

Recommendation	Response	Explanation	Action plan	Timeframe
<p>Recommendation 1:</p> <p>Clearly articulate the hybrid model: AMENCA 3 partners have developed some common understandings of the hybrid Market Systems Development (MSD) model but these remain undocumented and hence open to interpretation. DFAT, the MSD adviser and International Non-Government Organisation (INGO) partners should work together to agree on a description of the AMENCA 3 hybrid approach and the principles behind it by the end of 2019 to inform future investments.</p>	Agree	<p>AMENCA 3 commenced using a Market Systems Development approach which evolved into a hybrid model in recognition of the unique and complex economic and social conditions in the Palestinian Territories. This approach has evolved across the three International Non-Government Organisation projects that constitute AMENCA 3 and its various partners. DFAT agrees that the description and principles should be recorded as both guidance and as a record for learning, information and dissemination as appropriate.</p>	<p>Building on the current AMENCA 3 Hybrid document, at the next TPAG meeting following extension of the project (should this occur), DFAT will meet with partners to plan the approach for agreeing and recording the AMENCA hybrid model.</p>	December 2019
<p>Recommendation 2:</p> <p>Clarify APHEDA situation: DFAT to agree that APHEDA may provide a copy of DFAT's letter advising of APHEDA's full reinstatement to its communities, stakeholders, partners and the Palestinian Authority. DFAT to explore other opportunities to help communicate the current state of play.</p>	Agree	<p>In May 2019 APHEDA was advised that it could recommence operations that had had been suspended since August 2018. The suspension was lifted after an independent audit contracted by DFAT found the charges unfounded. DFAT has agreed that its letter of advice to APHEDA can be provided to its partners.</p>	<p>APHEDA has begun to provide copies of the letter as required. APHEDA and DFAT Ramallah Post to further discuss other avenues, if required, where DFAT can further confirm APHEDA's reinstatement.</p>	August 2019
<p>Recommendation 3:</p> <p>Collaborate at sector level: DFAT should facilitate the NGO consortia to form cross-program agriculture sector teams to undertake regular (annual or six monthly) sector level reviews of the overall work as a new part of the current</p>	Agree	<p>Currently each International Non-Government Organisation and consortia works independently to determine which agriculture sectors to target. In future implementation, the International Non-Government Organisations should collaborate further.</p>	<p>Should the AMENCA 3 program be extended, DFAT will advise partners to include commitment and resources in their extension proposals to ensure that the partners meet early to form cross-program sector teams and to collaborate further.</p>	Ongoing

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<p>Technical and Program Advisory Group (TPAG) arrangements. Each review should define the sector-level results chain, review the implementation portfolio, and determine what changes are necessary. Initial sectors should include small ruminant, dairy and high value horticulture.</p>			<p>undertake annual (or more frequent) sector level reviews.</p>	
<p>Recommendation 4: Review approach to infrastructure investments: AMENCA 3 advisers (MSD program) should be tasked to undertake a study of small infrastructure investments and broader systemic constraints that limit the capacity of stakeholders (the Palestinian Authority, farmers, the private sector and contractors) to meet what is clearly an important market gap. AMENCA 3 should base any future infrastructure portfolio on addressing these systemic constraints wherever possible.</p>	<p>Agree</p>	<p>DFAT recognises the importance of well targeted infrastructure investments and notes that there is some budget for limited but critical small investments through AMENCA 3. DFAT agrees that AMENCA 3 advisers be tasked to undertake this small study.</p>	<p>Should AMENCA 3 be extended, DFAT will discuss with the Advisory Services contractor whether its advisers can commence the study in the new implementation year.</p>	<p>October 2019</p>
<p>Recommendation 5: Encourage exit from underperforming interventions: Each AMENCA 3 NGO Consortium should undertake quarterly intervention reviews to track progress against expected results. Where partners are underperforming or where assumptions underpinning the results chain are found to be invalid, or where changes have no chance to scale further, the Consortium should consider withdrawing from the intervention. Decisions about whether to continue or exit from</p>	<p>Agree</p>	<p>DFAT recognises the importance for AMENCA 3 to concentrate its limited but well targeted and potentially catalytic resources on areas where successes are being achieved, or are likely, and where there is capacity to scale up.</p>	<p>DFAT to convene a meeting with partners to reinforce this finding.</p>	<p>October 2019 and ongoing</p>

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<p>an intervention should be reviewed by the AHLD Key Stakeholder Group (or similar).</p>				
<p>Recommendation 6:</p> <p>Structured MSD capacity development: The contractor for advisory services should be tasked to support further structured MSD skills development both directly, as well as through staff involvement in organised MSD training, drawing on skills within the INGO teams as well as external advisors and training programs as appropriate. This should concentrate on key management, results measurement and inclusion issues.</p>	Agree	<p>DFAT recognises the importance of developing MSD expertise and knowledge across the in-country teams. This will build on the international expertise, create an ongoing source of technical expertise in the Palestinian Territories, and credible advocates for engaging with the Government and Ministries in the policy and resource discussions.</p>	<p>DFAT to continue to build capacity through ongoing remote and face to face training, NGO cross learning, and external training through advisers, NGOs and external opportunities.</p>	December 2019
<p>Recommendation 7:</p> <p>Adapt Advisor arrangements: DFAT should update contracted advisory arrangements to fill technical gaps, and support NGOs to improve integration and responsiveness:</p> <ol style="list-style-type: none"> 1. Retain cross-program coordination and report writing function (ideally a single person who would also negotiate flexible advisory services); 2. Localise the GESI advisor position and ensure that person has sufficient poverty analysis skills; 3. Add a fixed international Monitoring and Results Measurement (MRM) adviser to update consortia and AMENCA 3 M&E 	Agree	<p>DFAT agrees that the roles, responsibilities and sourcing of the international adviser positions should be reviewed and changed as necessary, and to refocus as necessary to support the International Non-Government Organisations and their national teams to meet the current program situation, and consortia partner's needs.</p>	<p>DFAT will discuss with the Advisory Services contractor to assess position roles and responsibilities to meet current requirements.</p>	October 2019 and ongoing

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<p>Frameworks to appropriately capture market systems results; and</p> <p>4. Introduce demand-driven flexible adviser services (contractor could use a panel arrangement) to complement these skills where necessary.</p> <p>To begin this adjustment, DFAT could task the advisory services contractor with proposing how it would go about this and other recommendations in this report.</p>				
<p>Recommendation 8:</p> <p>AHLD Key stakeholder Group: DFAT should adopt the AHLD format and add a formal half-day meeting of a select Key Stakeholder Group (comprised of appropriate representatives from DFAT, International Non-Government Organisations, the Palestinian Authority, local NGOs, the private sector and producer associations).</p>	Agree	<p>The AHLD or similar forum plays an important role in sharing good MSD practices; highlighting good change; creating market awareness that could encourage further investment in domestic smallholder markets and facilitating networks.</p>	<p>DFAT to work with partners to adopt this format for the next AHLD meeting (should the program be extended) scheduled for March 2020.</p>	March 2020
<p>Recommendation 9:</p> <p>Community of Practice: Australia could work with other donors to form or strengthen a Market Systems Development working group or sub-group to harmonise donor efforts and share good practice across the development community in the Palestinian Territories.</p>	Agree	<p>DFAT acknowledges the value of discussing and propagating successes (and learning from failures) and innovative, research-based and field tested approaches and experience. The formation of a specific Market Systems Development working group will fill a niche and raise profile and credibility with local stakeholders and Government.</p>	<p>Should AMENCA 3 be extended, DFAT will assess whether there is an existing group, under the local aid coordination system, which could include an explicit focus on MSD. If not, it would convene other donors to assess their interest in the formation of such a group.</p>	October 2019

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<p>Recommendation 10:</p> <p>Improve communications arrangements: NGO partners should ensure they follow DFAT's communications and branding policies and processes to ensure cross program lessons and outcomes are properly communicated and that Australia's contribution is appropriately acknowledged. Any future contract amendment with INGOs should include the provision of regular publishable social media or other communications content that exemplifies the strong results seen in the field.</p>	Agree	<p>There is significant public awareness of the three MDS projects but less awareness of the centrality of the Australian official aid program. Should AMENCA 3 proceed to a further two years, there will be an enhanced emphasis that all partners, to the extent possible, undertake a joint and coordinated media strategy and branding approach that highlights the effectiveness of these smallholder businesses, approaches and the contribution of Australian aid (and the individual partners).</p>	<p>DFAT to require INGO and consortia partners, through the grant agreement renewal process, to have communications and branding processes in place within three months that adhere to updated DFAT requirements.</p>	September 2019 and ongoing
<p>Recommendation 11:</p> <p>Continue AMENCA 3: Consider extending support for AMENCA 3 for at least a further two years to embed current changes within markets and to reach impact at scale, noting that MSD programs typically implement for 5-10 years to reach sustainable results at scale.</p>	Agree	<p>Agreed that data and literature support the finding that MSD programs take time to reach scale.</p>	<p>If the AMENCA 3 program continues, new grant agreements will be negotiated and concluded to enable AMENCA 3 to continue from October 2019 to June 2021.</p>	October 2019 and then ongoing
<p>Recommendation 12:</p> <p>Better capture results: Complement the current high-level aggregate results reporting with a deeper emphasis on monitoring and results measurement (MRM) including processes for formal review, reflection, learning and adaptation. AMENCA 3 should enhance the capacity and consistency with which the MRM is used across the program. AMENCA 3's current M&E Advisor should be complemented with</p>	Agree	<p>The review found that robust monitoring is in place and credible data has been gathered which demonstrates the successes of AMENCA 3. However there is some indication that the M&E system is tilted towards aggregation of data rather than to learning, and an overly quantitative focus. There needs to be some realignment towards qualitative data to inform learning while maintaining</p>	<p>DFAT will ask partners to update their proposals and arrange within budgets to assess position roles, sources and responsibilities to adjust to a new Monitoring and Results Management (MRM) focus and MRM specialist input with the Advisory Services contractor so that there is a revised M&E framework in place by November 2019.</p>	July-September 2019 and then ongoing

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<p>enhanced inputs from an MRM specialist to help the projects and the program capture results pertaining to ‘indirect’ market systems impacts (such as copying and crowding), women’s economic empowerment and agency, civil society strengthening and – to the degree possible – systemic change. AMENCA 3 should revise its program level targets and indicators to better monitor and understand social outcomes, including differences in outcomes for and women in communities.</p>		<p>the current reporting on high level outcome and accountability.</p> <p>Agree that implementing and advisory partners should look at new approaches to M&E including moving to greater emphasis on monitoring and results management. This may entail some additional personnel and/or realignment of position roles and responsibilities.</p>		
<p>Recommendation 13:</p> <p>Considering the high level of over performance compared with initial targets, continuation for a further two years should be based on a collective revision of targets to reflect positive progress to date and provide appropriate performance incentives across AMENCA 3. This will require recommended updates from the MRM and Reporting/Coordination advisers which would then be workshopped with DFAT and Consortia and the AHLD Key Stakeholder Group.</p>	Agree	<p>There is an incomplete understanding of the nature of market change, inclusion, attribution, and the underlying relationships. More use of the principles and processes of MRM will improve stakeholder understanding of the significant changes occurring.</p>	<p>DFAT will work with NGOs and advisors to revise targets and determine performance assessments.</p>	<p>September – October 2019</p>
<p>Recommendation 14:</p> <p>Impact evaluation: Consider undertaking a formal DFAT-funded independent impact evaluation to address under-reporting to date and to capture:</p> <ol style="list-style-type: none"> 1. Indirect impacts not currently being considered by the reporting framework (e.g. 	Partially Agree	<p>The review observed that the ongoing M&E Working Group meetings were effective forums in which to ensure coherence between projects and sharing of information on key indicators and data of interest.</p>	<p>DFAT will consider undertaking an independent evaluation to better capture underreporting of impact to inform any planning for a further program phase.</p>	<p>Second half of 2020</p>

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<p>from establishing missing market functions, crowding, copying and monopoly disruption);</p> <p>2. Ongoing impacts from AMENCA2 (e.g. seed banks, nurseries);</p> <p>3. Cross-partner impacts across a sector (e.g. sheep dairy sector where multiple partners are contributing to the transformation)</p>				
<p>Recommendation 15:</p> <p>Consistent poverty and gender analysis to inform interventions: Enhance GESI advisory skills to work with the INGO partners to undertake a rigorous poverty and gender analysis for all existing and future interventions, to ensure that at least 50% of beneficiaries in each intervention are poor and/or small-scale producers and that gender norms and risks are explicit and visible in market studies and the design of interventions. Gender analysis should be more holistic and focus on identifying and valuing gender patterns within the market in addition to counting women's participation</p>	Agree	<p>The review finds that additional poverty, gender and inclusion analysis is needed so that AMENCA 3 can more explicitly support interventions that value equitable social and economic change through market system development.</p>	<p>All INGO partners to acknowledge and resource requirement to undertake a rigorous poverty and gender analysis.</p> <p>Advisory Support contractor to enhance GESI advisory skills and consider suitable local consultant for the role.</p>	July – September 2019 and ongoing
<p>Recommendation 16:</p> <p>Address exclusion: New GESI adviser to work with NGOs to conduct consistent and careful assessments of who is being excluded from markets because of gender, age, ethnicity, disability, or cultural reasons by undertaking household level analysis, followed by a focus of</p>	Agree	<p>DFAT agrees the reframed focus for the GESI adviser to better address the issue of exclusion. This can commence as soon as possible under current arrangements, and then be continued by the new GESI adviser in due course.</p>	<p>Advisory Support contractor to enhance GESI advisory skills and consider suitable local consultant for this role.</p>	Ongoing

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<p>efforts on removing barriers and finding ways of fostering culturally sensitive ways for more inclusive and equitable markets. Monitoring should also consider how gender norms and patterns are a risk to effective value chain and market effectiveness.</p>				
<p>Recommendation 17: Adjust definition of youth: DFAT ARO revise the definition of youth to increase the upper age limit to 30 years to enable AMENCA 3 to apply its core skills (agricultural market linkages) to young Palestinians appropriately given the social and cultural context.</p>	<p>Agree</p>	<p>Australia’s definition of youth (16 – 24 years) is not relevant to the Palestinian social and cultural situation. Expanding the definition to include men and women up to 30 years of age, for example, would enable AMENCA 3 to bring agricultural market links to a wider net of young Palestinians.</p>	<p>NGOs to collect data on youth to age 30, but provide disaggregated data of youth up to 24 years old so DFAT can continue to report against DFAT Aggregate Development Results annually.</p>	<p>Immediate and ongoing.</p>