



Australian Government
Department of Foreign Affairs and Trade

Partner-Led Design - Investment Design Summary Template

This Investment Design Summary (IDS) template provides a recommended structure for an investment design summary for a Partner-led design \$3 million (GST inclusive) or more. We recommend that the IDS is a maximum of 15 pages (plus annexes) and written in plain English. Refer to the [DFAT Design and MEL Standards](#). Contact designmail@dfat.gov.au for advice.

Investment Design Title:
Start date:
End date:
Total proposed DFAT funding: AUD <i>[DFAT funding for the investment]</i>
Total proposed funding from all donor/s: AUD <i>[Total partner funding for the investment]</i>
Current program fund annual allocation: AUD <i>[Total program fund allocation for the bilateral/regional program]</i>
AidWorks investment number:
Risk: <i>low/medium/high/very high</i>
Value: <i>low/medium/high [low <\$3m / high >=\$100m]</i>
Concept approved by: <i><name></i>
Concept endorsed by DPC: <i>Yes/No/NA</i>
Quality Assurance completed: <i>< e.g. appraisal, peer review ></i>
Approval: Delegate at Post: <i><name></i>
Delegate in Canberra: <i><name></i>

A. Executive Summary

This section should provide a succinct summary (maximum 2 pages). It can be expressed as a diagram and/or as a narrative.

- › Australia’s policy objectives for the country/sector/thematic issue.
- › The rationale for choice of partner in this sector and development context and key lessons learned.
- › The expected end-of-program outcomes.
- › The recommended delivery approach, key partnerships; and performance funding approaches.
- › How DFAT will maximise its influence and leverage through governance arrangements and policy dialogue.
- › Priority areas for reform, policy advocacy and budget dialogue.
- › How DFAT will manage the performance of the partners, the approach to MEL, integration of cross-cutting issues, including gender equality and climate change.
- › Timeframe for engagement and resource commitments; resources leveraged.
- › Any critical risks, including climate risks, and challenges to success, and how these will be addressed.

B. Development Context (What problem are we addressing?)

- › Outline the proposed investment, including a summary of the development issue and identification of the proposed partner/s.
- › Identify proposed DFAT funding amounts:
 - Including how funds will be allocated and over what timeframe.
 - What funds and resources can be leveraged from the partner, and the partner government for sustainability?
- › What share of DFAT funding the investment represents (as a share of the overall DFAT country program, the overall DFAT spend in this sector, and the share of spend in this sector in this country)?

C. Strategic Intent and Rationale (Why?)

- › Set out DFAT's policy objectives for this particular country/sector/thematic issue. Refer to alignment with *Australia's International Development Policy*, country or regional Development Partnership Plans and other country or sectoral strategies, Gender Equality and Women's Empowerment Strategy, relevant regional and other strategies.¹
- › How will this investment and this choice of partner maximise Australia's influence and also leverage policy reform and greater financing? Consider the relevant development principles (national interest and influence, impact on economic growth and poverty, Australia's value-add and leverage, and performance).

Gender equality, disability and social inclusion, climate change and cross-cutting themes

- › Identify areas where gender equality, and disability and social inclusion will be integrated and addressed as well as other cross-cutting issues (including innovation, environment, and private sector engagement).
- › Identify how the investment will support climate change action, including reducing emissions or building climate resilience.

D. Proposed Outcomes and Investment Options (What?)

- › Set out the higher-level development outcomes which the investment will contribute to. If the investment is supporting a broader partnership with government or other donors, identify both the objective of the broader partnership and DFAT's specific objective in supporting this investment.
- › Identify the expected end-of-program outcomes² and how they link to proposed interventions. Explain the logic chain from end-of-program outcomes to intermediate outcomes, outputs and activities (if known), including outlining any assumptions (these can also be identified as key risks). Measurement of outcomes must be described in the monitoring, evaluation and learning section.
- › Work with the partner to ensure that at least one end-of-program outcome or intermediate outcome demonstrates a clear intent to promote gender equality as an important and deliberate feature of the program.³ Work with partners to include climate as an outcome in the program logic (either an end-of-program outcome or intermediate outcome).

¹Also consider the [UN Sustainable Development Goals](#).

²Note that end-of-program outcomes should be written as an end state, i.e. who or what is expected to change, by when. The type of change should cover a change in knowledge, behaviour or condition. Standard 3 of DFAT's [Design & MEL Standards](#) outlines DFAT's expectations for the program logic and definitions of goals, objectives, outcomes etc. Partners may not use the same definitions – any differences should be identified and 'translated' in the IDS. DFAT Investment Managers can use the MEL Framework annex to demonstrate this if useful.

³New investments valued at \$3 million and over are required to include a gender equality outcome (including partner-led designs). Development assistance investments in a limited number of categories are exempt from this requirement. See the International Development Programming Guide for more information.

- › Outline other investment options that were considered and why this partner-led option was selected, taking into account DFAT Value for Money principles.⁴
- › Provide the rationale for partner selection, including why this approach is preferred and how Value for Money will be achieved through the planned approach. This should include how the requirements of the relevant legislation will be met, including how the requirements of the *Commonwealth Procurement Rules* (CPRs) will be met.

E. Implementation Arrangements (How will DFAT engage in the partnership?)

- › Outline DFAT's role in the partnership and how DFAT will engage with the partner during the life of the investment, in order to:
 - Maximise DFAT's seat at the table including in governance arrangements, program decision making, and opportunities for policy dialogue;
 - Ensure the performance of the partner and the key risks, including climate risks;
 - Assure monitoring, evaluation and learning arrangements specific to DFAT's contributions and use of MEL to inform decision making;
 - Oversight safeguard issues during implementation; and
 - Ensure opportunities to promote public diplomacy, signage, and Australian branding.
- › If working in partner systems, the design will need to describe the public financial management arrangements and requirements.⁵ Detail any technical assistance in capacity development and oversight roles required to support the partner government for implementation and manage key risks.
- › Outline entry points for policy and budget dialogue, performance incentives, and working with other donors and key stakeholders.
- › Create linkages between performance (including performance on gender equality) and funding to optimise partner performance.
- › Explain issues likely to affect sustainability and indicate strategies to address these.

F. Monitoring, Evaluation and Learning (MEL) (How will DFAT measure performance?)

- › Outline the monitoring, evaluation and learning (MEL) arrangements, including key evaluation questions, how data will be gathered, whether MEL is fit for purpose to assess impact on gender equality and climate change, how data will be fed into DFAT's performance frameworks and how it will support program decision-making and governance.⁶
- › Explain the extent to which partners' MEL will allow DFAT to report on results of its contribution as distinct from pooled funding, and how any gaps will be addressed. Comment on the extent to which the partners' own MEL systems are strengthened.
- › Indicate DFAT monitoring requirements or opportunities, and/or independent monitoring, such as Mid-Term Reviews and Evaluations as well as independent Technical Assessment Groups or review missions.
- › State how the resources allocated in the design will satisfy MEL needs throughout implementation.

G. Gender, Disability and Other Cross Cutting Issues

⁴ This is only required for a partner-led investment that has already been designed or is already in implementation, i.e. in cases where an Investment Concept has not been developed.

⁵ This may include a description of the relevant ministries, planning cycle, budget cycle, the detailed arrangements for public financial management, procurement, risk mitigation, funding triggers, joint policy reform matrix and funds flow arrangements. Contact Development Risk Management Section (DRM) at Partner.Systems@dfat.gov.au

⁶ Refer to the [DFAT Design and MEL Standards](#) and to the MEL framework (annex).

For all cross-cutting issues, the IDS should identify any gaps in meeting DFAT's policies (e.g. GEDSI, climate, safeguards, and due diligence), and outline DFAT's (Program area or Post) strategy to ensure these gaps are addressed during implementation.

Gender Equality

- › Summarise the proposed approach to gender equality, including how the investment will contribute to closing gender equality gaps in the country/region/sector and how this has been reflected throughout the design (including in the program logic, outcomes and MEL).
- › Show how the gender analysis has informed the design, by clearly articulating a link between the gender analysis and the investment focus and approach.
- › Include reference to key lessons learned and to additional research that the investment will carry out to support implementation and ongoing learning in relation to gender equality.
- › Explain how the investment aligns with the priority pillars of DFAT's Gender Equality and Women's Empowerment Strategy.
- › Identify who is responsible for leading on gender equality within the implementation team. Ensure coherence with decision-making, governance structures, and budget.
- › State how a gender action plan or strategy will be developed in implementation, in consultation with relevant stakeholders and implementing partners.
- › Provide a rationale for the gender policy marker that has been selected in line with OECD/DAC minimum standards.⁷

Climate Change

- › Explain relevant climate change risks, vulnerabilities and impacts, particularly how specific groups may be affected (women and girls, remote communities). Identify opportunities for positive climate change responses and disaster risk reduction. Where appropriate include an explicit climate change outcome or integrate climate change into the program logic.⁸

Disability Inclusiveness

- › Explain the level of consultation carried out with and advice received from Disabled People's Organisations (DPOs), disability specialists and DFAT's Disability and Inclusion Section (DIS) during the design process. Identify the main barriers to inclusion and opportunities for participation and how the investment will address these barriers. Set out how DPOs and/or people with disabilities will be involved in implementation, monitoring and evaluation.⁹

Private Sector Engagement

- › Set out expectations and opportunities for engaging the private sector and the ways in which the investment is able to incorporate attempts to encourage commercially sustainable solutions to the development challenge (if applicable).

Innovation

- › Outline any development innovations¹⁰ and their proportionality. This could mean a new development technique, financing mechanism, technology, partner, or process.¹¹ Include expected results.

Locally led development and localisation

⁷ Refer to [DAC gender equality policy marker - OECD](#).

⁸ Refer to [Climate Change Action Strategy](#) and associated [Implementation Guide](#) (under development).

⁹ Refer to [DFAT Disability Action Strategy 2017-2020](#).

¹⁰ Such as new approaches, with the potential to be cheaper, faster, better or more inclusive.

¹¹ Such as new ways to design, procure, implement, monitor or report.

- › Outline the level of ambition to support locally led development, appropriate to the country and sector context, and the intent to build local capabilities (across government, private sector, NGOs and civil society). A localisation plan may also be developed in early implementation with the lead partner(s).

H. Budget and Resourcing (What will it cost?)

- › Provide a detailed budget as an annex with annual allocations and breakdowns for components, including funds leveraged from partner governments or other key partners (see annex).
- › Outline DFAT resourcing (A-based and LES), FTE staff and skills required to support the investment.

I. Risk Management and Safeguards (What might go wrong?)

- › Use the Risk Factors Screening Tool and nine primary risk categories¹² to discuss the risk context.
- › Identify the significant risks that may hinder ability to achieve end of investment outcomes, including consideration of risks arising from assumptions in the program logic, and describe proposed mitigations.
- › Identify any governance arrangements, including internal DFAT risk oversight responsibilities and review and reporting processes for the proposed investment, how partners and stakeholders will be involved throughout implementation in the ongoing assessment and management of risks.
- › Complete the Risk Register in accordance with DFAT's Development Risk Management Policy and Practice Notes. Register to include clear risk statements, appropriate assignment of ownership, and effective controls and treatments for mitigating risks.

Partner Government Systems

- › Where partner government systems are proposed as the delivery mechanism for Australian funds, describe in sufficient detail what is proposed, which components of the public financial management system will be used, who will do this and what risk mitigation strategies will be used.¹³

Counter Terrorism Resourcing

- › If relevant (e.g. high- or very high-risk location), identify risks associated with terrorism resourcing and corresponding preventative, detective and corrective controls and proposed treatments to mitigate risks.

Environmental and Social Safeguards

- › Identify risks to the environment, to children, vulnerable and disadvantaged groups, indigenous peoples, health and safety, and risks of sexual exploitation abuse and harassment and discuss measures to mitigate those risks.
- › Use the Environmental and Social Safeguards Operational Procedures to assist in developing a proportional environment and social impact assessment, management plan and/or framework, where required. See sections 3.2.4 and Chapter 4 of the Operational Procedures.
- › Review Child Protection and Prevention of Sexual Exploitation Abuse and Harassment Guidance Notes to establish risk context in order to assess and rate the risk level and apply the appropriate minimum standards. (Note: if the partner is a bilateral or multilateral, they are instead expected to act in accordance with the policy principles and reporting requirements, as well as their own policies.)

Fraud Control

- › Discuss the fraud context and identify current and emerging fraud risks. Identify preventative, detective and corrective controls and fraud risk treatments to mitigate risks.

¹² DFAT's Risk Management framework applies nine primary categories: Stakeholders; contextual; resources; infrastructure; political; programming; legal; environmental; and social.

¹³ For details of required assessments and guidance on conducting them contact Development Risk Management Section (DRM) at Partner.Systems@dfat.gov.au

- › Design to include ‘lessons learnt’ from previous evaluations and include a brief summary of most effective/ ineffective fraud controls/ treatments, to help mitigate similar fraud risks in future.
- › Discuss governance arrangements to oversight fraud risks, including frequency and types of information governance bodies will receive to manage fraud risk.

J. Quality assurance (Does the design meet DFAT’s quality standards?)¹⁴

- › Outline the quality assurance processes undertaken during the partner’s design process, including both DFAT and partner quality events/processes, and provide evidence that the partner design meets [DFAT Design and MEL Standards](#).

K. Annexes

Detailed Proposal from the Lead Partner(s), which may include:

- › Sector/Problem and other relevant analyses (social, economic, environment, gender equality, poverty, disability, institutional capacity, political economy, private sector development etc.);
- › Program Logic model (if not included in main document);
- › Implementation Plan (description of early indicative interventions/ activities, if appropriate);
- › Implementation & Governance Arrangements – Organisation chart and other details as appropriate including roles/responsibilities of stakeholders;
- › MEL Framework at design (from Partner);
- › Risk Register and Safeguard Management Plans - for example an environmental and social management framework or environmental and social management plan (from Partner);
- › Partner’s budget and resourcing;
- › Gender & Social Inclusion Analysis or Strategy.

Other annexes are completed by DFAT with the input of partners as needed:

- › Policy Dialogue Matrix;
- › Risk and Safeguards Tool (DFAT-owned);
- › DFAT Budget and Resourcing Requirements (including costing methodology);
- › MEL Framework at design (DFAT overlay/translation – if required);
- › Climate change action strategy;
- › Assessment of Public Financial Management Systems (PFM) at Sector or Agency Level (Mandatory if use of partner government PFM systems is proposed);
- › Assessment of Procurement Systems at Sector or Agency Level (Mandatory if use of partner government procurement systems is proposed).

¹⁴ Program managers should refer to the [Investment Design Quality Assurance Guidance](#) for advice on quality assurance options to help ensure the investment will meet DFAT’s quality standards



Policy Dialogue Matrix

Related End-of-Investment Outcome	Problem/ Issue	Policy outcome sought	Program entry points for policy dialogue	Influential stakeholders	Resources required	Policy dialogue lead within AHC	Partnership engagement lead within MC/implementing partner
<i>Eg Increased access to quality primary health care for all Solomon Islanders by 2021</i>	<i>Primary health care budget in partner govt X diverted to tertiary health care (hospitals, medivacs, NCD treatment etc)</i>	<i>Budget process to lock in an overall % of health budget, and subsector allocation for primary health care locked in, year</i>	<i>Budget process Annual performance process 6 monthly reviews HLCs HLVs World Bank missions WHO missions</i>	<i>Minister and Secretary for Finance, Minister and Secretary for Health, CFO, directors of budget, provincial health directors, WHO country director, WB Economist</i>	<i>Independent review team for 6 monthly reviews (\$35,000)</i>	<i>DFAT Counsellor, backed by HOM/Ministers during high level visits (in partnership with world bank)</i>	<i>Team Leader for HSSP, Secretary of Health</i>



Monitoring, Evaluation and Learning (MEL) Framework at Design

Key Evaluation Questions:

	Desired result	Indicative Indicator	Data source(s)	Assumptions/risks for data collection	Baseline (if applicable)	Target (if applicable)	Who will use the information for what
Goal	At this level it is not expected that the MEL System will collect and analyse data						
Objective	At this level it is not expected that the MEL System will collect and analyse data						
End-of-Program-Outcomes (EPO)			<i>[This should draw on partner systems where possible]</i>				
Intermediate outcomes							
Outputs							
Activities	<i>[This might not be detailed at design stage]</i>						

Elements that must be included in the MEL Framework at design stage:

- **Desired results** e.g., the program logic as per design
- **Indicative indicators** and information on partner systems for data collection.
- **Outputs (key deliverables):** Level, reach / coverage and quality of key deliverables produced.
- **Assumptions and risks** related to collecting data from the sources identified.
- **Who will use the information** and for what purpose (e.g. DFAT for Investment Monitoring Reports or Tier 2/3 Indicators)

Budget

The below is indicative only and should be tailored to the specific investment. Any budget should include cost assumptions and is indicative only.

No.	Items (examples only)	Year 1	Year 2	Year 3	Year 4	Total
1	Management Fee & Performance Payments					
2	Program Management Costs (including long-term and short-term advisers (ARF) and personnel (non-ARF); support costs)					
3	Operational and Implementation Costs (operations and implementation personnel, office set-up/recurring costs, vehicle and travel costs, event and communication costs, capacity development and activity costs etc.)					
4	Other funding by mechanism (examples below)					
4a)	Grants					
4b)	Budget Support/Direct Financing					
4c)	Other Partnerships (including multilaterals, private sector)					
4d)	Research and Analysis					
4e)	Whole of Government Twinning and/or deployments					
4f)	Technical Assistance (international/national)					
4g)	Scholarships, short-term training, work attachments					
4h)	Flexible or innovative funding					
4i)	Monitoring and Evaluation					

No.	Items (examples only)	Year 1	Year 2	Year 3	Year 4	Total
4j)	Gender equality, disability and social inclusion					
4k	Climate change					
4l)	Other					
5	DFAT resources for performance management and contract administration (including policy engagement and dialogue)					
6	Estimated additional funds leveraged from partner government, multilaterals, other partners, private sector					
	Total					

Total Budget:

Cost Assumptions

-
-
-