

RESULTS International Australia

Response to Consultation Paper on Performance Benchmarks Australian Aid

Introduction

RESULTS International (Australia) an international, non partisan, grassroots advocacy organisation, whose members work with their Federal Parliamentarians and through the media to generate the public and political will to end poverty.

RESULTS welcomes the opportunity to provide a response to the Consultation Paper on *Performance Benchmarks for Australian Aid*, as undertaking appropriate measurement of the impacts of Australia's aid, and reporting these results, is essential in increasing public confidence that the Australian aid program is achieving its goals.

In developing these benchmarks, it is essential that most benchmarks focus on the development outcomes to which Australian aid has contributed, rather than on the adoption of particular policies or processes. A focus on development outcomes will ensure that performance measures are relevant to the overall objectives of the aid program, and will also allow flexibility in how partner countries and organisations work towards achieving these objectives.

At the whole of aid program level, and also at the level of each country or global program, it will be important to have two types of development outcome indicator:

- *Long-term development outcomes*, such as: increased per capita income levels; reduced numbers of people with an income below the national poverty line; improved skills and literacy in the population; reduced child mortality rates; increased life expectancy; and reduced incidence of diseases related to poor sanitation.
- *Interim outcomes from programs or projects*, such as: completion of a certain number of years' education; improved performance in standard education tests; proportion of children immunised; proportion of people diagnosed and treated successfully for infectious diseases; and the proportion of people with access to clean water and safe sanitation.

The interim development outcomes are more likely to demonstrate results in a shorter period and also be attributable to development assistance programs.

Performance Benchmarks

The Consultation Paper suggests that performance benchmarks can be applied at four levels:

- The whole-of-aid program level.
- At the country program or global program level.
- At the partner government or implementing organisations level.
- At the project level.

Whole of Aid Program Level

As noted in the introduction, the benchmarks for the aid program overall should include the contribution of Australian aid to long-term development outcomes, such as: increased per capita income levels; reduced numbers of people with an income below the national poverty line; improved skills and literacy in the population; reduced child mortality rates; increased life expectancy; and reduced incidence of diseases related to poor sanitation.

The basis for the long-term development outcomes that could be included in benchmarking would be internationally-agreed objectives, such the current Millennium Development Goals, and the successor goals expected to be adopted for the post 2015 period.

These long-term benchmarks could be used to assess the achievements of aid program over longer periods (such as 5 to 10 years). For shorter term reporting, it will also be important to report on the contribution of Australian aid to achieving interim outcomes, such as: completion of a certain number of years' education; improved performance in standard education tests; proportion of children immunised; proportion of people diagnosed and treated successfully for infectious diseases; and the proportion of people with access to clean water and safe sanitation.

In collecting information to assess achievement of these goals, the Australian Government should make use of existing data collection by either partner governments or multilateral organisations, to avoid duplication in collecting information from partner governments and organisations. In addition, original data collection and assessments may be necessary to demonstrate the contribution of Australian-supported programs.

Country or global program level

For country programs, it is important for benchmarks to indicate how Australia's aid is contributing to long-term development outcomes for each country, taking account of the impact of aid from other donors and the policies of partner governments. For annual reporting purposes, the contribution of Australian aid to achieving interim development outcomes will be more relevant.

Partner Governments or implementing organisations

In general, the assessment of the performance of partner governments or implementing organisations should also focus on how these partners are contributing to progress in achieving development outcomes, rather than the adoption of particular policies or practices by the partners. An exception would be in the assessment of aid to improve governance, where the objective of the aid program is to improve policies and processes. For governance projects, benchmarks would focus on how the changes are improving government effectiveness and responsiveness to the public, more than on the process of reorganising government agencies or developing particular legislation.

Projects

At the project level, the focus of benchmarks would be on achieving interim development outcomes, as these outcomes can be more readily attributed to a project. The type of data included in benchmarks would need to be available on a timely basis, to provide a basis for corrective action if a project is falling short of its objectives.

Budget implications

The Consultation Paper refers to linking growth in the overall aid program, and also the allocation of aid among different programs and projects, to the achievement of benchmarks.

In the period to 2016-17, when the aid program is expected to be just maintained in real terms, it would not be desirable to link funding for a portion of the aid program to the achievement of benchmarks, unless the Government were to propose providing some supplementary growth funding in this period linked to demonstrated effectiveness of aid.

If Australian aid is to resume stronger growth following 2016-17, it may then be appropriate to link part of the growth in the program to the achievement of specified development outcomes.

It would be more appropriate to use performance against benchmarks to reallocate funding among different country and global programs, and different projects. However, it would also be valuable to adopt a staged approach to reallocation of funding. For example, if a multilateral agency or a project were found to be falling short of key benchmarks, the initial response would be to seek some corrective action. A subsequent decision to reduce funding for the agency or to cancel a project would occur only if this action is insufficient to correct the shortfall.