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Department of Foreign Affairs and Trade

Gearing Up for Trade: Australia's support for trade facilitation programs

Presenters:

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Presentation structure

I. Introduction and background

- Why?
- Purpose and scope
- Key evaluation questions
- Investments examined

II. Methodology

- Steps and methods
- Theory of Change
- Case Studies
- Comparing to good practice

III. Evaluation findings and recommendations

- Key findings and integrated framework
- Key recommendations
- Evaluation utility





I. Introduction and background

Why Evaluate Aid for Trade?



1. Timely due to release of DFAT's Aid for Trade strategy (June 2015)
2. Australia's commitment to increase its aid for trade investments to 20 % of official development assistance by 2020 (key priority of Australia's development policy)
3. Inclusion of aid for trade in the Sustainable Development Goals
4. Part of ODE's workplan approved by the Independent Evaluation Committee
5. Sufficient interest shown by DFAT program areas and need for evidence base
6. Good practice
7. No previous assessment or review had been done on aid for trade



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Purpose

- › To evaluate the effectiveness of Australia's support for trade facilitation investments including the extent to which they have improved the capacity of the recipient government, enhanced international trade, and promoted gender equality.
- › The lessons will inform future investment designs and help improve performance measurement.

Scope and focus

- › Limited to trade facilitation and technical assistance and related systems, policies and regulations of DFAT's recent Asia-Pacific investments (a sub-set of Aid for Trade)
- › In-depth analysis of four DFAT investments but framed by a global perspective of good practice

Team composition and timeframe

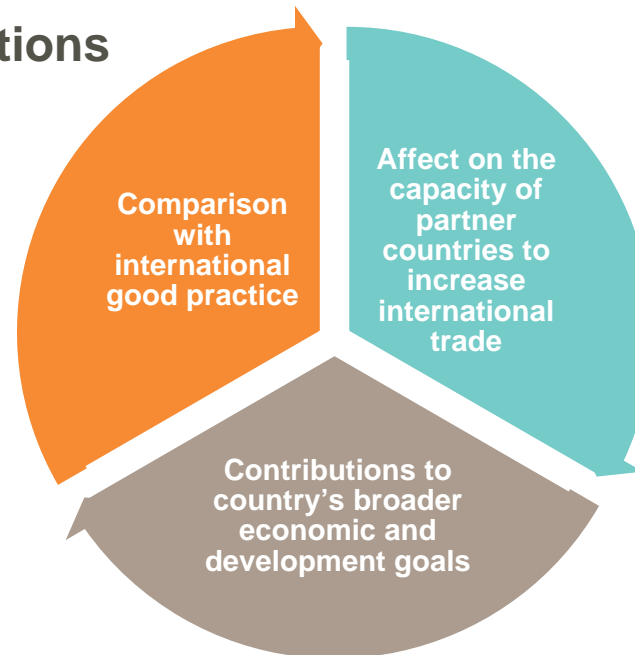
- › Team comprised of: Team leader; an Evaluation specialist, Trade specialist; and one DFAT ODE officer
- › Timeframe of the evaluation: June 2015- April 2016 (report published in May 2016)



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Key evaluation questions



Trade Facilitation and related activities – Definition used

- Simplification and harmonisation international trade procedures including import and export procedures
- Support to customs departments
- Tariff reforms
- Sanitary and phytosanitary (SPS) measures
- Regulatory reform



Investments examined



ASEAN–Australia and New Zealand Free Trade Agreement Economic Cooperation Support Program (AANZFTA AECSP)

2010-2018 – AUD27.5 million

The evaluation focussed on Cambodia and Laos only

- ASEAN Regional Diagnostic Network (ARDN)
- Rules of Origin support (ROO)
- Madrid Protocol assistance



The Trade Development Facility 2 (TDF-2)

Multi-donor Trust fund

2013-2017 – AUD19.8 million, in Laos

PHAMA

Pacific Horticultural & Agricultural Market Access Program

Pacific Horticultural and Agricultural Market Access (PHAMA)

2009-2017 – AUD34.2 million

trade facilitation program assists Samoa, Tonga, Solomon Islands, Vanuatu, PNG and Fiji

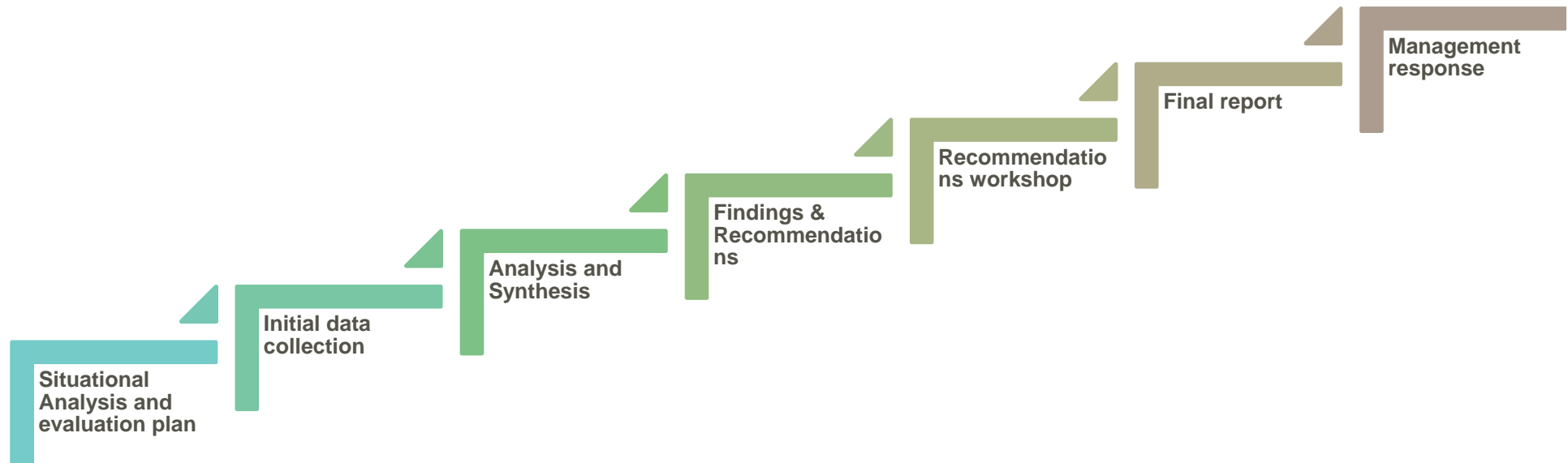


Pacific Agreement on Closer Economic Relations (PACER Plus)

2007-2016 – AUD13.3 million Supports 14 Pacific island countries

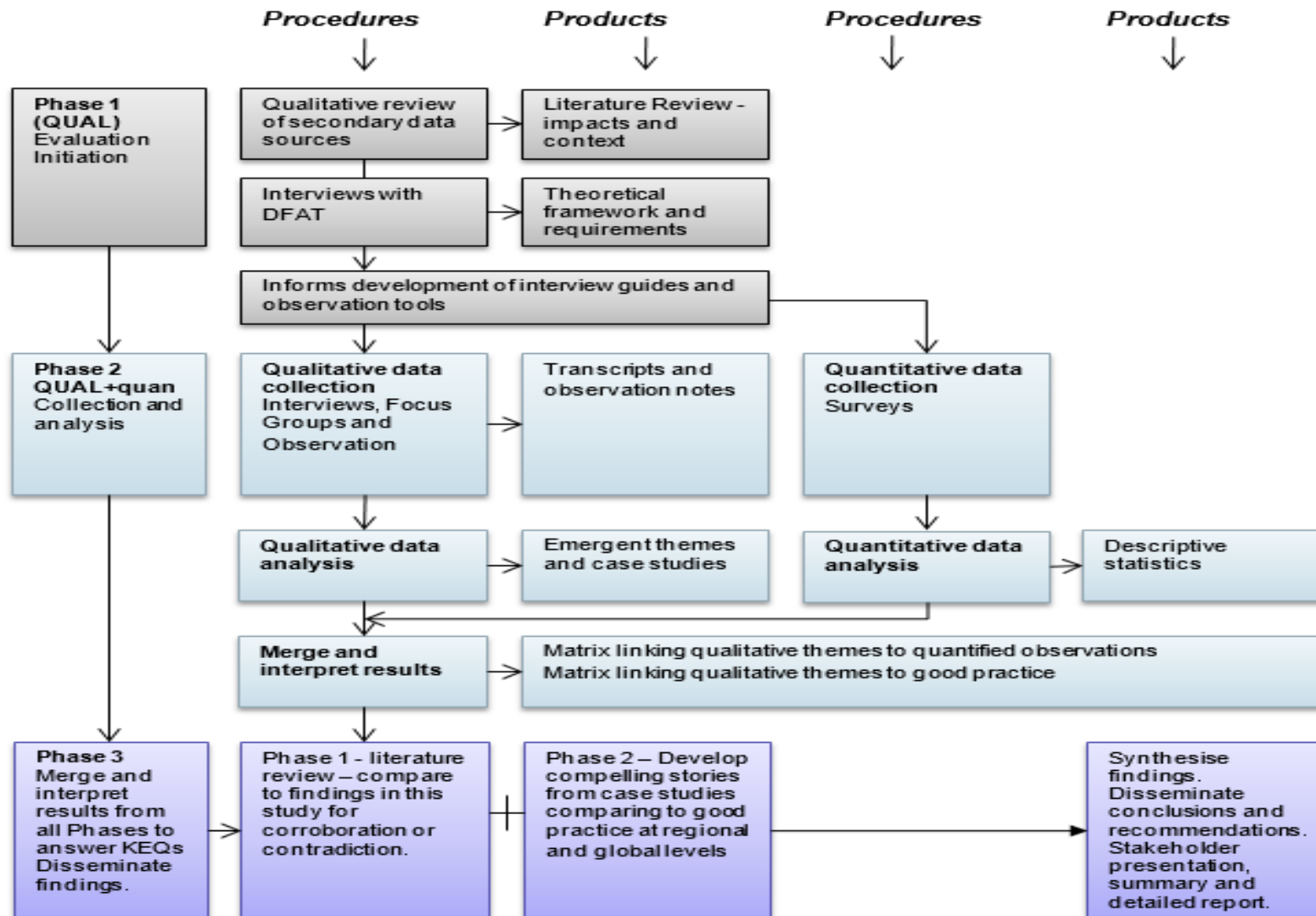


II. Methodology





Mixed Method Design



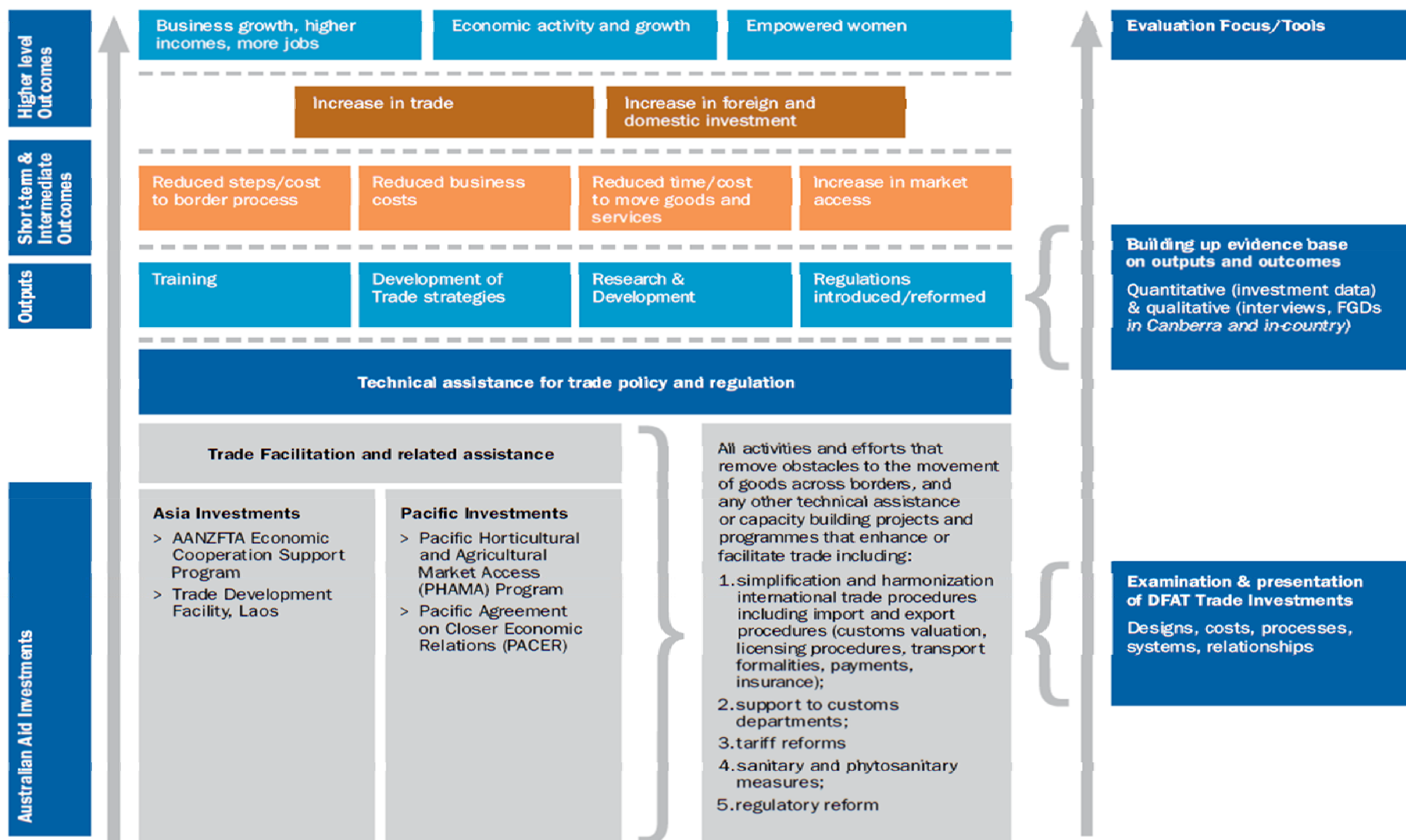


Research Framework

Level of Inquiry	Data Sources—Sampling Strategy	Focus and Purpose	Evaluation Overview
Global perspective e.g. WTO, OECD, ODI, WB, WCO, Codex, IPPC, OIE, SO-E, ILAC-APLAC	Secondary sources <ul style="list-style-type: none">> Literature review—evaluation reports and meta evaluation studies> RTFP—Regional Trade Facilitation Program	Global focus areas <ul style="list-style-type: none">> Identifying global trends> Identifying lessons learnt from global practice that may apply to DFAT programs> Identifying best practice examples in order to benchmark DFAT programs> Identifying innovative practices through global comparison	Evaluation objectives <ol style="list-style-type: none">1. Evaluate the effectiveness and efficiency of Australian support to partner countries provided through a number of DFAT funded trade facilitation investments including the extent to which they have improved the capacity of the recipient partner and enhanced international trade. This informs whether investments are value for money.2. Provide lessons for Australia's ongoing and future engagement in trade facilitation, drawing on the experiences of the Australian aid program and other international development partners. ODE is interested to investigate why some investments or approaches are more cost effective than others. There is also an interest in lessons that can help improve performance measurement and enhance women's leadership and economic empowerment.
Regional perspective DFAT Investments e.g. <ul style="list-style-type: none">> RAMSI> APEC support fund> South Asia Regional Trade Facilitation Program (SARTFP)> GMS-TTF> Beyond WTO Phase II> SGP (Strongim Gavman Program)> RTFP—Regional Trade Facilitation Program	Secondary sources <ul style="list-style-type: none">> Literature review> Design documents, annual plans, progress reports, independent evaluations, M&E reports	Regional focus areas <ul style="list-style-type: none">> Description of regional initiatives and investments in relation to broader country/ regional goals> Comparison with global trends and investments> Description, role and impact of DFAT at the regional and global level> Broad assessment of DFAT's regional impact through supporting trade facilitation including synergies and strategic alignment> Evidence of partner government capacity improvement> Identifying lessons from DFATs trade investments> Evidence of gender factors being taken into account> Role and performance of M&E systems	Key evaluation questions <ol style="list-style-type: none">1. How and to what extent have DFAT investments in trade facilitation affected the capacity of the partner countries to increase international trade?2. To what extent have the relevant DFAT investments led to positive changes in achieving the partner country's broader economic and development goals? Is there evidence to suggest this?3. How do DFAT-supported trade facilitation investments compare with international best practice?
Regional perspective Four investments of focus <ul style="list-style-type: none">> PHAMA (Pacific)> PACER Plus (Pacific)> TDF-2 (SE Asia)> AECSP (SE Asia)	Secondary sources <ul style="list-style-type: none">> Literature review> Design documents, annual plans, progress reports, independent evaluations, M&E reports Primary sources <ul style="list-style-type: none">> Interviews with DFAT policy makers and managers (Desk and Post)> Interviews with business councils> Interviews with implementers> Interviews with local beneficiaries	Local focus areas <ul style="list-style-type: none">> To understand what worked and what didn't and under what circumstances using an evidence-based approach> To cover the thematic areas and cross cutting issues within the sample> Providing evidence of outcomes and impact to validate report findings and regional impacts—corroborate and confirm findings> Identify local lessons based on primary data> Provide case study examples to illustrate impacts and capacity created> Illustrate how gender sensitivity may have been factored into case study examples> Provide a line of sight between activities and DFAT's AfT strategy to test and refine the program theory	Thematic areas <ol style="list-style-type: none">1. Customs2. Phytosanitary services3. Trade Negotiations
Local perspective Specific case studies <ol style="list-style-type: none">1. AECSP (ARDN, SPS Capacity building, Madrid Protocol) <ul style="list-style-type: none">> TDF (Trade facilitation secretariat, customs and excise, trade portal, DTIS)> PACER (OCTA, Training Program)> PHAMA (MAWG, Business Councils)			Cross cutting themes <ol style="list-style-type: none">1. Gender equality and social inclusion2. Monitoring and Evaluation3. Value for money4. Sustainability5. Governance and Management



Theory of Change





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Situation Analysis – Literature Review

Sources:

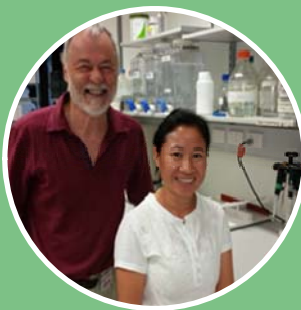
- Journals and Publications
- WTO and OECD-DAC
- DFAT Investment Designs, Proposals and Concept Notes
- Program Annual Plans and Progress Reports
- Aid Quality Checks (AQC)s
- Independent Progress Reviews, Mid Term Reviews and Activity Completion Reports (ACRs)
- Aggregate Development Results
- Trade Statistics and Trade Flows - see <http://stats.oecd.org/> and www.trademap.org
- Case Studies
- Government Records



Case Studies – Primary Data Collection – Focus Groups and Interviews



OCTA
training and
secondment
(Pacer Plus)



ASEAN
Regional
Diagnostic
Network
(AECSP)



Trade Web
Portal (TDF
2)



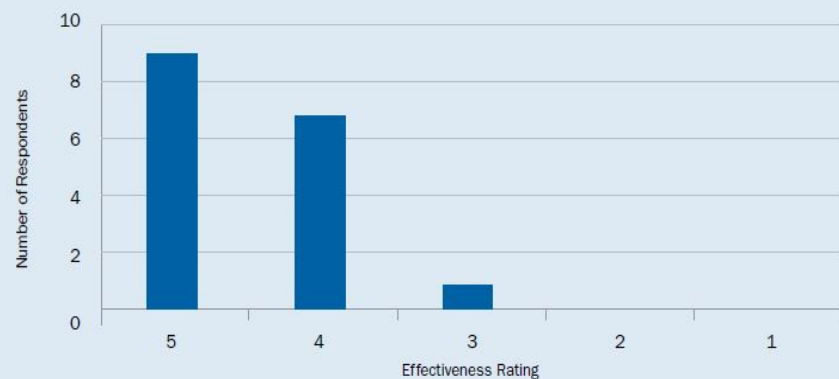
Ben's
Trading
(PHAMA)





Supporting Quantitative Data

Effectiveness in building trade policy development capacity (5=very effective; 1=not effective at all)



Laos Trade Portal site visits and hits (in thousands)



Cambodian Rice Exports





Good Practice – Aid for Trade Interventions

1. Government ownership
2. Private sector involvement
3. An integrated approach
4. Regional approach
5. Monitoring and evaluation
6. Addressing key constraints
7. Gender equality and social inclusion
8. Flexibility





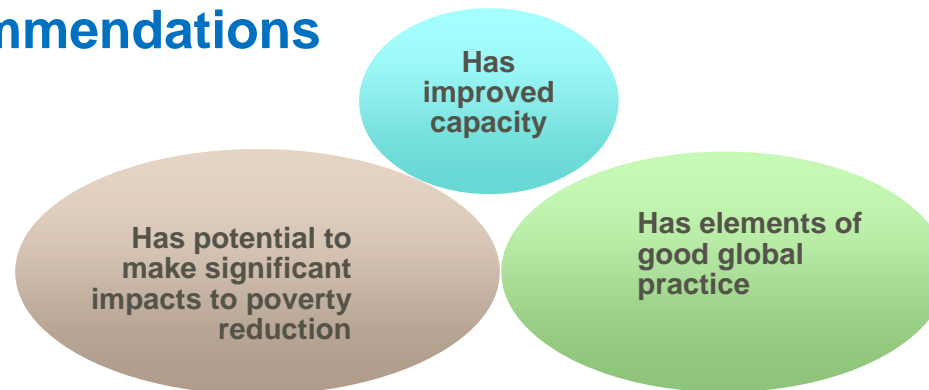
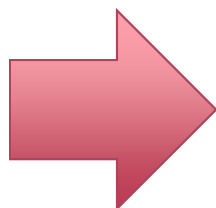
M&E Good Practice Comparison

Good Practice Criteria	PHAMA	AECSP	TDF-2	PACER Plus
Results Chain	✓		✓	
Realistic Objectives	✓	✓	✓	✓
Baseline Data	✓		✓	
Indicators	✓		✓	
Range of Methods	✓		✓	
International Measures			✓	
Contextual Factors				
Stakeholder Engagement	✓	✓	✓	
Program Improvement	✓			✓
Public Knowledge	✓	✓		

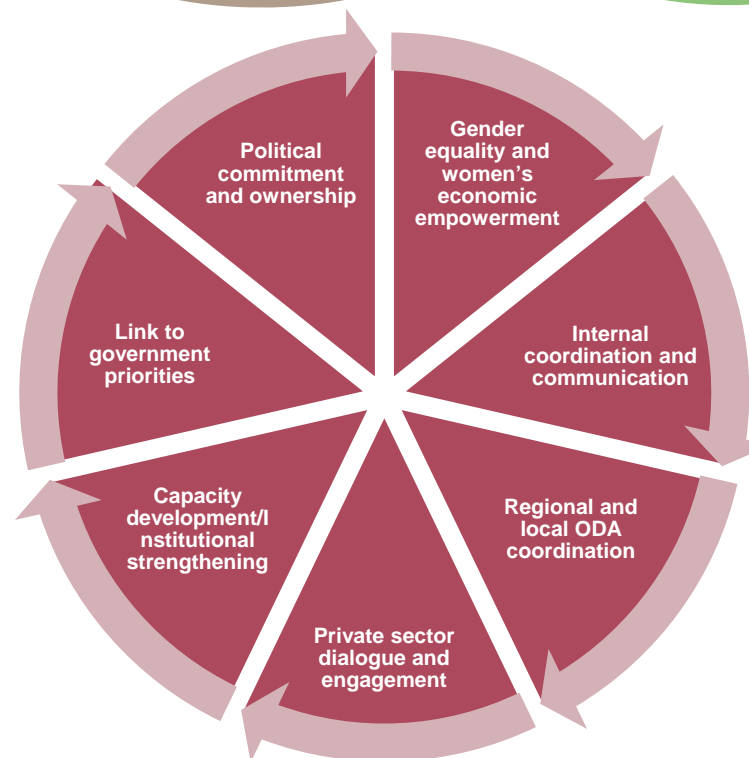
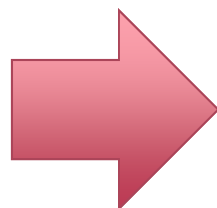


III. Key Findings and Recommendations

Key Findings



Integrated Framework





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Key Recommendations

Recommendation 1

- Initiatives should be guided by an integrated framework

Recommendation 2

- Incorporate gender and trade

Recommendation 3

- Private sector engagement consideration

Recommendation 4

- Improve communication and coordination between regional, bilateral and global programs



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Evaluation Utility

DFAT Implementing Division acknowledged that the investments evaluated were designed and commenced before the release of Strategy for Australia's Aid for Trade Investments in July 2015, however DFAT is committed to adopt recommendations and lessons in its future aid for trade investments





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Taxonomic collections assist with accurate pest identification
National University of Laos, Faculty of Agriculture
Source D. Goodwins



Factory workers in Laos (Business Assistance Facility (BAF) assistance under TDF 2)
Source D. Goodwins

Any Questions?