



**Australian Government**

**Department of Foreign Affairs and Trade**

# **STRATEGIC CHOICES IN PROGRAMMING - DESIGN AND ADAPTIVE MANAGEMENT**

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# OUTLINE

1. Design is about making strategic choices in what change to invest in, what positive impact we can have
  - Acknowledging development partners are just one actor, external to, and supporting sovereign governments, to modernise, plan and deliver reforms, improve services and income opportunities etc
2. What are some of the key factors involved, and the trade offs?
3. Some examples of designs and the choices we are making – the “what” and the “how”, what’s working well in the field.

# STRATEGIC CHOICES

	The Rules of the Game	Policy	Management Systems	Goods and Services	
<b>The Wider Institutional Environment (Country Context)</b>	A 'developmental state'; influencing the rules of the political, social and economic game. Informal and formal...	Aimed at improving the wider formal policy environment	Systems supporting planning, decision making, trade offs between portfolios		
<b>Public Sector-Wide</b>	'Whole of government' institutions, legal frameworks and incentives	Ability for policy making for whole of the public sector	Central systems of managing information, people	Delivery of core governance, resources and enabling services	
<b>Sector-Level</b>	Institutions, legislation and incentives within sector	Ability for evidence based policy making within one sector	System wide capability	Capacity of the sector to deliver	
<b>Ministry, Department or Agency</b>	Incentives, legislation and resources within	Ability to identify and choose among policy options	Capability of systems	Capacity to deliver	
<b>Subnational (Provincial, District, Local)</b>	Incentives, regulation and resources within	Ability to identify and choose among policy and program options	Capability of systems	Capacity to coordinate and deliver	
<b>Community</b>	Incentives to advocate, deliver and engage	Ability to be responsive to needs	Capability of systems	Capacity to advocate Capacity to deliver	

# POLICY INTENT



# TRADE OFFS

- National
- Central agency
- Governance
- Long term (transformational)
- Pro-poor policy settings
- Government
- Enabling policy and planning
- ODA
- Grants

Subnational  
Line Agency  
Service delivery  
Short term (transactional)  
Poverty targeting  
Markets or CSO Actors  
Practice/Implementation  
Non-ODA  
Non-grant financing

# STRATEGIC CHOICES

	The Rules of the Game	Policy	Management Systems	Goods and Services
<b>The Wider Institutional Environment (Country Context)</b>	A 'developmental state'; influence the rules of the game; social and economic conditions; Information	Aimed at improving the wider formal policy environment	Systems supporting planning, decision making, trade offs between portfolios	
<b>Public Sector-Wide</b>	'Whole of government' approach; institutions, legal frameworks and incentives	Ability for policy making for the public sector	Central systems of managing information, people	Delivery of core governance, resources and enabling services
<b>Sector-Level</b>	Institutions, legislation and incentives within sector	Ability for policy making within sector	System wide capability	Capacity of the sector to deliver
<b>Ministry, Department or Agency</b>	Incentives, legislation and resources within	Ability to identify and choose among policy options	Ability to deliver	Capacity to deliver
<b>Subnational</b>	Incentives, regulation and resources within	Ability to identify and choose among policy and program options	Capability of systems	Capacity to deliver and
<b>Community level</b>	Incentives to advocate, deliver and engage	Ability to be responsive to needs	Capability of systems	Capacity to advocate Capacity to deliver

*Where on this trajectory do we want to be?*

# EXAMPLES: CAMBODIA

	The Rules of the Game	Policy	Management Systems	Goods and Services	
The Wider Institutional Environment (Country Context)					
Public Sector-Wide		<b>Cambodia ID Poor</b>			
Sector-Level		<b>Cambodia health (WB)</b>	<b>Cambodia health (WB)</b>		
Ministry, Department or Agency		<b>Cambodia health (WB)</b>	<b>Cambodia health (WB)</b>		
Subnational					
Community level				<i>NGO Partnerships</i>	

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# EXAMPLES: INDONESIA

	The Rules of the Game	Policy	Management Systems	Goods and Services	
The Wider Institutional Environment (Country Context)					
Public Sector-Wide					
Sector-Level					
Ministry, Department or Agency		<i>TASS/Inovasi</i>	<i>TASS/Inovasi</i>		
Subnational		Inovasi	Inovasi	Inovasi	
Community level		Inovasi	Inovasi	Inovasi	

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# EXAMPLES: MARKET SYSTEMS (MDF)

	The Rules of the Game	Policy	Management Systems	Goods and Services	
The Wider Institutional Environment (Country Context)		Market <i>Development Facility</i>			
Public Sector-Wide					
Sector-Level		Market <i>Development Facility</i>			
Ministry, Department or Agency					
Subnational				Market Development Facility	
Community level				Market Development Facility	

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# “THE HOW”

What’s working in the field?

- Performance financing to incentivise institutionalisation of reforms and leveraging of resources (Indonesia water, roads, sanitation hibahs, Cambodia health, Solomons health/education, Pacific wide EFR policy matrices.
- Embedding CSO partnerships with government (Fiji)
- Change Coalitions (Phil CFC, MAMPU, PEDULI, Access)
- Problem driven approaches (Sols vaccines, KOMPAK)
- Pilots to scale – Inovasi, KOMPAK, Sols – family planning
- Business Partnerships (BPP, Frontier Brokers, Aus4Innovation)
- Hybrid delivery models (Contractor-Multilat-NGO-PG - WOG)

# TAKE-OUTS

Design is about converting policy intent into program outcomes.

Design is about making strategic choices in what change to invest in, what positive impact we can have

Key factors influencing these choices are; our strategic intent, our level of ambition, and resources, evidence and past performance.



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