

Evaluation Findings:
**A Compilation of AusAID's Evaluation and
Review Reports 1992-1997**

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Introduction

The two major goals of evaluation are improved performance and enhanced accountability through external reporting on aid effectiveness. The AusAID Executive determines the evaluation and review program, which reflects corporate priorities. This report summarises twenty-four evaluation studies conducted by AusAID during the last five years.

The summaries are arranged into three groups according to the type of evaluation. In order these are: Project Evaluation, Program Effectiveness Reviews and Country Effectiveness Reviews. The findings on the overall degree of success of projects, programs and country programs are outlined below. This is followed by a brief review of findings related to gender and development, environmental issues, sustainability, as well as a selection of lessons learned.

In assessing the extent to which individual aid activities have contributed to the achievement of aid objectives, it is necessary to bear in mind that these activities reflect the aid objectives and priorities which prevailed at the time when the activities were designed and implemented. These objectives and priorities have changed over time, such as the relative balance between humanitarian, foreign policy and commercial objectives. The way in which AusAID manages its projects has also changed considerably.

Main Findings

Project Evaluations

The approach used in these studies varies, depending on a range of factors such as time, resources and level of complexity of the projects. Some studies make extensive use of field-based assessments in-country. Such studies use survey techniques to assess the actual economic, social and environmental outcomes of the project and their effect on the welfare of the target beneficiaries, as well as identifying implementation issues and lessons from experience. Other studies are predominantly desk studies which review and analyse project reports and other documents.

Fourteen ex-post evaluations of projects were conducted over the period 1992 to 1997. The evaluations found all of the projects were successful, although some were more successful than others. All but one of the evaluations investigated the sustainability of the project over the medium to long-term. Two projects were found to score highly in terms of long-term sustainability, while three reports expressed concern about sustainability and the remainder of the projects were rated as moderately sustainable.

A weakness of some of the evaluations was the lack of quantitative information on the actual project inputs, outputs and outcomes and a comparison of the achieved outcomes with the outcomes predicted in the project appraisal reports. Had the evaluation teams conducted an ex-post cost-benefit analysis, the evaluations would have provided a more rigorous analysis of the degree of success of the projects as well

as more precise information on their economic rate of return on investment, and the financial benefits accruing to project beneficiaries.

In several evaluations, conducting a cost-benefit analysis was difficult because of the lack of available quantitative information on which to base the analysis. This issue of data availability demonstrates the importance of establishing an effective project monitoring and evaluation system at the time of project design, as well as the value of undertaking the necessary base-line studies, resource assessment surveys of the project area and establishing a socio-economic database on the project participants.

Program Effectiveness Reviews

Six Program Effectiveness Reviews are summarised in this report. The review teams assessed each of the programs to be successful to varying degrees in achieving program objectives. The range is from highly successful at one end of the spectrum to achieving a satisfactory level at the other. Each report made a series of recommendations to guide the future direction and management of the program.

The assessment of the effectiveness of programs was a demanding task, because of the composition of the programs, which included hundreds of individual projects with differing degrees of effectiveness. Teams were usually only able to undertake a detailed analysis of a stratified sample of the projects and relied heavily on survey results. Because the Program Effectiveness Reviews were undertaken on on-going programs, they focused on measures to improve the effectiveness of future activities.

Three effectiveness reviews completed during the period 1993-96 are not included in this compilation because their method and findings were strongly disputed and criticised by the Industries Commission and the Treasury. These reports which were published by AusAID and available to the public are entitled: Commercial Benefits from Development Cooperation with China, 1993; Commercial Benefits from Development Cooperation with Indonesia, 1995; and Review of the Effectiveness of the Development Import Finance Facility, 1996.

Country Effectiveness Reviews

The purpose of Country Effectiveness Reviews is to assist AusAID to monitor the performance of its programs and thereby help to improve future performance. Country Effectiveness Reviews assess an entire country program and examine whether it accords with the overall objectives of Australia's development assistance, as well as with the country's development objectives and priorities. This report contains summaries of seven Country Effectiveness Reviews covering: Bangladesh, India, Indian Ocean Island States, Indonesia, Malaysia, Philippines and Thailand.

The Bangladesh Effectiveness Review found that Australian aid activities have been largely successful in promoting social development and generating economic benefits. The independent evaluations of Australian food aid delivered through the World Food Program found that the program's activities were high yielding and effective in increasing the incomes of the poor. The review expressed concern for the sustainability of some activities because of the difficult aid environment, poor

institutional base and inability of the Government of Bangladesh to make use of aid funds committed to it.

The India Effectiveness Review found the program was well targeted and the balance of the aid program was appropriate. Many of the major activities of Australian aid to India were still at a formative or early stage of implementation at the time of the review. The review was concerned about sustainability because of the quality of government administration.

The Indian Ocean Island States (IOIS) Effectiveness Review found Australia's development cooperation programs to the IOIS were mostly effective in promoting social and economic development over the review period. Most projects were found to be developmentally effective but little attention had been paid to the issue of sustainability.

The Indonesia Effectiveness Review found that seventeen of the twenty-one major activities reviewed had been developmentally effective. Four activities were rated as highly effective. The evaluation found that more effective procedures adopted since the mid 1980s improved project performance and sustainability. Problems in achieving sustainable outcomes were apparent in the more centralised projects which aimed to assist less directly through institutional strengthening. The relatively poorer performing projects were generally the older ones.

The Malaysia Effectiveness Review found the program contributed to Malaysia's social and economic development and also strengthened Australia's political and economic links with Malaysia. The review found that because the majority of the resources were directed to education there was less concern about sustainability as it was assumed that investment in education would have long-term effects over the working life of the trainees.

The Philippines Effectiveness Review found that the program met its primary objectives. While the sustainability of individual Australian activities was constrained by limits on Philippines Government expenditure, the Australian program contributed to development, particularly social development. The evaluation found the major issue about the program's effectiveness was sustainability. The limited ability of the Philippines Government to provide funding support after aid funds have been withdrawn reduced sustainability. Shortage of funds for maintenance, lack of funds to replicate pilot projects, and concern that aid caused dependency, all affected sustainability.

The Thailand Effectiveness Review found the program was operating effectively and reflected closely Thailand's major developmental priorities – notably in rural development and human resource development. The evaluation found that sustainability was addressed in project design and was generally high. Factors that affect sustainability were addressed by the report, particularly training, appropriate technology and institutional development. Technology development and transfer was prominent in projects in all sectors. Evaluations of projects in the agricultural sector found that technology components were successful. These include rural water, salinity control, soil erosion measures and fish culture. Institution strengthening has

been a major component in rural development, public planning and education projects.

It is important to recognise that the Country Effectiveness Reviews analysed a wide range of aid activities across several sectors. These reviews did not aim to provide the depth of analysis which is contained in the evaluation reports of individual projects. These reviews provide an overview of the country program and an overall assessment of the component projects and programs.

The review teams did not have available to them a comprehensive set of monitoring data and evaluation studies on the various components of the program on which to base their findings. The teams were required to assess projects which were at various stages of implementation. In some cases there was limited information available on the outputs of activities because projects were at an early stage.

The Country Effectiveness Reviews focused on identifying ways to improve the country program in the future, as well as making recommendations on specific measures to address management and implementation issues. The reviews assessed the appropriateness of the overall allocation of resources to the country program, as well as to major activities within the program. The new project monitoring system, recently introduced by AusAID, will provide an improved range of performance indicators for each project, which will greatly assist future reviews of country programs and ex-post project evaluations.

Sustainability

Sustainability is an essential characteristic of a successful aid activity. An aid activity is sustainable when its intended benefits are maintained after financial, institutional and technical assistance from external donors has ended.

Over the last decade, AusAID has placed increasing importance on improving the sustainability of its aid activities. The issue of sustainability is now addressed at all stages of the Activity Cycle. Identifying and implementing measures to enhance the sustainability of aid activities is a central activity during the design and implementation stages of the Activity Cycle. Also, many of the lessons learned during project monitoring and evaluation relate to ways of improving the sustainability of new projects.

AusAID's evaluation and review reports provide some useful information on the factors that influence sustainability. The key factors identified in the reports are the importance of:

- good governance, including the adoption of economic and social policies by the recipient government that create a favourable environment for maximising development;
- involving partners and stakeholders, including women, in the formulation and design of the project;
- obtaining guarantees from partners and recipient governments for financing future recurrent costs, maintenance and depreciation;
- ensuring the technology is suited to the country's financial and institutional capacity;

- allocating sufficient time and resources to the project design phase which would help identify problems, contain costs and reduce delays;
- ensuring the project takes account of the socio-cultural context of the region or country;
- building flexibility into the project design so that the focus of the project can be adjusted or re-directed to take into account changing circumstances in either the internal or external environment of the project;
- ensuring the project is responsive to the needs of stakeholders and contributes to building capacity at the local and national levels; and
- ensuring the activities are suited to the carrying capacity of the environment.

Gender and Development

AusAID's gender and development approach seeks to incorporate a gender perspective in all aid activities and supports gender equality as an essential requirement in achieving effective poverty reduction. Fundamental to AusAID's approach has been the integration of gender concerns in all aid activities. Over the last decade there has been increased attention paid to the role of women in activities: their level of participation, including leadership roles; the involvement of women in project design and implementation; and the use of gender expertise in monitoring and evaluation.

In overall terms, the evaluation and review reports found the majority of aid activities evaluated have reflected the increased emphasis on gender and development issues. Five out of seven of the effectiveness reviews of country programs specifically addressed gender issues and reported that the country programs had benefited women.

Environmental Costs and Benefits

Since the mid-eighties, the environment has emerged as an important cross-sectoral issue in the aid program. In response, AusAID has established environmental assessment and monitoring procedures which incorporate lessons learned over the preceding years, including those derived from four independent environment audits commissioned since 1991. The evaluation and review reports found the majority of aid activities evaluated have supported the achievement of AusAID's environmental goals and have reflected this increased emphasis on environmentally sustainable development. Some country programs were found to have a much stronger environmental focus than others.

Promotion of environmentally sustainable development was a major concern in the Philippines Country Program. A suite of projects were implemented to assist the Philippines Government to acquire information on the status of its natural resources through remote sensing, improve the management of natural resources and land utilisation, improve water and sanitation, and strengthen environmental impact assessment procedures.

The Indonesia Effectiveness Review found that the agricultural projects had significant positive environmental impacts and the Bah Balon Project was designed to address environmental concerns. However, the lack of reporting arrangements on environmental impact was criticised. Preliminary assessment of the Indonesian water

supply and related projects indicated minimal negative environmental impacts. The bridges projects were assessed as having little environmental impact.

Environmental protection and rehabilitation were prominent elements in the Thailand Country Program, especially in the rural development projects, which focused on soil erosion, salinity, flooding and land management practices. Environmental considerations played an increasingly important role in projects in other sectors. In particular, the Lignite Mines Development Project progressively included a greater focus on environmental protection.

The Bangladesh Effectiveness Review found that the World Food Program and the Food For Work Program had some negative environmental effects. The review team was concerned that, in the past, flood mitigation and road construction activities had contributed to the problem of flooding or, at best, their effects were not known. A number of activities funded by Australia addressed environmental issues in a positive way. For example, the Vulnerable Group Development program and recent Food For Work activities focussed on social forestry. It was found that non-government organisations also addressed water and sanitation issues and focussed on "environmentally friendly" social development activities.

Concern for ecologically sustainable development was a major component of the India Country Program. The evaluation found that many of the projects provided significant environmental benefits and that the incorporation of environmental awareness and benefits into the activities was one of the program highlights. The coal mining industry projects aimed to introduce clean coal technology. Site rehabilitation was a feature of the coal mine development in the Piparwar project.

With respect to the project evaluation reports, nine out of fourteen of the evaluation reports found that the projects had a beneficial effect on the environment. In four projects, environmental issues were not assessed in the evaluation reports or were assessed as having no identifiable environmental impact.

Projects which had a significant positive environmental impact were: Thailand Pichit Rural Development Support Project, Indonesia Bah Bolon Flood Control and Irrigation Project, Thailand Prince of Songkla University Project, Indonesia Institut Pertanian Bogor Project, and the Indonesia Balitvet Veterinary Research Institute Project.

A Selection of Lessons Learned

Strengthening Institutional Capacity

The success of some projects and particularly their long-term sustainability is closely linked to the institutional capacity of the organisations involved in implementation. Some project evaluations identified the lack of administrative capacity and institutional weaknesses as a constraint to project success. Also, in some countries, project implementation was adversely affected by inefficient government systems. Institutional capacity strengthening has been a core activity in several projects.

The Indonesian Institut Pertanian Bogor Agricultural Research Project found that the target institution needs to have management which is committed to the institution's development and is able to provide staff and financial support for this purpose if institutional strengthening is to occur. There also needs to be a commitment from the institution to the project objectives and an effective working relationship between Australian advisers and key staff of the institution.

The Prince of Songkla University Project evaluation found that the project design should encourage personnel to focus on the overall objective of institutional development. It found that staff development is enhanced when there is an integrated set of activities before and after undertaking overseas education and training.

Some standard approaches to institution-strengthening have been inappropriate in some cases. Removing personnel for overseas training for long periods has not always proved successful nor has capacity-building based on foreign experts and advisers always led to sustainable institutional strengthening. In the project design phase, institutional issues must be given rigorous analysis if technology transfer is to be given the greatest chance of success.

Ownership and Local Participation in Project Design and Implementation

The evaluation studies in this report demonstrate the importance of the commitment of the local community to the goals of projects. A fundamental requirement of successful projects is strong community support and the involvement of the community in the design of the project to ensure it meets the needs of the beneficiaries.

The Joint Japan-Australia Evaluation of Projects in Fiji recommended that wherever possible and appropriate, projects should involve the participation of the local community in project preparation and implementation to promote its appropriateness and success.

The Philippines Acute Respiratory Infection Project evaluation identified a number of factors relating to achieving community participation in the project. For example, an important role can be played by community health workers in health education, case findings and case management, provided sufficient resources are available for their training and supervision. The evaluation also found that health education should be provided at the community level, and not just to mothers, if it is to be fully effective. For example, children with severe pneumonia who require treatment in hospital may not receive it if members of the family/community, other than mothers, are not aware of the serious nature of the disease and the requirement for early hospitalisation.

In the Prince of Songkla University Project, the evaluation found the participation of potential project beneficiaries, at the start of research and development programs, to be critical to the wide utilisation of the research results.

The evaluation of the Thailand Pichit Rural Development Support Project found that the project designers needed to have a thorough understanding of all aspects of the rural community and their farming systems in order to be able to design an effective project which ensured local participation and community development. It noted that,

given adequate training, non-government organisations can play an effective role in the community consultation process.

The evaluation of the Pansiyagama Photovoltaic Project in Sri Lanka also noted the importance of gaining a thorough understanding of the electricity needs of the households that were beneficiaries in the project. For example, the evaluation highlighted the importance of conducting an education program for the households aimed at raising their awareness of the need to make financial provision for future repairs and replacement parts for the system.

Importance of Government Policy Measures

Several project evaluation reports identified the critical importance of the recipient government policy environment for the success of the project. The program reviews found that good governance, including government economic policies which support and promote private sector development, greatly enhances the effectiveness of all development projects. The creation by governments of a market-friendly environment, which fosters private sector development and trade, was found to be a critical factor in private sector development projects.

The evaluation of the Indonesian Institut Pertanian Bogor Agricultural Research Project found that the recipient government's policies needed to be supportive of the key objectives of the project for the sustainability of project components. Also, the project design needed to recognise the possibility of changes in government policies and their effect on institutional priorities.

Human Resource Development through Education and Training

Several evaluation and review reports identified key lessons from experience relating to the implementation of human resource development components of projects. For example, the Joint Japan-Australia Evaluation of Projects in Fiji found that projects should strongly support efforts to develop local skills through advisory services and training to reduce reliance on expatriate skills. It recommended that every effort should be made to assist retention of skilled local personnel and promote localisation.

Section 1: Project Evaluations

Indonesia Bah Bolon Flood Control and Irrigation Project

Indonesia Balitvet Veterinary Research Institute Project

Indonesia Bridge Management System Project

Indonesia Institut Pertanian Bogor Project

Indonesia Steel Bridges Project

Joint Japan-Australia Evaluation of Projects in Fiji

Philippines-Australia Technical and Vocational Education Project

Philippines Bohol Acute Respiratory Infections Research Project

Sri Lanka Pansiyagama Photovoltaic Project

Thailand Pichit Rural Development Support Project

Thailand Prince of Songkla University Project

Indonesia Bah Bolon Flood Control and Irrigation Project

DATE December 1996
AUTHORS B. Shaw, R. Anscombe, J. Kingston

Background

The Bah Bolon Project was a large project in North Sumatra with components of flood control, river management, irrigation and drainage, agriculture, institutional strengthening, training and project management. It was located in a flood-prone area with a rural population of 74,000 persons. The farmland comprised 7,600 ha of which 40% was partly irrigated producing two crops per year. Floods occurred almost annually, varying from flash floods to major floods which destroyed crops and roads. The project started in April 1984 and was completed in December 1993. The goal was to increase net farm income in the Bah Bolon delta through increased rice production and to establish a sustainable replicable model for irrigation development. Total project costs (current prices) were \$96.7 million, of which the Australian contribution was \$51 million.

Purpose and Method

The evaluation team undertook a comprehensive impact assessment which included a benefit-cost analysis based on actual costs and the inclusion of flood mitigation benefits. The evaluation addressed sustainability issues and identified lessons learned. Discussions were held with farmers, local officials, local government, business people, and project staff. Existing data was collected from various agencies. Analysis of the data yielded important economic and social trends.

Major Findings

The Bah Bolon Project proved to be successful with an estimated economic internal rate of return of 23.5%. Flood control benefits significantly exceeded expectations and enhanced rural and urban economic growth through protection of investment.

Local funding for the continued maintenance and operation of the scheme proved inadequate. To address the sustainability issue, the evaluation report recommended that the farmers' irrigation service fees be used as soon as possible for maintenance so farmers see immediate benefits and continue to support fee payments. Large projects such as this must be considered carefully at the feasibility stage to assess the impact of recipient government funding capacity on project sustainability. This project was based on Australian best practice; however a combination of Australian and local technology would have reduced costs. There was an underestimation of Indonesian capacity in both irrigation and agriculture, and evidence suggested that the agriculture component and much of the irrigation component could have been done wholly with Indonesian resources.

Lessons Learned

The evaluation identified the following important lessons from the project:

- Insufficient time and resources were allocated to the investigation of the area and the formulation of the project design and appraisal. The result was a technically good design, but gross underestimation of project costs, benefits and completion time. The addition of a more comprehensive design phase would have identified problems, contained costs and reduced delays.
- It is possible that a lower cost irrigation system which rehabilitated the existing irrigation might have been more appropriate.
- Had the project goal included flood control, the wider project benefits would have been assessed during the project design stage and a better appreciation of the importance of this project and its high level of benefits would have been gained.

Indonesia Balitvet Veterinary Research Institute Project

DATE December 1996
AUTHORS B. Shaw, R. Anscombe, J. Kingston

Background

The Balitvet Project provided institutional support from 1979 to 1990 to upgrade the research, diagnostic and reference capacity of the Research Institute for Veterinary Science, Balitvet, at Bogor, in Indonesia, through technical assistance, training and equipment supply.

The project goal was: "To contribute to a reduction in the economic loss from livestock and fish diseases in Indonesia through the development of a better understanding of the occurrence, distribution and control of such diseases."

Poor animal health severely constrained the potential of the Indonesian livestock industry to provide increased food and income. Livestock had become increasingly important to the Indonesian economy since the early 1980s and was integral to the majority of its twenty million farm households. Livestock products accounted for an increasing percentage of gross domestic production and demand for meat increased in response to urbanisation.

The purpose of the Balitvet Project was to assist in the institutional development of a national reference and research laboratory and to provide infrastructure and training support. The project commenced in 1979 and ended in January 1991 at a total cost to the Australian Government of \$21.7 million.

Purpose and Method

The objective of the evaluation was to assess the sustainability and the development impact of the project, with a view to drawing out lessons learned for the design and implementation of future projects. The evaluation consisted of two phases: a desk review of documents held by AusAID and a field mission.

Major Findings

Achievements of the project were major, including the post-graduate training in Australia of twenty-three animal scientists and the establishment of a world class animal diseases and reference laboratory. However, the highly equipped laboratory was possibly under-utilised because of weak linkages with the livestock sector farmers.

As a national veterinary research institute, Balitvet directly supported secondary laboratories throughout Indonesia, the commercial livestock sector and other government agencies. Its impact was therefore indirect, but it was considered an essential component in Indonesia's framework of animal and public health.

The evaluation team considered that the environmental outcomes of the project were consistent with AusAID's guidelines and the project implementation documents. It concluded that through its diagnostic, research and reference services, Balitvet had an important role to play in the environment. Balitvet had actively identified contaminant residues in animal products. Several research projects had beneficial environmental aspects. The project also developed an environmental management plan.

The cost-benefit analysis done in 1988 estimated an economic rate of return to the project of 31%.

Lessons Learned

The Balitvet Project demonstrated the need to ensure that projects which aim to strengthen research institutes through professional development also focus on strategies to disseminate research findings to stakeholders. The Balitvet Project was successful in creating a competent research institution but it failed to achieve its intended economic impact on the incomes of livestock owners. The project should have built the capacity within Balitvet to increase the relevance and development impact of its research program.

Livestock research projects require very careful design, appraisal and monitoring. AusAID teams carrying out these tasks should include specialists in development management in addition to livestock specialists. With regard to managing changes in the project design, the Balitvet Project demonstrated the importance of taking corrective action immediately following the identification of implementation problems. Two review reports of the Balitvet Project noted problems but no action was taken to correct the situation early in the project. As a result, the project momentum continued and there was an apparent unwillingness to change the project design.

Projects involving large amounts of training can usually benefit from a training specialist. In this project it would have enhanced training outcomes and assisted project staff to be more effective, especially in training methods and materials production. Manuals for many of the short-term training programs would have been useful.

The project design should have assessed probable future trends in the livestock industry. It would have then foreseen the development of commercial livestock production and planned project inputs to optimise services to, and income from, the commercial industry.

Indonesia Bridge Management System Project

DATE December 1996
AUTHORS B. Shaw, R. Anscombe, J. Kingston

Background

The Bridge Management System (BMS) Project was developed and implemented as an integrated and internally coherent system for bridge design and management for Bina Marga Jakarta and Provincial Bina Marga through institutional strengthening.

The project objective was to improve Bina Marga's capacity to manage its overall bridge program in a cost-effective manner. The Bridge Management System Project aimed to upgrade the skills of the personnel and the capacity of institutions to improve the management of Indonesia's bridge investment. This was to be achieved through the adoption of proper planning, investment and maintenance procedures.

The implementing agency was the Directorate General of Highways (Bina Marga) and the project was managed by the Sub-Directorate of Bridge Design in the Directorate of Road Planning.

The Australian contribution was \$25.5 million and Indonesian costs were approximately \$40 million.

The major activities of the BMS Project were the development of:

- a computerised bridge management information system including a database of approximately 25,000 national and provincial bridges in all twenty-seven provinces;
- computerised planning and programming procedures using the bridge management information system;
- new and improved procedures for other bridge management activities; and
- implementation of all bridge management procedures in the Directorate General of Highways and in the provinces through training activities.

The integrated Bridge Management System was developed by the project and was documented in a comprehensive series of manuals which were translated into Bahasa Indonesia. These manuals were also translated into a software product.

Purpose and Method

The objective of the evaluation was to assess the sustainability and development benefits of the project with a view to drawing out lessons learned for the design and implementation of future projects.

The evaluation team analysed the outputs of the project, assessed the development benefits and identified sustainability issues. The team reviewed key project documents at AusAID. During the field evaluation, discussions were held with Bina Marga Jakarta

and visits made to Ujung Pandang (South Sulawesi), which had been selected as a typical middle income province, and Provincial Bina Marga, Medan (Northern Sumatra).

Major Findings

The evaluation found the project generated very considerable economic and social benefits in relation to project costs and was very successful in developing a standardised integrated system for bridge management and design. A strength of the project was the development of comprehensive manuals covering all aspects of the system. These manuals formed the basis of the implementation and on-going development of the Bridge Management System. Indonesia is now regarded a leader in bridge management in Asia.

The main outcomes of the project at completion were:

- the development of a data inventory of 25,000 national and provincial bridges, including essential aspects of condition, value and type;
- the implementation of rehabilitation as a bridge management option;
- the adoption of a program of regular bridge inspections;
- the ability to plan and program bridge rehabilitation and replacement works; and
- the development of a computerised stores inventory control system.

Lessons Learned

The evaluation highlighted that the upgrading of a national agency to an advanced level should proceed its spread to the provinces where competencies are lower or variable. This project encountered problems because it attempted to implement the bridge management system on a nation-wide basis before it was fully developed by the national agency. Implementing the project simultaneously in the provinces through expatriate advisers proved difficult because not all components of the bridge management system were completed or available to provincial staff until the end of the project.

Indonesia Institut Pertanian Bogor Project

DATE April 1996
AUTHORS R. King , R Stokes, A. Lazenby

Background

The objective of the Institut Pertanian Bogor (IPB) Project was to increase the availability and quality of high-level human resources in the agricultural sector by improving the capacity of IPB to offer post-graduate training to staff from other Indonesian universities.

Key components of the project were to provide support to:

- the Graduate School of Administration and Management;
- the Graduate Program in Animal Sciences;
- the Graduate Program in Agricultural Economics;
- the Faculty of Science and Mathematics;
- the English language support program; and
- the Jonnol Animal and Science Teaching and Research Unit (JASTRU).

The project commenced in 1980 and was completed in 1991, at a total cost to the Governments of Australia and Indonesia of \$15.4 million and Rph 9.4 billion respectively.

Purpose and Method

The objectives of the evaluation were to:

- assess the degree to which the project achieved the objectives as stated in the design documents;
- assess the sustainability of the project; and
- identify lessons for future programming and policy purposes.

Criteria used in the evaluation included the appropriateness of design and implementation, quality of the developed programs and resources, efficiency, effectiveness, utilisation and sustainability. The evaluation involved a preliminary study of project documents followed by a field mission which involved extensive consultation with all stakeholders.

Major Findings

The evaluation concluded that the project was successful in contributing to the upgrading and establishment of significant units and programs of agricultural and science education at IPB to a level appropriate for one of Indonesia's premier institutes. There was a marked increase (from 36% in 1981 to 63% in 1994) in the proportion of IPB staff with postgraduate qualifications, to which the project made a substantial contribution in certain fields. The academic reputation and standing of the IPB was enhanced. The

project resulted in well-developed teaching resources, laboratory activities and technical support.

Lessons Learned

A number of key lessons were highlighted by the evaluation. First, the target institution needs to have management which is committed to the institution's development and is able to provide staff and financial support for this purpose. There also needs to be a commitment from the institution to the project objectives and the establishment of an effective working relationship between Australian advisers and key staff of the institution.

The target government's policies need to support the key objectives of the project for the sustainability of project components, especially the development of research facilities. Consideration needs to be given to incentives for funding and support for research activities, and to reward mechanisms for quality research work at both the government and institutional levels.

The project design should recognise policy changes occurring in the institution's external environment and the impact the changes may have on institutional priorities. Whilst it is important to focus on specific targets with project components, wider policy and development agendas, over which project personnel have no control, may well determine whether the final result is a widely used set of outcomes.

Flexibility needs to be built into the project design when targeting areas for development and change, to make it possible to work with institutional priorities and to accommodate shifts among these priorities. It is also necessary to work with agreed organisation structures in the institution.

Implementation needs to recognise the influence of change and its impact on the development of staff skills and work processes. Sufficient attention needs to be accorded to staff and process development to enable the transfer of skills to new problems and specific tasks.

Supporting resources such as library, computing and laboratory facilities, and the training of relevant supporting staff in decision-making, operation and maintenance, need to be satisfactorily funded in order to enhance the possibility of effective and sustainable outputs.

Follow-on activities, in a project with a significant staff development component involving fellowships, are necessary to ensure that maximum benefit is gained from the significant expense invested in training the fellows.

Indonesia Steel Bridges Project

DATE June 1992
AUTHORS C. Lonergan, G. Rumbogo, P. Wait, M. Pound

Background

The aim of this project was to provide Indonesia with steel bridges to assist with the upgrade of the road network which had been neglected for decades. The Steel Bridges Project provided almost two-thirds of all steel bridges in Indonesia from 1980 to 1992, under five separate contracts. Over 2,000 steel bridges, with an average bridge length of fifty metres, were constructed in twenty-four provinces, using Australian design and technical assistance. They were funded through bilateral grants and Development Import Finance Facility (DIFF) contracts. The first two activities were funded as bilateral grant projects costing \$24.4 million from 1980-84 and \$37.4 million from 1984-89. The remaining three activities were funded through DIFF/Export Finance Insurance Corporation contracts amounting to \$125.3 from 1983-92. A Bridge Management System Project, valued at \$23.9 million, was also implemented. (This project is the subject of a separate evaluation report.)

Purpose and Method

The aim of the evaluation was to assess the effectiveness of the project. This was measured by the economic benefits of the bridges, the technical performance of the bridges, environment and social impacts, the sustainability of the joint venture company, which was involved in the steel fabrication of the bridges and the commercial benefits to Australian companies as a result of the project.

The focus of the evaluation was on the following features:

- the relevance and quality of project design;
- the efficiency of project implementation;
- the impact on transport sector network development; and
- the sustainability of the bridge management system.

The evaluation team undertook an economic analysis of a selected number of bridges and conducted wide-ranging discussions with the Australian and Indonesian government departments involved in the projects, as well as with the private sector joint venture partners. It analysed reports and data supplied by these organisations. In 1991, the evaluation team visited three provinces of Indonesia to inspect various types of steel bridges located in urban areas as well as in regional centres and remote rural areas.

Major Findings

The evaluation found that the Steel Bridge projects made a significant contribution to improving land transport and successfully achieved project objectives. The projects had effected widespread improvements to the regional transport network, facilitated regional

traffic growth and supported the Indonesian Government's regional development program.

An economic analysis of a sample of bridges found wide variations in the economic rate of return, ranging from over 200% on heavily trafficked routes to less than 7% in more remote areas.

The bridge design proved highly effective because the individual steel components were easily transported and assembled and sophisticated equipment was not required for bridge erection. Bridge construction was of a high standard and bridge substructures had been generally designed and constructed in accordance with good practices. No bridge had failed due to poor quality of substructures. Many steel bridges had been well constructed by local engineers without external assistance, demonstrating their competence in bridge construction techniques.

The joint venture company formed to undertake the steel bridge fabrication in Indonesia developed into a successful company and expanded its operations to other clients, affording long-term commercial benefits to both Indonesia and Australia. The economic benefits to Australia were considerable and included direct employment from the steel bridge contracts of between 350 to 450 persons. The total employment generated was estimated to be about 1,000 persons.

Lessons Learned

Lessons highlighted by the evaluation related to:

- the substantial development benefits to be gained from commodity supply projects which are appropriately targeted and which are consistent with the recipient country's objectives;
- the value in having on-going technical assistance to support this type of project;
- the long-term benefits of requiring the Australian supplier to establish a joint venture in the recipient country to support the delivery of these projects; and
- the value-for-money benefits in ensuring the DIFF and bilateral contracts were bid for in a competitive environment.

Joint Japan-Australia Evaluation of Projects in Fiji

DATE September 1992
AUTHORS Australia: J. Bailey, J. Scougall, I. Sharp
Japan: A. Tsukahara, K. Tomono, Y. Uchida

Background

The subject of this 1992 evaluation is a joint Japan/Australia evaluation of projects in four sectors in Fiji:

- nursing education
- marine education
- fishing
- water supply

Four projects were selected for review as they were substantially completed. They represented various forms of aid, and were viewed as a source of lessons for the future. The four projects reviewed were:

1. Suva Regional Water Supply Master Plan Implementation Project, which aimed to provide an adequate distribution system from the bulk water source to the consumer and provide adequate bulk water supplies for all major concentrations of population in Suva.
2. Fiji School of Maritime Studies Upgrading Project at the Fiji Institute of Technology, which aimed to establish a fully developed marine engineering capacity to enable the School to cater for the practical and theoretical needs of students from Fiji and the region, as well as to provide them with a qualification of an internationally recognised standard. The project involved the construction of a marine engineering workshop, simulator room, three classrooms, supply of equipment and Australian staffing support for the faculty.
3. Fiji School of Nursing Project, which aimed to train nurses able to meet the changing requirements for health services in Fiji and the South Pacific region. The project involved the construction of school facilities, as well as nursing, health and educational equipment and furniture.
4. Lautoka Fishing Port Improvement Project, which aimed to modernise Port facilities to meet the needs of the fishing industry. The project involved construction of a breakwater, quay wall, boat ramp, port administration office, workshop, ice plant and ice storage shed, canteen equipment, and provision of spare parts at a cost of Y 1,312 million.

Purpose and Method

The objective of the joint evaluation was to assess the effectiveness of the four projects in meeting their planned outputs and development benefits. The evaluation involved a

detailed examination of the four projects' records and documents, briefings with donor agencies, gathering field data and joint team discussions and analysis.

Major Findings

Suva Regional Water Supply Master Plan Implementation Project

The overall performance of the project was considered satisfactory. After initial delays in the implementation of the project in 1987, due mainly to the military coup, the project was completed in 1992. During the period 1989-91, two reservoirs, three pumping stations and thirty-five kilometres of pipelines were completed and the quality of the works was generally satisfactory. During 1991 the Suva Regional Water Supply produced 28,000,000 cubic metres of treated water, which was close to the projections made in the master plan. All facilities were found to be properly maintained and the upgraded supply system achieved the objective of a twenty-four hour uninterrupted supply to the entire service area. The project produced a safe and reliable piped water supply to the community and achieved a positive effect on the improvement of health and sanitation in the Greater Suva Region.

Fiji School of Maritime Studies Upgrading Project

At the time of the evaluation, the project was not fully operational due to delays caused by the 1987 military coup. The evaluation found that the buildings provided by the project appeared appropriate, well constructed and well maintained. The number of students enrolled at the school was about 280, which was in line with projections. The benefits and beneficiaries were as predicted in the design study. Although the school had established an international reputation, the high turnover of teaching staff and difficulty in recruiting proficient instructors, were of concern in maintaining educational quality.

Fiji School of Nursing Project

The project was found to be successful in terms of its outputs and outcomes. The nurses trained by the School were nationally and internationally recognised for their abilities, which were found to be of a higher standard than the quality of pre-project nurses. The operation of the School was well organised and managed. The project was completed on schedule and the buildings provided were judged to be appropriate and generally of excellent design and construction. The equipment provided was extremely beneficial in improving nurse training and administration. Although most laboratory equipment was appropriate, in some instances it was considered to be beyond the level of sophistication required. Some of the furniture, such as beds and chairs sourced from Japan, proved to be too small for most of the nurses.

Lautoka Fishing Port Improvement Project

The evaluation found the project was successful in achieving its objectives. The buildings constructed and equipment provided were found to be appropriate in type, materials, quality and quantity. Fishing activity based at the Port grew substantially, with the number of registered fishing boats increasing from 73 boats in 1988 to 193 in 1991. The number of project beneficiaries was largely as predicted in the appraisal study. In particular, women were found to have benefited from increased income as a result of greater market activity. The government of Fiji estimated that the project benefited 10,000 people, with 1,000 people obtaining the majority of their income from Port-related activities.

Lessons Learned

The evaluation concluded that the following important lessons were learned from the assessment of the four projects.

- In preparing projects, sustainability is enhanced when:
 - preliminary studies are undertaken which include detailed discussion of sectoral issues and options;
 - post-project recurrent costs are adequately assessed during project preparation and are reflected in government to government agreements;
 - managerial aspects of the organisation are considered and appropriate training or advisory services are incorporated; and
 - the project design minimises the recipient government's post-project recurrent costs.
- Emphasis in project design and implementation should be given to promoting the role of women in development and ensuring maintenance of the environment.
- Public utilities projects should closely consider possible means of increasing the local capacity to meet recurrent costs through reasonable charges on beneficiaries.
- Wherever possible and appropriate, projects should involve the participation of the local community in preparation and implementation to promote their appropriateness and success.
- When equipment is provided, care should be taken to ensure that it is the most appropriate and that it can be serviced locally at minimal cost.
- Project design should include effective schedules and indicators for project monitoring so that changes to the project can be effected more easily and efficiently.
- Prior to project preparation, increased donor-donor and donor-recipient coordination on sectoral strategies would reduce overlapping efforts and organise resource inputs more effectively.
- Projects should strongly support efforts to develop local skills through advisory services and training to reduce reliance on expatriate skills. Every effort should be made to assist the retention of skilled local personnel and promote localisation.

Philippines-Australia Technical and Vocational Education Project

DATE June 1997
AUTHORS A. Kelly, R. Willing, M. Puzon

Background

The objective of the Philippines-Australia Technical and Vocational Project was to improve the education and training of technicians and trade persons from selected schools offering Technical and Vocational programs. At the national level, this included curriculum development, in-service training of technical teachers and administrators, preparing and disseminating learning material, organisational development, and strengthening inter-agency linkages. At the local level, it included strengthening nine Technical and Vocational schools by providing equipment, training and improved curricula. The project was implemented from 1990 to 1994 with costs of \$28.65 million to Australia and \$7.77 million to the Philippines. It focused on seven designated technologies: automotive, electronic, mechanical, welding and fabrication, civil, refrigeration, air conditioning and electrical.

Purpose and Method

The primary objective of the evaluation was to assess the sustainability and the development impact of the project with a view to drawing out lessons learned. The secondary objective was to assess the usefulness of a possible new project in the Technical and Vocational Education sector.

The evaluation team reviewed project documents to determine key issues. In the field, the team met relevant Government counterpart and implementing agencies, collected information relating to the status of activities introduced or improved by the project, and assessed the impact on target beneficiaries. The team also undertook a cost-benefit analysis, assessed the social and gender impacts, the unintended outcomes, and whether the project adhered to AusAID's environmental guidelines. The sustainability of the project was assessed, particularly in terms of recurrent cost financing arrangements, operation and maintenance of equipment, and changes to institutional capacity.

Major Findings

The evaluation found the project was developmentally effective. It had a substantial impact on the development of the Technical and Vocational Education sector. It effectively strengthened the nine schools and the National Training Centre for Technical Education and Staff Development in the designated technologies. It had a positive, though lower, impact on curriculum development in the Bureau of Technical and Vocational Education.

The project was more successful at the local than at the national level. Locally, the project Technical and Vocational Education schools were strong institutions in the designated technologies, producing technicians with improved skills better able to meet

industry requirements. Graduates obtained higher levels of employment and on average, higher pass rates in the national skills test.

Nationally, the project assisted the establishment of an operational National Training Centre for Technical Education and Staff Development to provide in-service training for staff. It offered a range of courses in the designated technologies and educational technology for a large number of Technical and Vocational Education institutions across all regions of the Philippines.

Fellowship training in Australia successfully developed a pool of teachers with improved technical skills. The teachers were direct beneficiaries of the project and provided a valuable long-term resource in the development of the Technical and Vocational Education sector.

The environment was not considered a significant issue, but the long-term impact of the project was considered positive. During the project there was a slight increase in the number of women participating in the technologies assisted.

The sustainability of the project was assessed as poor. The low level of recurrent funding provided by the Philippines Government at the time of the evaluation meant that equipment and facilities could not be maintained. To increase funding, the schools had undertaken income-generating activities, but these were considered below sustainable levels.

At the design, appraisal and implementation stages, cost projections for construction of the facilities and utilities were under-estimated. This increased the costs for the Government of Australia by 17% and for the Government of the Philippines by 50%.

Lessons Learned

The major lessons learned included:

- Alternative design options should have been examined at design and implementation stages to determine the cost-effectiveness of the delivery system and the potential for adoption.
- A structured project monitoring system should have been integrated into the design to assess the cost-effectiveness of the delivery model, the quality of training, skill levels and employment.
- Recurrent funding was critical to project sustainability. Firm counterpart government funding needs to be committed before project implementation.
- A sustainability plan needed to be developed.
- Improved planning and timing of project activities was needed.
- The program should have incorporated features to enable private as well as public institutions to participate, as the majority of graduates were from private institutions.
- There was a need for a national perspective in the development of curriculum to be applied in a wider range of schools in the public and private sectors.

Philippines Bohol ARI Research Project

DATE April 1993
AUTHORS M. Harris, P. Fradd, A. Dobson, H. Morada

Background

The objective of the Acute Respiratory Infection (ARI) Research Project was to implement and assess a pilot control program to assist the development of a national program aimed at reducing ARI in children under five years of age.

The project objectives were to:

- develop a health education program which effectively communicated messages on prevention and home management of ARI and which promoted health service utilisation;
- improve diagnostic practices of health workers; and
- assist in the development of the national ARI program by assessing the performance and impact of the ARI control program.

The project was initiated in Bohol in 1983 and continued through to 1991. The premise was that a program of treating children who had moderate to severe pneumonia with antibiotics, in a systematic fashion, could significantly reduce child mortality.

Pneumonia was the most frequent cause of death of children under five in the Philippines. The Australian Government investment in the project was \$2.25 million over the financial years 1983/84 to 1991/92.

Purpose and Method

The main purpose of the evaluation was to assess the extent to which the project achieved its objectives. The evaluation also examined the processes of project design, management and implementation, and identified lessons to be learned from the analysis. Mortality data was collected and analysed, an examination of the project impact in the Philippines at a national level and in Bohol was undertaken, and an assessment of sustainability made. Discussions were held with officials and a survey of local government health workers was conducted.

Major Findings

The project largely achieved its objectives as shown by:

- a reduction in child mortality and the incidence of severe pneumonia in the project area;
- improvements in child-carers' knowledge of ARI, improved health practices and utilisation of public health services;
- improved management of ARI cases and improved cooperation within the health system, particularly between midwives and government health workers; and

- the inclusion of local government health workers in the prevention and treatment of ARI.

Lessons Learned

The major lessons learned included:

- The important role community health workers can play in health education, case findings and case management should be recognised, provided sufficient resources are available for their training and supervision.
- Health education should be provided at the community level, and not just to mothers, if it is to be fully effective. Children with severe pneumonia who require treatment in hospital may not receive it if members of the family/community, other than mothers, are not aware of the serious nature of the disease and the requirement for early hospitalisation. Community education can alleviate this problem.
- Security of antibiotic supply is essential if an ARI program is to be effective. A public health system with the capacity for early diagnosis of ARI, but without the capacity to treat the disease will lose the respect and support of the community and will not be effective in reducing ARI morbidity and mortality.
- An adequate research management model for identifying, implementing and monitoring collaborative health research projects should be developed.

Sri Lanka Pansiyagama Photovoltaic Project

DATE October 1992
AUTHORS G. Rady, G. McColl, T. Pryor

Background

The Pansiyagama Photovoltaic Project in Sri Lanka was a pilot project to demonstrate the technical, economic and social viability of photovoltaic (PV) systems in providing basic electrical needs. The project was in a remote rural community in Sri Lanka, the Pansiyagama area in the Kurunegala district of the North West Province. The project resulted in the supply of PV systems to 1,000 households. A great number of the households were poor and a high proportion of houses were some distance from the national electricity grid. The households had previously relied on kerosene lamps to provide lighting and batteries to operate small appliances.

The National Housing Authority was the implementing agency and an Australian company was contracted to supply and supervise the installation of the equipment, transfer of technology, and train local technicians in the application of the technology. In 1988, Australia provided funds to the value of 35% of the contract value of \$1,734,661 to support the implementation of the turn-key PV systems.

Purpose and Method

The evaluation focused on:

- the development context of the project;
- the effect on the environment and community; and
- the strengths and weaknesses of the project in regard to economic, social and institutional performance.

Discussions were held with the agencies and private sector firms involved in the project. A cost-benefit analysis of the PV system's performance was undertaken.

Major Findings

The evaluation found that the project was successful and the PV systems generally operated satisfactorily and met lighting and power needs. Compared to the alternative of extending the electricity grid, the PV system seemed to be economically viable. The principal benefits arising from the use of the systems stemmed from the availability of better and safer lighting. Although the project benefits had been positive, the PV system's ability to meet the long-term electrical needs of rural households had not been demonstrated. The project resulted in a significant technical transfer through the acquisition of knowledge by personnel stationed at Kurunegala.

A number of unpredictable and complex technical problems were encountered which led to a delay in project completion. Such problems were considered an unavoidable part of the learning process associated with pilot programs involving new technologies, particularly in isolated rural areas.

Lessons Learned

The evaluation report identified the following lessons:

- Further work is needed to determine the most appropriate system configuration for future domestic PV lighting systems.
- Efforts need to be made to reduce the cost of future domestic PV lighting systems.
- It is important an independent assessment be made of any proposed PV system.
- It is important that technical personnel from the principal contractor are available on site throughout project implementation.
- Future projects to encourage domestic PV systems in rural areas should give particular attention to the problem of establishing realistic expectations about the capacity of these systems.
- A reassessment of the financing package together with a cooperative promotional campaign should be instituted to ensure that appropriate financing is available to the purchasers of PV systems.
- Issues relating to sustainability should receive further attention.
- An education program is necessary to raise user awareness of the need to make financial provision for future repairs and replacement parts.

Thailand Pichit Rural Development Support Project

DATE March 1992
AUTHORS P. Vidler, L. Studdart, M. Baell, C. Chiangmai

Background

The objective of the Pichit Rural Development Support Project was to improve the economic and social welfare of the population of the region through a series of sub-projects aimed at increasing agricultural productivity, improving land management, and improving education and health facilities. A further aim was to strengthen the capacity of relevant Thai agencies to replicate the project work in other areas of Thailand.

The project area of 56,000 ha was located in Pichit province, which had a population of 42,000 low income persons residing in fifty-three villages, 350 km north of Bangkok. The area had been progressively deforested and settled over a fifty-year period and was mainly used for crop production. The project commenced in 1984 and was formally completed in June 1989. Australia's financial contribution to the project totalled \$7.9 million and the Royal Thai Government contribution was \$6.1 million. Significant features of the project included an emphasis on shallow ground water utilisation and a strategy promoting a community-based approach to rural development.

The project included the following sub-projects:

- ground water investigation and development
- agricultural extension
- farming systems improvement
- drainage improvement
- community water supplies
- health
- education
- roads
- management and administration
- community self-reliance

Purpose and Method

The main objective of the evaluation study was to provide AusAID and the Royal Thai Government with an assessment of the extent to which the project achieved its social and economic objectives, and of the sustainability of the project. The evaluation focused on management lessons learned from the implementation of the project and the extent to which they had been institutionalised by Thai agencies. The evaluation assessed the role of non-government organisations (NGOs), as well as the effect of the project on women and the environment.

The method adopted by the evaluation team included a review of project files and reports, interviews with Australian and Royal Thai Government officials and a field visit

to the project area to assess the outputs of the project and to collect field data on the outcomes.

Major Findings

In relation to overall objectives there was a satisfactory level of achievement, with the exception of ground water development, which was considered to have significant problems. A higher level of success was observed in the sub-project access to services. The provision of services was successful and benefited most households. The transfer of technology to the farmers was poor, but the transfer to personnel in line agencies was relatively successful.

The evaluation team estimated the financial rate of return to farm labour and management was 14.9% while the economic rate of return was 7.8%.

The measurable benefits of the project were based on:

- the net value of incremental crop production resulting from irrigation and drainage investments;
- improvements in agricultural extension and administration;
- infrastructure benefits; and
- the value of improved market access resulting from new roads constructed under the project.

While the project provided other benefits, such as improved access to education and health facilities, these benefits were not quantified in the financial and economic analysis.

The evaluation team found that the social impact of the project was positive. The improved health extension program and the construction of toilets led to an improvement in the living conditions in the villages.

In the absence of systematic environmental monitoring, the team used field observations and questioning of informed officials to assess the environmental impacts. The significant development of the road system had little environmental cost. The development of an extensive electrification system lessened the pressure on forest resources for fuel production. However, the aquifer development was highly susceptible to drought, and over-pumping and farming on marginal soils was expected to be deleterious in the long term.

Lessons Learned

The evaluation highlighted that AusAID must ensure that projects are identified with a clear sectoral focus and critically question basic assumptions from the earliest stage. This project resulted from the commissioning of consultants to prepare a pre-feasibility study for an irrigation project, and despite changes in strategy, it is probably not surprising that groundwater irrigation remained a central focus in relation to production. A broader conception of the project as having a prime focus on poverty alleviation may have developed a range of alternative investments which were more effective.

Other lessons highlighted by the evaluation were:

- Institutional issues must be given rigorous analysis in the project design phase if technology transfers are to be successful.
- Effective design for participation and community development is only likely to occur when there is a thorough understanding of all parameters, and NGOs can play an effective role in this process if they receive adequate training.
- The sustainability of public infrastructure remains problematic when responsibilities and recurrent budgetary commitments are not clearly established.
- Effective project monitoring and evaluation systems should, to the greatest extent possible, be based upon and strengthen existing line agency monitoring procedures and data collection.

Thailand Prince of Songkla University Project

DATE April 1996
AUTHORS R.King, A. Lazenby, R. Stokes

Background

The Thai-Australian Prince of Songkla University Project (1982-1993) was an institutional development project aimed at developing the Faculty of Natural Resources at Prince of Songkla University. The objective was to develop the Faculty's capacity to provide agricultural education and the transfer of technology for rural development in southern Thailand. Support from Australia was \$8.2 million over a ten year period, with Thai inputs costing Baht 20 million.

The specific purposes of the project were:

- developing appropriate undergraduate and post-graduate curricula;
- planning and implementing relevant research programs;
- developing technical services for teaching and research;
- improving scientific information services for students and staff; and
- developing a training program for the upgrading of staff skills.

Phase 1 (1982-87) included curriculum development, research development, facilities development and staff training. Twenty post-graduate fellowships for staff training in Australia were funded. Phase 2 (1987-93) included activities in research and facility development, with emphasis on support for returning fellows.

Purpose and Method

The objectives of the evaluation were to:

- assess the degree to which project objectives were achieved, with specific reference to project goals at academic, administrative and management levels, as well as building the capacity of the institution;
- assess the extent to which project activities and components were sustainable; and
- identify lessons for future programming and policy purposes.

The study team reviewed project documents in Australia and undertook a two-week mission to Thailand in November 1995. The evaluation approach utilised two snapshots of the institution: (i) the status of the project at the time of completion; and (ii) the status during the site visit, two and a half years after completion.

Major Findings

The project was rated as highly successful and represented a good, sustainable project. The project made a significant and sustainable contribution to the development of the Faculty of Natural Resources as the major higher education institution in agricultural education in southern Thailand. The Faculty was found to be one of the major research

facilities in the University and its standing as an agricultural research and teaching facility was on a par with other regional agricultural university programs in Thailand. The project helped develop the Faculty to a good standard in both teaching and research and made a significant contribution to staff development and research infrastructure. It introduced a research focus and research skills which were subsequently developed further.

Project funds and inputs were generally well managed and unit costs were reasonable in most activities. The project was effective in institutional development in the long-term, because the research emphasis placed the Faculty in a strong position when research funds became available in the 1990s. It was estimated that there were about 4,800 beneficiaries of the project over a fifteen-year period. Sustained utilisation at a high level was anticipated, given growth in student numbers, ready availability of research funds, the motivation to seek research funding, and the good operational base of the facilities and resources.

There were a number of developments since the completion of the project in early 1993 which indicate that the project produced long-term, sustainable benefits. There was an increase in post-graduate education and research funding opportunities, as well as continued growth in student numbers. The Faculty of Natural Resources was very successful in building on the foundations established by the project and continued to develop staff facilities and research and add new activities. Using the project model developed through the goat program, the Faculty established a new research station for dairy cattle and pigs.

Lessons Learned

The key lessons from the project included:

- The target institution needs active and effective management, which is committed to its development and able to provide capable staff and finance.
- Project design should encourage personnel to focus on the overall objective of institutional development, with flexibility for marginal extra inputs to assist the development of new courses, programs, resources or facilities as they occur.
- If the project scope is narrowed over time, the emphasis should be on matters which will ensure income generation to enable sustained utilisation.
- Staff development is enhanced when there is an integrated set of activities before and after undertaking the overseas fellowship.
- An understanding of social, cultural and economic aspects, and the participation of potential beneficiaries is needed at the start of research and development programs if the research results are to be widely utilised.

Section 2: Program Effectiveness Reviews

Private Sector Linkages Program

Non-Government Organisation Programs

Australian Volunteer Programs

Food Aid

Australia's Bilateral Development Food Aid Program to Bangladesh

Australia's Bilateral Development Food Aid Program to Sri Lanka

Private Sector Linkages Program

DATE November 1996
AUTHORS N. Teckle, B. Shaw

Background

The Private Sector Linkages Program (PSLP) was established in 1992 and the first grants under the scheme were approved in 1993. PSLP was AusAID's primary tool for encouraging joint ventures between Australian companies and those in developing countries. It provided matching grants of up to \$250,000 to Australian companies for feasibility studies and pre-investment studies for:

- joint ventures;
- technological demonstrations of proven and appropriate technology or equipment; and
- short-term training and staff exchange in the form of secondments and work attachments.

The program's objective was to promote sustainable development and economic growth through activities linking Australian enterprises with counterpart organisations in the Asia-Pacific region. Countries eligible for assistance under the program were China, India, Indonesia, Laos, Malaysia, Pakistan, Philippines, Thailand, Vietnam, Cambodia, Fiji, Nepal, Sri Lanka and South Africa.

PSLP grants covered up to 50% of costs, to a maximum of \$250,000, with a minimum grant of \$25,000. Funds were paid on completion of the activity.

Purpose and Method

The objective of the review was to assess the extent to which PSLP achieved its objectives. The review attempted to measure the extent to which PSLP made a significant contribution to the commercial development of the activities with counterpart organisations, as well as the development benefits of the supported projects. The review consisted of three parts. The first part assessed the immediate, quantifiable developmental and commercial aspects of all completed projects, the second part involved a more detailed analysis of a sample of completed projects, and the third part reviewed the operation of the program within the Australian Government's general policy framework.

All fifty-six PSLP activities completed by 30 June 1995 were reviewed. The review was based on an assessment of information from AusAID files on the development and commercial benefits of all PSLP activities. This was supported by subsequent interviews with a sample of twenty-six Australian companies and their counterparts in Malaysia, Vietnam and China. AusAID staff involved in the scheme both in Australia and overseas were also interviewed.

Major Findings

The review concluded that PSLP was an innovative program which had promoted private sector development in the Asia-Pacific region. The review team found that the development benefits from PSLP activities had been substantial and consistent with the appraisal assessments conducted during the AusAID approval process. PSLP harnessed the expertise and capacity of Australian enterprises to work with counterpart organisations in developing countries. Significant direct benefits that were identified for the developing countries included:

- employment and income generation;
- technology transfer;
- training;
- improved management capacity; and
- improved health conditions for employees.

Indirect development benefits identified included:

- improvements in local environment conditions;
- enhanced community health; and
- more efficient use of resources.

PSLP activities made a significant contribution to the overall economic growth in recipient countries, including increased income, investment and exports. They were also an important catalyst in the development of successful linkages between commercial organisations in Australia and overseas. Income generation was the major quantifiable development benefit specified by grant recipients. Of the fifty-six companies awarded grants, fifty companies (89%) estimated there would be significant potential income generation from their activity. Of the twenty-six Australian companies interviewed, eighteen activities had already generated income increases and six anticipated significant future increases. Estimates provided to the review team indicated that sixteen activities had already achieved a total increased income of \$A26 million since the end of the PSLP activity, while they projected an increase in income of \$A56 million for the years 1996-98. PSLP had enhanced the financial and entrepreneurial commitment of Australian and recipient country counterparts to generate mutual development and commercial benefits.

In terms of sustainability, the program had been very successful, with 72% of grant funds producing strong, sustained commercial linkages in priority sectors. PSLP had enhanced the long-term commercial viability of the linkages by assisting both counterparts with the development of a more appropriate and well planned set of activities. Sufficient time had elapsed for the review team to make a firm assessment of the sustainability of the activity.

Ecologically sustainable development was addressed through PSLP. Eight activities were in the environmental management sector. A positive environmental impact was reported in 79% of activities, with 48% having a moderately important impact or better. Adherence to Australian environmental standards was seen as important, with one PSLP feasibility study aimed at lifting a planned manufacturing facility to such standards. A detailed survey confirmed a generally higher environmental impact than earlier estimated. Further, many PSLP activities demonstrated indirect positive environmental effects beyond the immediate activity.

Lessons Learned

The emphasis on commercial viability during the approval process had been a successful approach and had enhanced the development benefits derived from PSLP. Experience demonstrated that there was value in assessing the financial capacity of the Australian organisations to undertake the expected flow-on business when they apply for assistance under PSLP.

Non-Government Organisation Programs

DATE July 1995
AUTHORS I. Kershaw, R. Crittenden, P. Robertson, M. Considine, T. Newbury

Background

The subject of this review is the performance of AusAID-funded non-government organisation (NGO) Programs over the period 1988 to 1993. AusAID provided funding to Australian NGOs for 2,284 NGO projects which aimed to contribute to the sustainable economic and social advancement of peoples of developing countries. AusAID funding for the work of NGOs rose from \$20 million in 1985, to \$71 million in 1995. The number of NGOs increased significantly with particularly strong growth in support of emergency relief activities and assistance through country program areas. NGO projects were supported under a range of programs:

- AusAID/NGO Cooperation Program;
- emergency and refugee programs;
- the women in development scheme and environment funds;
- volunteer programs; and
- activities funded through country and regional program areas.

Purpose and Method

The review involved a comprehensive assessment of the effectiveness of the NGO Programs and of the relationship between AusAID and the NGOs. The main components of the review were:

- an assessment of program effectiveness;
- an assessment of the administration of NGO Programs; and
- a policy review of the role of NGOs in the development cooperation program.

The review involved a questionnaire of a stratified sample (216, or 10%) taken from 2,284 NGO projects over the review period. This was followed by an extensive program of field assessments to verify questionnaire responses for a sub-sample (twenty-six, or 12%) of the initial projects surveyed.

Major Findings

The review found that the NGO Programs had made an effective contribution towards achieving AusAID's goal of the sustainable economic and social advancement of peoples of developing countries.

The extensive survey and fieldwork conducted as part of the review provided strong evidence that a high proportion of NGO projects supported by AusAID had been successful in achieving their objectives and producing sufficient benefits to justify their costs. The survey of 216 projects and field assessments of twenty-six of these projects provided strong evidence that a high proportion of the NGO projects supported by AusAID over the review period had been broadly successful. Of the projects surveyed,

90% were rated as having satisfactory or better achievement of their objectives, and 80% of projects were rated as having generated sufficient benefits to have justified project costs. There were some areas where project performance could have been improved, including project sustainability, financial viability and the involvement of women in project planning and administration.

Australian Volunteer Programs

DATE June 1996
AUTHORS P. Fradd, G. Lombard

Background

The review examined AusAID support for programs which send volunteers overseas to work in developing countries. This support has continued for about thirty years. Funding for volunteer programs increased rapidly in the four years from 1991/92 (\$5m) to 1995/1996 (\$12m). The review examined the volunteer programs managed by:

- Interserve Australia;
- Paulian Association Lay Missionary Service (PALMS);
- Australian Executive Service Overseas Program (AESOP); and
- the Overseas Service Bureau (OSB).

Purpose and Method

The objective of the review was to assess the effectiveness and efficiency of the four volunteer programs in both achieving their specific objectives and in contributing to the achievement of the Government's overall aid objective.

The review team assessed the effectiveness and the efficiency of the volunteer programs on the basis of:

- available reports from the organisations and other overseas aid organisations;
- self-assessment profiles completed by each agency;
- surveys of returned volunteers from each agency;
- surveys of developing country employees/clients in sixteen countries in which Australian volunteers worked; and
- discussion with current and former agency personnel.

Major Findings

The review of volunteer programs found considerable variability amongst the four organisations regarding philosophy, clients and arrangements with volunteers. The review team considered that the agencies were effective and efficient in executing their responsibilities to manage volunteer programs. The agencies mostly achieved their internal aims and also effectively contributed to AusAID's overall objective of promoting social and economic development. While the AESOP program made its major contribution through the promotion of economic growth, by assisting private or publicly owned, profit-oriented enterprises, the focus of the other programs was more on the provision of social benefits through publicly owned (OSB) or church-based (PALMS and Interserve), service-oriented enterprises.

While the overall assessment of the programs was favourable, recommendations for improving the efficiency and effectiveness were made on a range of issues, such as AusAID's own volunteer policy, gender equity on boards and conditions of placement of volunteers.

The review found that the factors influencing effectiveness included the country, identification and selection of recipient organisations, flexibility of resources, availability of job descriptions/objectives, the sustainability of benefits and the impact on the environment.

More than 94% of volunteers from each agency believed that their assignments had been satisfactory or better at the personal level. More than 83% of volunteers from each agency considered that they received satisfactory or better professional benefits.

The review found that the provision of volunteers was a relatively low-cost exercise and that benefits from a placement, particularly those of a long-term nature, may exceed costs, even if the benefits were restricted to the terms of the placement. Sustainability was less of an issue if the volunteer provided expertise not otherwise available and which was essential to the efficient running of an institution or development activity, and whose skills had immediate ramifications through the community.

Lessons Learned

The review found that sustainability of benefits from assignments was expected to be variable. In respect to sustainability, it made two recommendations. First, agencies providing volunteers to work in line positions should encourage employers of volunteers, as well as the volunteers themselves, to include training of counterpart staff as part of the assignment objectives. This should promote localisation and the sustainability of benefits. Second, at the end of assignments, volunteers should be requested to report back to the agencies on the steps taken to promote sustainability.

Food Aid

DATE June 1997
AUTHORS Centre for International Economics, B. Broughton (PDM Pty Ltd), P. Fradd, A. Mitchell

Background

The review examined Australia's Food Aid Program from 1990 to 1997 and made recommendations to AusAID on the future use of food aid. The review also examined other major donors' experience of food aid. On average, over the last decade Australia spent more than \$100 million per annum on food aid. Food aid has accounted for between 6.5% and 9.95% of the total aid budget. Food aid is channelled through the United Nations' World Food Program (WFP), other multilateral agencies, non-government organisations (NGOs), and through bilateral agreements to developing countries. The review took place at a time of considerable change in the international food aid environment.

The review examined three main categories of food aid; program food aid, development food aid and emergency and relief operations. Program food aid is essentially a form of budgetary support to the recipient country, because the food is sold by the government on the local market and is used to promote general political and macroeconomic growth in the recipient countries. Development food aid uses food as a means of paying very poor people for work performed on social or economic development activities, to encourage attendance at schools or health clinics, or to participate in training activities which are designed to increase their future incomes. Emergency food aid is provided to help save the lives of people affected by natural disasters such as droughts, or because they have been displaced from their normal sources of food by war or civil strife.

Purpose and Method

The objectives of the review were:

- to assess the relevance, efficiency, effectiveness and management of AusAID's food aid programs, including the benefits accruing to Australia;
- to draw out the implications for AusAID's food aid programs of recent changes in the policy environment, including the impact of World Trade Organisation agreements, current debates on food security issues and changes in other donors' programs; and
- to recommend a framework for the future of food aid programs, including the balance between relief and development programs, and bilateral and multilateral channels for assistance, taking into account projected food aid demands and the geographic focus of Australia's aid program.

The review was essentially a desk study. It drew on papers prepared by consultants and AusAID staff and involved discussion with interested parties including the World Food Program, major NGOs and Australian commodity suppliers.

Major Findings

The review found that food aid directed to emergencies and relief operations for refugees and displaced persons was the priority use for Australian food aid. Australia's experience and the reviews by other bodies showed that emergency and relief food aid often resulted in positive benefits to the target groups. The demand for food aid in emergencies and relief operations was unlikely to diminish substantially in the foreseeable future. The WFP was recommended as the preferred channel for emergency food aid. The review recommended greater assistance for emergencies and relief operations through cash contributions, with Australian-sourced food only being used when it was cost-effective to do so.

Australian-supported development food aid projects funded through multilateral contributions to WFP were generally successful. However, the review found that development food aid was sometimes employed in activities where it was not the most appropriate means of promoting development. The review recommended that AusAID should specifically target development project food aid towards the poorest groups in recipient countries, through projects which aim to improve the groups' nutrition.

The review recommended that Australia should only provide program food aid in special circumstances and with great care. Australia has currently only one such program, and this is expected to be phased out. The objectives of this type of food aid include freeing up foreign exchange, assisting governments to balance their budgets and stabilising food prices in periods of rapid inflation. The review found that in some circumstances program food aid may be an effective means of promoting macro-objectives if the counterpart funds it generates are closely integrated into a structural adjustment reform program supervised by agencies such as the World Bank or the International Monetary fund.

The review noted the constraints imposed on the aid program by Australia's commitment to the Food Aid Convention. Under the Convention Australia has agreed to provide annually a minimum of 300,000 tonnes of wheat or wheat equivalent in food aid. The review recommends that this commitment of food aid be reduced to increase flexibility in the aid program.

In regard to the sourcing of food, the review noted there are often advantages in purchasing food in developing countries in the region where it is to be used. The reduction in costs of shipping and overland transport means more food aid can be purchased for the same financial contribution with shorter delivery times.

Australia's Bilateral Development Food Aid Program to Bangladesh

DATE March 1992
AUTHORS G. Rady, J. Remenyi, M. Thomas

Background

The subject of this review is Australia's Bilateral Development Food Aid Program to Bangladesh over the period 1979 to 1991. The objectives of this program were primarily humanitarian, focused on food security and poverty alleviation. The program activities aimed to assist meeting the food needs of the poorest groups in the community and contributing to the long-term social and economic development of these groups. From 1984 to 1991, Australia provided between 50-60,000 tonnes of wheat annually to Bangladesh. The wheat was used as a direct input into two poverty-targeted programs, the United Nations World Food Program (WFP) and Vulnerable Groups Development Program, with only a proportion of the food aid being monetised to support the programs. Most of the assistance Australia provided through the WFP was allocated to development projects under Food-for-Work schemes. These projects included rural road-building activities, construction and repair of flood and cyclone protection embankments and canals.

Purpose and Method

The main objective of the review was to analyse AusAID's experience in using food aid as a form of bilateral development assistance to Bangladesh in terms of its relevance, effectiveness and impact on sustainable development. Also, the review was to recommend improvements to the effectiveness of the program.

The review involved:

- an examination of relevant files, documents and reports;
- discussions in Bangladesh with representatives of relevant government departments, other major development food aid donors, WFP, United Nations and other international organisations, including the multilateral development banks, international and Bangladesh-based non-government organisations (NGOs), national research institutes, and leading researchers in food policy and general development policy;
- collection of data on the impact of Australia's and other major donors' food aid programs on Bangladesh;
- revision of recent reports on other donors' food aid programs, WFP, the Bangladesh food sector, the constraints on and potential for expanding food production, and food aid policy;
- field visits to 'Food For Work' projects and Vulnerable Groups Development programs; and
- discussion of the preliminary findings of the review with AusAID, WFP and representatives of the government of Bangladesh.

Major Findings

The review found that the Bilateral Development Food Aid Program was effective in meeting its objectives, was efficiently managed, and generated the intended development benefits. It was particularly suited to assisting the poorest groups achieve self-reliance.

Australian food aid had made a substantial contribution to food security among nutritionally vulnerable households in Bangladesh. The delivery of Australia's food aid program using WFP as the implementing agency proved to be cost-effective and efficient. The contract with WFP enabled AusAID to gain access to the expertise and comparative advantage of the WFP in managing food-assisted development. Australia benefited greatly from its association with WFP in Bangladesh. Although the program performed well over the review period, the review identified areas for improvement and recommended a set of measures to achieve this.

Food aid was seen by the review as the beginning of a long-term comprehensive human resource development program to generate sustainable development. Successful graduation into supporting programs was seen as a critical factor in the success of food aid programs.

Sustainability and environmental benefits could be increased by expanding the list of projects to include environmentally friendly activities consistent with sustainable development, such as social forestry and small scale fisheries. In addition, the use of food aid could be used to support the non-formal training of secondary school girls and young female heads of households in literacy, numeracy, primary health and income generating skills. Flexibility of this sort was the main way food aid could support human resource development amongst the poor.

Lessons Learned

The review highlighted the following lessons:

- NGOs proved themselves effective delivery agents of food-assisted development. Collaborative initiatives with NGOs offer considerable potential for improving the effectiveness of the Food Aid Program.
- The delivery of food aid through projects designed to utilise food increases the effectiveness of food aid as a development source.
- Prompt monetisation of food aid is an important indicator of program efficiency, as it reduces the devaluation of funds caused by inflation.
- 'Food-For-Work' projects in construction, road embankment maintenance and canal earthworks would be more effective if they target activities that involve female workers in maintenance work.

Australia's Bilateral Development Food Aid Program to Sri Lanka

DATE October 1992
AUTHORS G. Rady, J. Remenyi, B. Broughton

Background

The subject of this review is Australia's Bilateral Development Food Aid Program to Sri Lanka over the period 1979 to 1991. The objectives of this program were primarily humanitarian, focussing on food security and poverty alleviation. The program activities aimed to help meet the food needs of the poorest groups in the community and contribute to the long-term social and economic development of these groups. Australia contributed about 5,000 tonnes of wheat per annum. The wheat delivered was milled into flour in Sri Lanka, then monetised through the public grain distribution system. The counterpart funds generated were intended to be used to support mutually acceptable projects or activities.

Purpose and Method

The main objectives of the review were to analyse AusAID's experience in using food aid as a form of bilateral development assistance to Sri Lanka and to recommend ways to increase the effectiveness of the program.

The review team undertook the following activities:

- discussions with representatives of major food aid donors, the WFP and other UN organisations involved in food aid, appropriate recipient government departments, international and recipient country non-government organisations (NGOs), national research institutes, and leading researchers in the fields of food policy, general development policy and food production;
- examination of relevant files, documents and reports;
- collection of data on the impact of bilateral development food aid programs of Australia and other major donors;
- revision of recent reports analysing either the recipient country's food sector, the potential for and constraints on food production, or food aid policy;
- discussions with AusAID and representatives of recipient countries on the preliminary findings; and
- discussions in Australia with relevant, interested organisations.

Major Findings

The review found that the Food Aid Program in Sri Lanka made a valuable contribution to improved food security by:

- reducing the upward pressure on wheat flour prices;
- supporting a more rational approach to the policy of food self-reliance;
- assisting lower income households especially in the estate sector and rural areas; and
- releasing scarce foreign exchange to support commercial imports.

The positive impact of bilateral development food aid achieved at the macroeconomic level was not achieved to the same extent at the microeconomic level. There were delays in allocating the funds gained from the sale of wheat to development projects. The failure to draw down these funds was largely attributed to Australia's requirement that all funds generated be allocated to 'specific' development projects.

The program had a history of administrative concerns, including a tardiness in notification of sales details and the inability of some of the implementing agencies to spend allocated funds and the resulting delay in confirming the acquittal of funds allocated to these agencies.

Lessons Learned

The review found that it was counter-productive to require that counterpart funds generated from the sale of wheat be allocated to specific development projects. Untied budgetary support coupled with a more macroeconomic approach to monitoring and assessment could have been a more effective alternative than allocating funds directly to specific projects and activities. An important benefit of this approach is that it would have reduced the administrative costs associated with accounting for the use of counterpart funds allocated to specific projects. Third parties, such as multilateral agencies and Australian or indigenous NGOs may have been considered partners in the identification, planning and implementation of such projects.

Section 3: Reviews of Effectiveness of Country Programs

Bangladesh

India

Indian Ocean Island States

Indonesia

Malaysia

Philippines

Thailand

Bangladesh

DATE October 1995
AUTHORS P. Fradd, S.Gordon, M. Wybrow

Background

This review examined the effectiveness of the Australian Development Cooperation Program with Bangladesh during the period 1989/90 to 1993/94. Over the review period, Australian development assistance amounted to approximately \$122 million, with considerable fluctuation between years. The main focus of the program was on assistance for poverty alleviation and food security, health and population planning, and human resource development.

More than 80% of Australia's assistance to Bangladesh was focused on direct poverty alleviation through the social sector, and more than 80% of assistance within this sector was allocated to food aid. Within the social sector, there was significant expenditure on the multilateral Population and Health Program, support for non-government organisations (NGOs) and training conducted in Australia. The only major infrastructure activity was the Biman Aircraft Hanger Project, which accounted for 32% of expenditure in 1989-90. There was also expenditure on emergency assistance and in the agriculture sector. Most aid was delivered through NGOs and multilateral agencies.

Purpose and Method

The Country Effectiveness Review aimed to assess the effectiveness of the Development Cooperation Program with Bangladesh. The review based its assessment on data and consultations with Australian and Bangladesh Government officials, project personnel, multilateral agencies and NGOs.

The review assessed the following:

- progress in initiating, implementing and completing activities;
- the extent to which activities achieved their objectives;
- the extent to which the target beneficiary groups derived the planned benefits;
- the sustainability of activities;
- the impact on economic and social development;
- the extent to which the program assisted the achievement of Australian foreign policy; and
- commercial benefits to Australian companies.

Major Findings

The review found that Australian aid activities had been largely successful in promoting social development and generating economic benefits. Independent reviews of Australian food aid delivered through the World Food Program (WFP), found that these activities were high yielding and effective in increasing the incomes of the poor. Economic benefits were generated from several activities, primarily the Biman aircraft hanger project, and infrastructure projects constructed under the WFP 'Food-for-Work'

projects. The 'Food-for-Work' projects had been transformed, with greater emphasis placed on establishing sustainable sources of income for local villages, for example, by establishing fish ponds and social forestry through NGOs. Australian support for a major wheat research project played a major role in helping Bangladesh towards the long-term goal of market self-sufficiency in wheat.

While institution-building activities in the National Institute of Preventive and Social Medicine had been delayed, Australia's support for activities targeted at vitamin and iodine deficiency had a positive impact.

The single Development Import Finance Facility activity in Bangladesh – \$18.8 million in support for the Biman aircraft hangar – had generated economic benefits over three times the value of the investment.

The Small Activities Scheme and Direct Aid Program activities evaluated by the review team were found to have been well implemented, well-targeted and sustainable. Also, the Government of Bangladesh placed a high value on the benefits of Australia's training programs.

Australia, together with other donors had encouraged the Government of Bangladesh to implement economic policy measures designed to provide a more favourable market environment for private sector investment and growth. This policy dialogue had led to major improvements in macroeconomic policy and microeconomic reform programs supporting private sector development.

India

DATE 1995
AUTHOR P. Fradd, M. Wybrow, S. Gordon

Background

This review examined the effectiveness of the Australian Development Cooperation Program with India from 1989 to 1994. From 1991 to 1994, the specific objectives of the India Country Program were to meet the priority development needs of India, while fostering mutually beneficial economic links in areas in which Australia had special expertise and internationally competitive technology. Over the review period, Australian development cooperation with India amounted to approximately \$125 million. More than 60% of this was directed towards support for India's emerging mining industry. Social infrastructure activities, including significant investment in human resource development, made up most of the rest of the program.

At the time of the review in 1994, many of the major activities were still in a formative stage or at an early stage of implementation. Only two major projects were completed, namely the Steel Authority Training Project and the Remote Sensing Project.

Purpose and Method

The review assessed the extent to which the program:

- promoted sustainable economic and social development in India, with a special focus on poor groups and community participation;
- responded to Australia's humanitarian concerns;
- promoted Australia's commercial interests; and
- supported Australia's foreign policy interests.

The Country Effectiveness Review aimed to review the entire Development Cooperation Program with India. The review assessed progress in initiating, implementing and completing activities: the extent to which activities achieved their objectives; the extent to which the target beneficiary groups had derived the planned benefits; the sustainability of activities; and the impact on economic and social development.

Major Findings

The review team assessed the balance of the program with India as appropriate. The focus on growth areas such as extractive industries, where Australia had special expertise, maximised the benefits of the program. This strategy made a real contribution to India's long-term economic growth potential, laying a basis for a sustained attack on poverty. At the same time, more than 30% of the program was devoted to social infrastructure and direct poverty alleviation. This addressed more immediate, short-term humanitarian concerns. Activities directly targeting poverty alleviation were assessed as effective.

Studies found the World Food Program activities supported by Australia to be largely effective in assisting the sustainable social development of the poor. AusAID disbursement rates were higher than other donors' and large potential benefits were identified, particularly in the extractive industries and training programs. The major Piparwar Coal Mining Project demonstrated the efficiencies achievable through the use of Australian technology and management expertise.

The establishment of new economic links and commercial spin-offs from the program was a secondary objective. At the time of the review it was too early to assess the full commercial benefits but the returns were assessed to be significant and were expected to grow as the Indian economy underwent further liberalisation.

Indian Ocean Island States

DATE November 1993
AUTHOR P. Fradd

Background

This review examined the effectiveness of the Australian Programs of Development Cooperation with the Comoros, the Maldives, Mauritius and the Seychelles over the period 1987 to 1993. The objectives of the programs during this period were to contribute to sustainable social and economic development, as well as to support Australia's foreign policy and commercial interests.

The Australian Development Cooperation Programs with these states totalled \$50.8 million over the review period. The largest component of these programs was food aid, which amounted to 32% of the total aid. The Maldives, Mauritius and the Seychelles also had access to in-Australia training and commodity assistance. Three sizeable projects were the development of the Gan airport in the Maldives, health services in Mauritius and dental health in the Seychelles.

Australian aid to the region over this period had some common elements. However, aid to the Comoros differed from that given to the other three countries. Australia last gave "programmed" aid to the Comoros in 1987/88, after which bilateral food aid was cancelled. After that time, assistance to the Comoros was restricted to food aid (mainly rice) provided at the request of the World Food Program (WFP).

The aid programs to the Maldives, Mauritius and the Seychelles included three common elements: food aid, training and the Commodity Assistance Program (CASP). Food aid, provided as bilateral food aid to Mauritius and the Maldives, and through WFP to Mauritius and the Seychelles, was the largest component of the programs over the review period. Training, mainly through the sponsored training program and the student subsidy, was the second largest component common to these three countries over the review period, while CASP was the third.

Purpose and Method

The Effectiveness Review aimed to assess the whole Development Cooperation Programs with these states. The review assessed the level of achievement of the following:

- progress in initiating, implementing and completing activities;
- the extent to which activities achieved their objectives;
- the extent to which the target beneficiary groups had derived the planned benefits;
- the sustainability of activities; and
- the impact on economic and social development.

Major Findings

The review found Australia's Development Cooperation Programs with these states had been mostly effective in promoting social and economic development over the review period. This was particularly apparent when Australian aid was focused on a specific sector. For example, Australia played a major role in the development of primary education in the Seychelles, through the provision of materials, training and staff assistance. Similarly, the dental health project trained sufficient dental health therapists for the entire Seychelles and resulted in marked improvements in dental health, particularly among school children.

The aid provided was used to good effect, despite the difficulties associated with implementing activities with very small bureaucracies on remoter islands. Insufficient attention was paid to poverty alleviation, to ensuring that the programs adequately addressed the needs of women, and to environmental concerns.

Food aid suffered from a slow rate of disbursement and occasionally a low price was paid for it when it was monetised. It is possible that its provision may have inhibited the development of a locally-based food supply.

Food aid and CASP provided direct benefits to Australian suppliers of goods through the purchase of these goods by the Australian aid program. Food (wheat, wheat flour and rice) was produced in Australia, while goods purchased under CASP had a high Australian/New Zealand content. With respect to food aid, there were additional commercial benefits where the money raised by monetisation of the food was used to purchase goods from Australia.

Indonesia

DATE November 1992
AUTHORS D. Ferris et. al.

Background

The subject of this review is Australia's Development Cooperation Program with Indonesia as at 1990/91, when total Australian assistance was \$105 million. The activities in the program were grouped into three main components: human resource development, including assistance to Indonesian students for study in Australia; the country program; and the Development Import Finance Facility (DIFF). The aim of the program was to promote the economic and social development of Indonesia in response to Australia's humanitarian concerns, as well as its foreign policy and commercial interests.

Purpose and Method

The aim of the review was to assess the effectiveness of the Australian Development Cooperation Program with Indonesia in meeting its objectives.

The review team evaluated the appropriateness of the Country Strategy Paper for achieving these objectives and whether the activities undertaken were consistent with the strategy. The review assessed whether the activities were efficient and effective, particularly in relation to the following types of activities:

- targeting poor areas;
- raising incomes of poor groups;
- addressing the concerns of women in development; and
- promoting environmental objectives.

The main activities undertaken as part of the review included:

- a review of relevant AusAID files and policy documents;
- consultation with relevant agencies, including other government departments;
- discussions with AusAID officers; and
- a survey to identify the commercial benefits to organisations which had participated in the Development Cooperation Program.

A field mission was undertaken to interview Indonesian planning authorities, line agencies associated with the program, other donors and project managers. Individual activities were given a rating for development effectiveness. The criteria used were achievement against project objectives, development benefits and sustainability.

Major Findings

The review found that seventeen of the twenty-one major activities reviewed had been developmentally effective. These activities represented \$452 million of project expenditure and annual expenditure of \$17 million on the sponsored training program. Four out of the seventeen effective activities were rated as highly effective. The

program was strongest in meeting development objectives in the areas of human resource development, water supply and agriculture in the poorer eastern provinces. Activities in secondary level technical and vocational education had also been successful.

Projects with a direct poverty focus were among the most successful. In 1989/90, activities which directly targeted poverty alleviation accounted for 21% of total expenditure.

The program generated significant commercial returns to Australia. It was estimated that \$413 million of project and DIFF expenditure led to the purchase of Australian goods and services worth an estimated \$663 million. While DIFF activities were more effective than any other part of the program in generating short-term commercial returns to Australia, their performance in terms of development effectiveness was mixed. Some DIFF Projects did not score highly with regard to effectively addressing Indonesian development priorities.

From a foreign policy perspective, the Development Cooperation Program strengthened the bilateral relationship between Australia and Indonesia.

Malaysia

DATE April 1994
AUTHORS I. Kershaw

Background

This report reviewed the effectiveness of the Australian Development Cooperation Program with Malaysia over the period 1988 to 1993. Malaysia was a major recipient of Australian aid during this time, receiving a total of \$172 million in Australian assistance. In 1992/93, Malaysia was the seventh largest recipient of Australian development assistance, with a program of \$37 million. However, as Malaysia's rapid industrialisation continued, and its need for development assistance decreased, the program was progressively reduced.

The Malaysian Program was distinguished by the dominance of student support programs with a large number of students studying at Australian universities. The student subsidy for private students totalled \$10.5 million, or 40% of the program in 1991/92. A further 43% was taken up by student scholarship programs. The remainder of the program was allocated to technical cooperation projects, assistance to regional programs and non-government organisations, and expenditure under the Development Import Finance Facility.

Purpose and Method

The review assessed the extent to which the program met its objectives, which were to:

- promote the sustainable economic and social development of Malaysia, with a special focus on poor groups and community participation;
- respond to Australia's humanitarian concerns;
- promote Australia's commercial interests; and
- support Australia's foreign policy interests.

The review collected information through a desk review of documentary sources and an extensive program of interviews.

Major Findings

The review found that the program contributed to Malaysia's social and economic development and strengthened Australia's political and economic links with Malaysia. The strong emphasis of the program on higher education supported the high priority accorded to human resource development in Malaysia's national development plans.

Educational assistance established a sound reputation for Australian universities, and formed the foundation for much of the export of Australian tertiary education services developed in recent years. Malaysian students regarded Australian universities as an appropriate destination for their tertiary studies.

The review addressed the issue of reducing the Development Cooperation Program, with a view to Malaysia's graduation. From more than \$64 million in 1984/85, total Australian development assistance to Malaysia had dropped to \$37 million by 1992/93. At the time of the review, both the scholarship programs and the technical cooperation projects were expected to conclude within a few years. The review found that these developments had been expected for some time and had been accepted by the Malaysian Government. However, the graduation process for Malaysia had been somewhat unsteady, in part because of fundamental changes in the external policy environment. Although the aid graduation process had from time to time required some adjustments from both sides, AusAID-funded cooperation activities had helped foster mutual respect and economic cooperation.

Lessons Learned

The review highlighted the following lessons:

- the difficulty of assessing the effectiveness of the program in the absence of previous reviews or evaluations;
- the need for in-built monitoring and evaluation mechanisms if any meaningful evaluation is to be conducted of student scholarship programs; and
- the need for the aid graduation process to be actively managed over the long-term, paying attention to total aid flows.

Philippines

DATE November 1993
AUTHOR P. Fradd, R. Lloyd, R. Owen-Jones

Background

This report reviewed the effectiveness of the Australian Development Cooperation Program with the Philippines over the period 1987-93, involving approximately \$243 million of AusAID funds. The primary objective of the program was to contribute to sustainable and more equitable social and economic development in the Philippines, with a special focus on poor groups and community participation. A secondary objective was to promote commercial and other relations between Australia and the Philippines. Projects funded under the program were in areas such as health, natural resource development and agriculture.

Purpose and Method

The purpose of the review was to examine the effectiveness of the Australian Development Cooperation Program with the Philippines in achieving its objectives. The review assessed the extent to which the program:

- promoted sustainable economic and social development in the Philippines, with a focus on poor groups and community participation;
- responded to Australia's humanitarian concerns;
- promoted Australia's commercial interests; and
- supported Australia's foreign policy interests.

Information for the review was obtained through a desk review of documentary sources, an extensive program of structured interviews in Australia and the Philippines, and a tracer study of 100 returned sponsored students. The desk review was based on existing project evaluations and sectoral reviews, relevant project documents and interviews with AusAID staff, other government departments, non-government organisations (NGOs), Philippines government officials, project personnel and other donors.

Major Findings

The review found that the program achieved its primary objective of contributing to social and economic development, and had mostly achieved its secondary objective of promoting commercial and other relations between Australia and the Philippines. One example of the successful projects funded by Australia was the installation of the Mt Pinatubo Geographic Information System (GIS). Using the GIS, disaster relief personnel obtained information necessary to deal with the problems caused by the eruptions of Mt Pinatubo.

Australia's foreign policy interests were promoted through the Philippines Assistance Program which provided support for improving human rights, strengthening democratic institutions and introducing economic reforms and trade liberalisation. Training conducted in Australia both enhanced skills and promoted a better understanding of

Australian culture amongst trainees. The program promoted Australia's commercial interests by increasing the demand for Australian goods and services, particularly in the education sector. Due to fiscal constraints on Philippines Government departments, the sustainability of activities subsequent to the completion of Australian assistance was a major concern.

Lessons Learned

The review examined a range of activities and approaches which had been implemented to increase the sustainability of the program. Many of these approaches appeared to be successful. The activities to promote sustainability were designed to:

- strengthen government institutions without increasing their recurrent cost financing requirements;
- promote community participation and ownership to encourage community maintenance of facilities developed under a project, rather than dependence on government agencies;
- fund NGOs which promote development independently of government institutions;
- assist agencies to implement a 'user pays' market for their products to supplement their government funding; and
- include the development of in-house training capabilities to enable replacement of key staff leaving the institution concerned.

Thailand

DATE December 1992
AUTHORS P. Greener, P. Fradd, Dr Kronkaew, M. Admans

Background

This report reviewed the effectiveness of the Australian Development Cooperation Program with Thailand over the period 1986-92. During the review period, official development assistance to Thailand averaged \$33 million per year, making Australia the fourth largest donor. Over this period there was a shift in emphasis within the program, with increasing emphasis given to activities which promoted the broad political and trade relationship between Australia and Thailand.

During the review period, the program focused on agriculture, education, transport, energy and development planning. A large proportion of the program was delivered in the form of projects, including several projects co-financed with the World Bank. The program targeted key constraints and developmental priorities. Rural development projects addressed rural poverty and income inequality, environmental degradation and deforestation. Other projects addressed infrastructure bottlenecks in the energy and transport sectors, skills shortages, and the need for improved technology and management systems for development planning.

Training, institutional strengthening and technology transfers were prominent elements of the program. Technical assistance through the use of long-term Australian advisers was a feature of many of the projects.

Purpose and Method

The review assessed the extent to which the program:

- promoted sustainable economic and social development in Thailand, with a special focus on poor groups and community participation;
- responded to Australia's humanitarian concerns;
- promoted Australia's commercial interests; and
- supported Australia's foreign policy interests.

Information for the review was obtained through:

- a desk review of documentary sources;
- a field mission including an extensive program of interviews;
- a telephone survey of involved Australian companies;
- a tracer study of returned sponsored trainees; and
- interviews with relevant people within AusAID, other government agencies, Thai Government, other donors and project personnel.

The desk review was based on existing project and sector reviews and evaluations, interviews with AusAID staff, and other material available in Australia. The commercial survey included Australian companies and organisations which had been

involved in the delivery of the program to Thailand, to ascertain the extent of commercial returns and spin-offs from the program.

Major Findings

The review found that the program had operated effectively and had reflected closely Thailand's major developmental priorities, notably in rural development and human resource development. The most successful areas were in education and training, land resource planning, and the energy sector. Recent rural development projects had learned from past experience and were also making valuable contributions.

One outstanding success in promoting Australian commercial interests was the Lignite Mines Development Project (LMDP), assisting the development of the Mae Moh lignite mine in Northern Thailand. Over \$200 million of commercial business had come to Australia from the Mae Moh mine and associated works. The LMDP project was highlighted as an excellent example of mutual benefits accruing through development cooperation.

In-Australia scholarship programs had expanded rapidly in the last few years of the review period. In 1992, there were over 500 Thais undertaking long-term, formal training in Australia under AusAID sponsorship. Completion rates under AusAID awards exceeded 90%, and Thai students had developed a good reputation for scholarship in Australian institutions, despite initial language difficulties in some cases.

Australian advisers developed a good reputation for hands-on expertise and willingness to work closely with counterparts. These advisers contributed strongly to the Australian identity of projects.