer teachers in target schools. This surpassed the target of attaining a placement for 90% of trainee teachers. Despite a significant reduction of the civil quota, MoES provided 60 permanent teacher positions to the graduated ethnic teachers.

This significant progress has led to an improvement of the overall rating of Objective 1 from amber to green.

Other notable achievements during the reporting period include:

- School construction was completed in May 2019. Classrooms were built in 166 remote schools (against the target of 166), as well as WASH facilities installed in 122 schools (against target of 128).
- A rapid review of the BEQUAL NGO Consortium and the BEQUAL Education Innovation Fund found that NGO activities reached their target of 171 villages and were contributing to positive participation by children and communities in reading activities.
- Australia supported the development of a Gender Equality and Disability and Social Inclusion assessment tool for curriculum materials promoting equal representation of girls and boys, as well as stronger representation of disability and the diverse Lao ethnicities in story books and student text books.

Objective 2: Improving Laos' human resources through scholarships, training and organisational capacity building



Australia delivered this objective through the **Laos Australia Institute (LAI)** Phase II, a program that manages scholarships, provides technical advice and organisational development support to key ministries, and supports human resource development policy dialogue between Laos and Australia. The Australian Volunteers Program and other Australian scholarships programs in defence, education and agricultural research also contributed to this objective.

In 2018-19, there was significant progress as measured against the benchmarks of the interim Laos Performance Assessment Framework. Human resources development also rose in priority in the Lao economic and social context. The Lao Government committed to creating and improving laws and regulations to support human resource development in order to better address labour market needs.

Australia's objective of improving national human resource development policy and practices was pursued through the Human Resource Development Dialogue held in January 2019. Through LAI, and in partnership with the Lao-Australia Development Learning Facility, Australia supported the National Human Resource Development Commission Secretariat to establish a Labour Market Information System and a Monitoring & Evaluation framework for the National Human Resource Development Strategy.

Australia invested significant efforts on gender equality and women's empowerment leading to strong results. Several initiatives were completed in 2018-19, including a Women's Executive Development course that benefited 24 mid-career Australian Award alumni; a second pilot of a Work Readiness course that supported 27 Laos Australia National Scholarship women graduates (mostly from ethnic minorities and the first in their family to complete tertiary education) to enter the workforce; and a Career Mentoring Scheme linking women graduates from Australian and Lao Australian scholarships together.

During the reporting period, LAI awarded a total of 29 Australia Award Scholarships, including 55% to women, in sectors directly aligned with Australian and Lao human resource development priorities. Another 74 Laos Australia National Scholarships were awarded, including 49% female awardees, 30% living with a disability and 73% awardees from ethnic minorities. LAI worked with the National University of Laos' Inclusive Education Unit to better meet learning needs of Laos Australia National Scholarships awardees with a disability, including training university lecturers on inclusive education.

Recent monitoring found 98% of AAS alumni in Laos provided credible and relevant examples of contribution to Lao development as a result of their study, and the majority of those contributions supported Australian priorities. However, English preparation for awardees in 2018 failed to meet target objectives, and in response, LAI revised the curriculum for 2019.

Other challenges included monitoring data showing Laos Australia National Scholarships graduates from 2016 and 2017 had a similar employment rate to their non-scholarship peers. In 2019 LAI completed a review of priority areas of study to ensure awardees graduate in a field where Lao employment is likely. LAI also implemented improvements to the LANS Academic Support Program Curriculum in job readiness, and began working more closely with the Laos National Chamber of Commerce and Industry (LNCCI) to identify both job opportunities and employers' required skills and expectations.

Objective 3: A stronger trade regime and more competitive private sector



Australia delivers this objective through two new investments: the World Bank managed multi-donor **Lao Competitiveness and Trade Project (LCT)** (2019–2023) and **Access to Finance for the Poor (AFP)** Phase V (2019–2022), implemented by GIZ and co-financed by the German Government.

Australia's support for LCT commenced in January 2019 building on support for the **Trade Development Facility** Phase II (TDF 2) which ended in December 2018. Australia's support for the fifth phase of AFP began in April 2019 building on support for previous phases.

This objective was rated green during the reporting period due to: delivery of substantial investment outcomes through the final phases of the two key investments, a positive response from the Lao Government and development partners, and a smooth transition between investment phases. The finalised Laos Performance Assessment Framework provides indicators to monitor progress for new investments going forward.

Through LCT, Australia aims to simplify business regulations, facilitate trade and improve firm-level competitiveness in Laos. On completion TDF 2 was found to have substantially achieved its project results including improving the trade and investment environment, diversifying exports, reducing costs to firms and strengthening public private dialogue. At the 11th Lao Business Forum held in July 2018, and attended by the Lao Prime Minister, 22 priority issues were raised by the private sector. By May 2019, three issues had been solved completely with support from Australia, four were expected to be solved by the next Business Forum and six remained under discussion.

LCT has also started strongly: in December 2018 a Prime Ministerial decree clarified responsibilities at border checkpoints and limited the number of agencies involved; in February 2019 the Ministry of Industry and Commerce approved a new registration process which aims to reduce the time to register a business from 174 to 40 days; and in April 2019, the Prime Minister appointed his Deputy Prime Minister to supervise ease of doing business reforms and established a secretariat within his office to support this work.

AFP aims to improve access to financial services for poor households and Micro and Small Enterprises, thereby contributing to inclusive economic development. At the end of phase four (March 2019), Australian support had provided better access to financial services for 71,800 rural people in Laos (target of 31,600) and established three new Network Support Organisations, two of which are already self-sufficient, which provide training, support and liquidity services to 283 new community-based village banks. The number of single women accounts increased to 11,305 accounts (target 10,000) and 13,005 villagers (53% women) received financial literacy trainings, two times higher than the investment's target (7,000).

CROSS-CUTTING ISSUES, REGIONAL & GLOBAL PROGRAMS

The Australian development program in Laos continued to demonstrate leadership in promoting an inclusive approach to delivery of priorities in the reporting period. After a 9-month planning, embassy-wide consultation and review process, in June 2019 a Gender Equality, Disability and Social Inclusion (GEDSI) Strategy articulating a whole-of-post approach for embedding these issues across the Embassy's work was finalised. The Strategy aims to further integrate GEDSI objectives over the next five years, and also better capture and report on already strong efforts to better the lives of marginalised groups in Laos - including



through policy advocacy with the Government of Laos. Future APPRs will report on progress against the GEDSI Strategy – which includes a comprehensive monitorable Action Plan.

Regional and global programs accounted for slightly under half of Australia's total ODA in Laos in 2018-19. Over \$3million of unplanned humanitarian assistance boosted the bilateral budget for the year.

Australia's Humanitarian Response to the Xe-Pian Xe-Namnoy dam collapse in Attapeu Province in July 2018 was well-received by the Lao Government. Relief supplies arrived onboard three Australian Defence Force planes within four days of the incident and reached 10,000 people. Recovery support through UN and INGO partners was also highly effective. Australia's support to date has provided child friendly spaces for 3,039 children; nutrition screening for 1,361 at-risk children; health and hygiene promotion for 5,411 caregivers; 249MT of rice for 5,395 people for four months; 7MT of nutritional supplements for 1,693 children under five years old and 532 pregnant and lactating women; supported 9,600 children to get back to school; and enabled UXO clearance of 88ha of land and removing 69 UXO items. Australia also provided three Australia Assists deployees to support the UN to coordinate the response and support the Lao Government's recovery planning.


The **Laos Australia Development Learning Facility (LADLF)** continued to provide a range of technical and analytical services to the Australian development program in Laos. In 2018-19, LADLF supported a number of strategic activities including: GEDSI Strategy; Public Diplomacy Strategy; and, engagement in the AQC and APPR processes. LADLF also led several designs, evaluations and studies including the multi-year Teacher Development Evaluation of the BEQUAL program, the design of the Early Childhood Benefits Program, and a study on education and skills demand in the private sector in Laos. The facility continued to support the Ministry of Planning and Investment in capacity building on use of an ODA Monitoring Information System; and the National Institute for Economic Research in conducting a Climate Change Adaptation study.

The **Laos-Australia Human Rights Technical Cooperation Program Phase II (HRTCP II)** provides practical support for Laos to meet its implementation and reporting obligations to international human rights treaty bodies. During 2018-19, HRTCP delivered activities to strengthen the Lao Government's reporting process for the International Covenant on Economic, Social and Cultural Rights and the Universal Periodic Review; and, the capacity and understanding of National University of Laos School of Law students in human rights.

The **Greater Mekong Water Resources Program (GMWRP)** continues to play a significant role in supporting the sustainable management of water resources in Laos, while also promoting regional rules-based cooperation. Australia is supporting the drafting of a new National Water and Water Resources Management Strategy, and contributed to the Nationwide Emergency Dam Safety Inspection set up in the aftermath of the Attapeu disaster. Australia also facilitated national consultations on how to implement the 2017 Water and Water Resources Law. Laos also benefited from our support to the Mekong River Commission to improve the designs of the Pak Beng and Pak Lay Hydropower Projects. Oxfam's Inclusion Project promoted better livelihoods opportunities for communities affected by the Don Sahong Hydropower Project in Southern Laos through targeted engagement with private sector actors and local authorities. In March 2019, Oxfam convened the inaugural Women and Rivers Congress, a significant event to spur collective action to challenge deep-rooted gender inequities women face in water governance worldwide.

In 2018-19, around 25 **Australian volunteers** were in Laos. Currently, volunteers are working in sectors and entities that align with AIP objectives, and build capacity for local universities, government counterparts, provincial agricultural departments, and civil society organisations focused on disability and social inclusion. The **Australian NGO Cooperation Program (ANCP)** supported 23 projects (\$7.3 million) in Laos in 2018-19, covering: nutrition, health, human rights, child protection, gender equality and food security.

Australian Centre for International Agricultural Research (ACIAR) totalled \$4.92 million in Laos in 2018-19. ACIAR continues to work collaboratively with Lao research partners on improving smallholder production and food security. Dry season field trials of irrigated vegetable crops on smallholder farms demonstrated that reducing irrigations to once a day lessens water use by 50% without decreasing yields. The biannual



supply of vaccinations protected livestock in farmers' trials from foot and mouth disease outbreaks in neighbouring villages. The ACIAR-supported fish passage project was awarded the internationally-acclaimed Distinguished Project Award at the Fish Passage 2018 International Conference. ACIAR held its annual in-country senior level governance dialogues in Laos in March 2019 for the first time.

During 2018-19 Laos benefited from global, ASEAN and Mekong programs that enhance regional and global economic integration and connectivity, support the implementation of FTA and WTO commitments, improve access to financial services and support entrepreneurship, innovation and economic policy-making. For example, the Enhanced Integrated Framework, which is funded by Australia, is helping three northern Lao provinces to increase exports and improve productivity. Through ADB and the Mekong Business Initiative, Australia is supporting the Lao National Chamber of Commerce and Industry to conduct the second Provincial Facilitation for Investment and Trade Index (ProFIT).

MUTUAL OBLIGATIONS

Our mutual obligations for development are set out in the *Laos Aid Investment Plan 2015-16 to 2019-20*. High-level Consultations (HLCs) between Australia and Laos take place on a biennial basis – last held in October 2018. In alternate years to the HLCs, a Portfolio Review of Australia's development program takes place with relevant Ministries. Australia also holds quarterly development meetings with the Ministry of Planning and Investment where mutual obligations are discussed.

Australia is an active participant in Laos' annual donor-government coordination process – the Roundtable Mechanism (RTM). Of the 10 sector working groups that form the RTM, Australia is currently a co-chair of 3 - Education, Trade and Private Sector and Illicit Drugs. Australia also co-chairs the Water sub-sector working group. During the 2018 RTM process, Australia advocated for: an inclusive coordination process which better includes non-traditional donors, the private sector and civil society; a process that is better linked to Lao planning and budget discussions; and, embedding cross-cutting issues including gender more effectively.

Laos' commitment, made four years ago, to increase the Lao education budget each year has proven difficult to honour in the current context of moderate economic growth and restricted fiscal space. Through our role as co-chair of the Education Sector Working Group (ESWG), Australia has been able to influence the policy dialogue and focus on challenging reform issues, including education financing, equity and quality issues, relevant to our education investment. While the Lao Government civil quota was reduced by half in 2019, and a large number of volunteer teachers were hoping to access the quota, MoES agreed to provide 60 places to Australian-supported newly graduated ethnic teachers and to establish a committee to find a solution for the remaining trained ethnic teachers. This was a significant achievement in the current context.

Australia's support to the ESWG includes a grant, technical advisors and active participation in the secretariat role. A key achievement was supporting the mid-term review of the Education Sector Development Plan, which identified key themes discussed in the ESWG throughout the year. We are also supporting Laos to access up to USD15 million of Global Partnership for Education funding in our role as coordinating agency, and play a leading role in the discussion and consultation on Global Partnership application.

Laos' commitment to establish a Non-Tariff Measure (NTM) Working Group, which will lead to a process reducing NTMs facing businesses, has been achieved. Supporting Laos to address NTMs remains a focus of LCT going forward.

Australia has also taken a leadership role in policy dialogue in the trade sector through our joint chairing with the EU of the Trade and Private Sector Working Group. Australia has assisted the Ministry of Industry and Commerce and Line Ministries to implement the Prime Minister Order No.2 on improving the coordination and regulation for Ease of Doing business in Laos. Additionally, Australia assisted the private sector to raise their issues through the technical consultation meetings under the Lao Business Forum.



PROGRAM QUALITY

In this APPR, we reported our progress against the interim Performance Assessment Framework and the Monitoring and Evaluation systems of individual programs. There were 7 key Performance Benchmarks highlighted in the 2017-18 APPR, of which the program has fully achieved 3 and partially achieved 4.

A new Performance Assessment Framework, which has 11 priority Performance Benchmarks better incorporating our now changed program, was finalised in June 2019 (Annex E).

In 2018-19, the program completed 3 Aid Quality Checks (AQC) and 2 Final Aid Quality Checks (FAQCs). The two FAQCs, Trade Development Facility II and the Laos Australia Rural Livelihoods Program, were both rated overall as 'adequate', in particular for effectiveness, M&E and sustainability. TDF II was rated 'good' in terms of relevance and efficiency. For AQC, there was strong improvement across the board. On the Gender Equality measure, all investments improved scores by 1 level on the rating scale. The notable shift in our support to basic education, with a reframing of BEQUAL, was reflected in improved ratings, including a high score on efficiency.

In response to the LADLF Gender Equality and Disability Inclusion (GEDI) review, DFAT procured a GEDI Specialist in September 2018. The GEDI Specialist worked closely with the Embassy team to develop a Gender Equality, Disability and Social Inclusion (GEDSI) Strategy (2019-2023). Actions, indicators and responsibilities of the strategy involve all sectors including (1) public diplomacy, foreign policy and human rights advocacy; (2) economic diplomacy; (3) the development program; and (4) corporate and human resource policies and practices.

MANAGEMENT ACTIONS

In 2018-19, we made strong progress against the 2017-18 management actions. All eight management actions identified in last year's APPR were achieved in the reporting period.

The following management actions will be undertaken in the next 12 months:

- Develop a new Aid Investment Plan by mid-2020 to guide our Laos development program from 2020 to 2023. A Policy Advocacy Plan will be developed in conjunction with the Aid Investment Plan.
- Continue to implement the GEDSI Strategy (2019-23), including by mainstreaming through design, monitoring, evaluation and learning activities of all development investments in 2019-20.
- Undertake investment designs in the areas of education, human resource development and program support. Review LAI and LALDF to inform decisions over the respective next phases.
- Work closely with MoES to monitor the uptake of the new curriculum by Grade 1 teachers in the country and identify what improvements can be made for the rollout of Grade 2 curriculum from September 2020.
- Monitor the outcomes of the revised Australian Awards Scholarship English preparation curriculum, particularly for women, and make improvements after final results are released in August 2019.
- Ensure that features of new Trade and Private Sector investments agreed upon during design phase are delivered effectively, including strong M&E frameworks and gender and social inclusion strategies and the recruitment of gender and inclusion specialists.
- Finalise a Public Diplomacy Strategy to outline Post priorities including the promotion of the development program and recruit a Public Diplomacy and Communications Adviser to support its implementation.

ANNEX A - PROGRESS IN ADDRESSING MANAGEMENT RESPONSES

Management responses identified in 2017-18 APPR	Rating	Progress made in 2018-19
Develop key strategy documents which will better integrate the aid program across Australia's whole of government interests in Laos	Achieved	In 2019, Post endorsed whole of embassy GEDSI Strategy, and revised its Performance Assessment Framework.
A new Gender and Disability Specialist will be recruited by September 2018	Achieved	LADLF recruited a GEDI Adviser who will continue to work closely with all Embassy teams to implement their GEDSI Strategy.
Post will complete outstanding actions in the management response to the BEQUAL MTR	Achieved	BEQUAL program underwent a process of major restructuring in late 2018, including the revision of its program logic, targeting strategy, MEL framework, Gender and Social Inclusion Strategy, and management structure.
Post will ensure increased effectiveness on monitoring and evaluation of Australia's investment to HRD	Achieved	Under the leadership of a new Director, LAI undertook significant policy and practice improvements in 2018, including increased staffing for Monitoring and Evaluation. A number of surveys and other monitoring activities have been conducted and have informed the program activities in 2018-19. An independent formative review of the program is also planned for October 2019 and will inform program results and performance to date.
By December 2019 a post-specific Alumni engagement strategy will be developed	partly achieved	As of 30 June, a Post specific Alumni engagement strategy has been drafted and is in the final stages of approval.
Post's trade and private sector team will finalise investment decisions for Objective 3 and submit to relevant delegates for approval	Achieved	Following LADLF's option paper on Australia's trade and private sector development Investment Plan (February 2018), Post sought approval to renew its commitment to the successor programs of TDF 2 and AFP IV. Australia's support to LCTP and AFP V was approved by relevant delegates and launched in 2019.
Program teams to publish all outstanding designs, evaluations and reviews on www.dfat.gov.au by December 2018	Achieved	BEQUAL Mid-Term Review and Management Response published in October 2018. Report Assessing the Financial Performance and Poverty Outreach of Village Funds 2017 published in June 2019.

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

ANNEX B – PERFORMANCE BENCHMARKS

1. Progress towards Performance Benchmarks in 2018-19

Aid objective	Performance Benchmark	Rating	Progress in 2018-19
Objective 1 More disadvantaged girls and boys complete a quality basic education	20% of staff within MoES assigned to curriculum writing and development can operate with minimal specialist technical support.	Partly Achieved	0% of curriculum writers and 38% of layout and production team. Despite increased BEQUAL investment, Research Institute for Educational Sciences is behind the 20% target of staff who operate with minimal assistance demonstrating the low capacity environment. This is not a significant indicator to achieving curriculum reform in itself but rather stresses the long-term commitments required here to ensure sustainable change.
	18 PESS and 32 DESB staff trained in financial management and accounting for Education Support Grant management by May 2019	Partly Achieved	106 staff from 18 Provincial Education and Sports Services (50% Female) were trained. Training to District Education and Sports Bureau staff was postponed from June to August 2019 to ensure BEQUAL could first focus on adequate support for teacher in-servicing.
	90% (212) of cohort 1 graduated ethnic teachers – 60% female – are deployed and teaching effectively in targeted schools.	Achieved	Out of the 212 (64% female) ethnic students who graduated in 2018, 209 (98%), including 63% female, were deployed to teach in target schools. Monitoring visits found that all 209 teachers are teaching regularly and a large majority of them are motivated.
Objective 2 Improving Laos' human resources through scholarships, training and organisational capacity building	90% of AAS awardees and 95 % of LANS awardees successfully completing studies	Achieved	93.94% of AAS and 100% of LANS awardees successfully completing studies
	95% of AAS alumni, 75% of LANS alumni, and 90% of Short Courses alumni are able to provide examples of relevant contributions to development in Laos at selected periods after receiving support (i.e. post Short Course, or Long Term Scholarships completion)	Partly Achieved	100% of alumni who participated in the Women's Executive Development course that benefited 24 mid-career AAS alumni were able to provide examples of relevant contributions to development in Laos. 94% of alumni who participated in a second pilot of a Work Readiness course that supported 27 LANS women graduates to enter the workforce were able to provide examples of relevant contributions to development in Laos. Alumni Development Impact Survey (ADIS) data for AAS and LANS is not yet available.

Aid objective	Performance Benchmark	Rating	Progress in 2018-19
	95% of AAS female awardees and 95 % of LANS female awardees successfully completing studies	Achieved	95.45% of AAS and 100% of LANS female awardees successfully completed their studies
Objective 3 A stronger trade regime and more competitive private sector	Recommendations from 1st and 2nd Lao Business Forum supported by TDF2 are actioned, including recommendations from women-led businesses and SMEs	Achieved	Of the issues 22 priority issues raised at the July 2018 LBF, three issues were solved completely, four issues are expected to be solved before the 2019 LBF and six remain in the process of discussion. Participation by representatives of women-led enterprises in LBF working group discussed increased from 25% in 2017 to 39% in 2018.

Note:

- Achieved. Significant progress has been made and the performance benchmark was achieved
- Partly achieved. Some progress has been made towards achieving the performance benchmark, but progress was less than anticipated.
- Not achieved. Progress towards the performance benchmark has been significantly below expectations

2. Performance Benchmarks for 2019-20

Aid objective	Performance Benchmark	2018-19	2019-20
Objective 1 More disadvantaged girls and boys complete a quality basic education	Percentage of staff within MoES assigned to curriculum writing and development who can operate with minimal specialist technical support.	20%	40%
	Percentage of Grade 1 teachers demonstrating knowledge of the new grade 1 curriculum in classroom practice	NA	At least 60% of Grade 1 teachers by June 2020
	Percentage of PESS and DESB successfully using ESGs for the purpose intended and reporting according to grant agreements.	18 PESS and 32 DESB staff trained in financial management and accounting for ESG by May 2019	100% of PESS and DESB successfully managing ESGs by Dec 2019
	Percentage of graduated ethnic teachers – 60% female – are deployed and teaching effectively in targeted schools.	90% (212) of cohort 1 graduated ethnic teachers are deployed and teaching effectively in targeted schools.	90% (124) of Cohort 2 Ethnic teachers are deployed and teaching effectively in targeted schools.
Objective 2 Improving Laos' human resources through scholarships, training and organisational capacity building	% of Long Term Scholarship awardees successfully completing studies ¹	90% AAS 95 % LANS	90% AAS 95% LANS
	% of alumni able to provide examples of relevant contributions to development in Laos at selected periods after receiving support (i.e. post Short Course, or Long Term Scholarships completion) ²	95% AAS 75% LANS 90% Short Courses	95% AAS 75%LANS 90% Short Courses
	% of female Long Term Scholarship awardees successfully completing studies	95% AAS 95 % LANS	95% AAS 95 % LANS

¹ An Awardee who successfully completes their studies is defined as an Awardee who obtains their original or a lesser related qualification when due and within the reporting period. An Awardee who does not successfully complete their studies is defined as an Awardee who was due to obtain their original or a lesser related qualification within the reporting period but failed to do so as a result of poor academic performance.

² Examples of relevant contributions to development are contextual examples of alumni using their scholarship-acquired skills and knowledge in a productive manner which are consistent with the national interests of both Laos and Australia collated through the ADIS process.

Objective 3 A stronger trade regime and more competitive private sector	Time (in days) to obtain Enterprise Registration certificate (ERC) from DERM disaggregated by women-led enterprises versus men-led enterprises	14 days (baseline value)	10 days
	Number of women-led enterprises who access matching grants from the Business Assistance Facility	NA	40% of all grants
	Percentage of supported village banks working sustainably, even after booking of loan loss provision	96% (baseline value)	97% (final target 98%)
	Number of women holding single accounts in village banks (AFP V)	24,229 (baseline value)	27,863 (final target 36,344)

ANNEX C - EVALUATION PLANNING

1. 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
INL332 Basic Education Quality and Access in Laos (BEQUAL)	Rapid Appraisal of BEQUAL Key Result Area 2	July 2018	July 2019	n/a	n/a
INK391 Laos Australia Rural Livelihoods Program	Assessing the Financial Performance and Poverty Outreach of Village Funds 2017	June 2019	June 2019	n/a	Published on LADLF website in July 2019

2. 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
Teacher Development Evaluation	INL332 Basic Education Quality and Access in Laos (BEQUAL)	April 2019	October 2021	- Demonstrate results and inform future investment in teacher development in Laos - Contribute to DFAT global evaluation on teacher development initiatives	- DFAT led with the support of LADLF and ACER
Formative Review of the Primary Education Governance in Lao PDR	INL332 Basic Education Quality and Access in Laos (BEQUAL)	June 2019	October 2019	- Enquire about governance arrangements and capacity at subnational level - Inform design of next phase	- DFAT led with the support of LADLF
Formative Review of the Laos Australia Institute	INK562 Laos Australia Institute	October 2019	December 2019	- Demonstrate results of LAI II - Inform design of next phase of investment	- DFAT led with the support of LADLF
Formative review of the Laos Australia Development Learning Facility	INL846 Laos Australia Development Learning Facility	May 2019	July 2019	- Inform remaining year of support / possible extension - Inform design of next phase	- DFAT led with the support of LADLF

ANNEX D - AID QUALITY CHECK RATINGS

AQC RATINGS

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
Basic Education Quality and Access in Laos (BEQUAL) INL332	\$21m 2016-20	2019 AQC	n/a	4	5	n/a	n/a	4	n/a
		2018 AQC	5	4	4	4	3	3	n/a
Laos Australia Institute INK562	\$30m 2012-21	2019 AQC	n/a	4	4	n/a	n/a	5	n/a
		2018 AQC	5	4	3	3	4	4	n/a
Laos Australia Development Learning Facility INL846	\$7.3m 2015-20	2019 AQC	n/a	4	3	n/a	n/a	5	n/a
		2018 AQC	5	4	4	4	4	4	n/a

FAQC RATINGS

Investment name	Approved budget and duration	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
Trade Development Facility INH726	\$12.2m 2007-19	4	5	4	5	4	4	3	n/a
Laos Australia Rural Livelihoods Program INK391	\$34.7m 2012-19	4	3	4	4	4	4	4	n/a

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 area.

ANNEX E – PERFORMANCE ASSESSMENT FRAMEWORK (JUNE 2019)

#	Indicators	2017-2018		2018-2019		2019-2020		Source of Information
		Target	Actual	Target	Actual	Target	Actual	
Education								
1	Percentage of staff within MoES assigned to curriculum writing and development who can operate with minimal specialist technical support (BEQUAL KPI #2)	NA		20%		40%		BEQUAL Annual Progress Reports Six Monthly Progress Report
2	Percentage of Grade 1 teachers demonstrating knowledge of the new grade 1 curriculum in classroom practice and Grade 2 teachers demonstrating knowledge of the new grade 2 curriculum in classroom practice. (BEQUAL KPI #7)	NA		NA		At least 60% of Grade 1 teachers by June 2020		BEQUAL Annual Progress Reports Six Monthly Progress Report
3	Percentage of PESS and DESB successfully using ESGs for the purpose intended and reporting according to grant agreements.	NA		18 PESS and 32 DESB staff trained in financial management and accounting for ESG by May 2019		100% of PESS and DESB successfully managing ESGs by Dec 2019		BEQUAL Annual Progress Reports Six Monthly Progress Report
4	Percentage of graduated ethnic teachers – 70% female – are deployed and teaching effectively in targeted schools. (BEQUAL KPI #9)	NA		90% (212) of Cohort 1 Ethnic teacher graduates (by August 2018)		90% (124) of Cohort 2 Ethnic teacher graduates (by August 2019)		BEQUAL Annual Progress Reports Six Monthly Progress Report



#	Indicators	2017-2018		2018-2019		2019-2020		Source of Information
		Target	Actual	Target	Actual	Target	Actual	
Human Resource Development								
1	% of Long Term Scholarship awardees successfully completing studies ³	N/A	N/A	90% AAS 95 % LANS	92% AAS 99% LANS	90% AAS 95% LANS		LAI
2	% of alumni able to provide examples of relevant contributions to development in Laos at selected periods after receiving support (i.e. post Short Course, or Long Term Scholarships completion) ⁴	N/A	N/A	95% AAS 75% LANS 90% Short Courses	98% AAS 76% LANS 89% Short Courses	95% AAS 75%LANS 90% Short Courses		LAI
3	% of female Long Term Scholarship awardees successfully completing studies	N/A	N/A	95% AAS 95 % LANS		95% AAS 95 % LANS		LAI

³ An Awardee who successfully completes their studies is defined as an Awardee who obtains their original or a lesser related qualification when due and within the reporting period. An Awardee who does not successfully complete their studies is defined as an Awardee who was due to obtain their original or a lesser related qualification within the reporting period but failed to do so as a result of poor academic performance.

⁴ Examples of relevant contributions to development are contextual examples of alumni using their scholarship-acquired skills and knowledge in a productive manner which are consistent with the national interests of both Laos and Australia collated through the ADIS process.



Trade and Private Sector Development

1	Time to obtain Enterprise Registration certificate (ERC) from DERM (Days) disaggregated by women-led enterprises versus men-led enterprises	NA		NA	14 days (baseline) equal time for women and men	10 days		Lao PDR Competitiveness and Trade project (LCTP) progress reports
2	Number of women-led enterprises who access matching grants from the Business Assistance Facility	N/A		N/A		40% of all grants		LCTP
3	Percentage of supported village banks working sustainably, even after booking of loan loss provision	N/A		N/A	96% (baseline value)	97% (final target 98%)		AFP V
4	Number of women holding single accounts in village banks (AFP V)	N/A		N/A	24,229 (baseline value)	27,863 (final target 36,344)		AFP V