



## AusAID's country strategies: why such a modest improvement since 2009?

By Stephen Howes and Jonathan Pryke  
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Most large aid agencies put out country strategies for their major country programs (at least), normally developed with input from the partner government and other important stakeholders. At a minimum, it's a way to tell the world what they are trying to achieve in a particular country, and a basic ingredient of aid transparency.

AusAID has long been committed to producing country strategies. In 2009, however, the Australian National Audit Office (ANAO) [criticised AusAID](#) [pdf] on this front, finding that:

*A primary cause of weaknesses in selectivity of country program aid has been a failure to complete country specific strategies, and their lack of centrality to aid allocation decisions — in early 2009 only 11 of the top 20 recipients of country program aid had a strategy in place. (p. 18)*

The ANAO recommended that AusAID “completes country strategies for all major country and regional programs and keeps them up to date” (Rec. No. 2). AusAID agreed. So how has AusAID done since the 2009 report? We have taken the 20 largest country and regional programs and looked at which ones had country strategies published two years ago, last year and this year. We included “Partnerships for Development”, which have come to replace country strategies in the Pacific .

Our results are shown in the table at the end of this post. They show a minor improvement from the score of 11 out of 20 awarded by the ANAO in 2009. In 2010, 12 of the 20 country and regional programs had strategies; in 2011, again 12; and in October 2012, 13.

In all three years, there were strategies for the top five programs. But, on the negative side of the ledger, the sixth and seventh biggest programs haven't had strategies for most of the last three years.

The Pacific is by far the best performing region. All major recipients have a Partnership for Development in place, and there is a [page](#) on the AusAID website listing them all.

Why hasn't there been greater and faster improvement since the ANAO report? Timely country strategy completion is not always possible. The situation on the ground changes, or partner government consultations are delayed. But even allowing for this, the limited improvement in the completion rate is surprising. It is particularly odd because for at least the last two years, two of AusAID's key performance indicators have been that "strategies [be] in place for 100 per cent of country, regional and thematic programs." And for the last two years, AusAID has needed to admit that it has fallen short. In its 2011 [Annual Report](#) [pdf], AusAID committed to update all its strategies in 2011-12 (p.17). But in its just released [2012 Annual Report](#) it admits that this hadn't been done. The reason given is that "the Independent Review of Aid Effectiveness and subsequent release of the Effective Aid policy in July 2011 delayed some program strategy development, affecting a small proportion of the program portfolio."

Whether 20 percent (the value of the seven out of the 20 top programs currently without a strategy) is small is one issue, but is it reasonable to blame the non-publication of so many country strategies on the new aid policy?

Since the aid review, AusAID has certainly been busy putting in place a new [overall policy](#) and several new strategies. There are some eight new [thematic strategies](#) (for health, education, etc), as well new strategies for [multilateral engagement](#), [private sector development](#), [civil society engagement](#), [AusAID research](#), and the [Comprehensive Aid Policy Framework](#).

Getting all these policy documents out is itself a major achievement, but the argument that the process of overall policy development has delayed the completion of country strategies can only extend so far.

Consider the fact that in December 2010 AusAID released draft strategies for five of its top 20 programs (Burma, Bangladesh, Sri Lanka, East Asia regional, and Pacific regional) with a promise to release final strategies six months later. For some reason, 22 months later, the final strategies still haven't seen the light of day. If those December drafts had been final versions, or if AusAID had actually kept to its commitment to publish final versions in June 2011, the scores in our tables would look much better. But as of now those drafts are of

little use. Do they still guide decision making? Or are they irrelevant? The outside observer really can't tell. And what happened to that June 2011 deadline? Perhaps it was decided that the strategies couldn't be finalised until the Effective Aid policy was in place. That was July 2011. But here we are at the end of 2012, and there are still no final versions for any of those five drafts.

Or take Vietnam, the sixth biggest program. Its 2010-2015 country strategy was finally released in October 2012, more than half way through the strategy period. The just-released Vietnam country strategy is a short 19-page document, most of it at a very high level. The strategy says that Australian aid will focus on human resource development, economic integration, and environmental sustainability. These objectives no doubt make a lot of sense, but they are not ones dictated by any review or new strategy. There is simply no way that the long delay in releasing the Vietnam strategy can be satisfactorily explained by references to changes in overall aid policy.

In any case, changes in overall aid policy can be expected to happen fairly often. There could well be major changes again if there is a new government after the next election. If country strategies are to be delayed by a matter of years whenever a new aid strategy is adopted, it will never be possible to ensure timely and regular publication of country strategies.

At most, the changes in aid policy can be regarded as a contributing factor to the slow response to the ANAO recommendation. What else might explain it? Perhaps it is simply that AusAID is a very busy agency, and its Minister (who has to approve the strategies) is a very busy Minister, and putting out country strategies in a timely manner hasn't been a high priority. It is not something AusAID gets quizzed about at Senate Estimates, nor something which aid stakeholders push for. Most aid lobbyists want more aid, and more aid for their cause, but who lobbies for country strategies?

It is encouraging that AusAID has renewed its commitment to finalise and publish country strategies with a promise in its May 2012 [Comprehensive Aid Policy Framework](#) to have published strategies for all its top 20 countries by the end of 2012. That's not quite what we are measuring, as we are looking at the top 20 countries and regions, but it will be interesting to see how much AusAID can lift its score by the end of the year, not just for the top 20, but in fact for all country and regional strategies, as promised by the Annual Report.

Ultimately it is up to those of us who want more effective aid to hold AusAID to account in relation to its public commitments. It is in that spirit that our analysis has been undertaken.

**Country and regional programs with a published, final strategy**

Country	2012-13 Budget Estimate (\$m)	2010	2011	2012 (up to Oct.)
Indonesia	578.4	✓	✓	✓
Papua New Guinea	491.7	✓	✓	✓
Sub-Saharan Africa	354.6	✓	✓	✓
Solomon Islands	239.4	✓	✓	✓
Afghanistan	201.7	✓	✓	✓
Vietnam	150.4	x	x	✓
Regional and Other Pacific	141.0	x	x	x
Philippines	128.7	✓	✓	✓
East Timor	127.1	✓	✓	✓
Bangladesh	100.5	x	x	x
Pakistan	96.4	x	x	x
Cambodia	94.7	✓	✓	✓
East Asia Regional	89.6	x	x	x
Vanuatu	72.9	✓	✓	✓
Burma	63.8	x	x	x
Palestinian Territories	56.7	✓	✓	x
Fiji	55.6	x	x	✓
Laos	54.9	✓	✓	✓
Sri Lanka	47.1	x	x	x
Samoa	45.5	✓	✓	✓
<b>TOTAL (out of 20)</b>		<b>12</b>	<b>12</b>	<b>13</b>

Notes: We use the top 20 countries measured by allocations in the 2012-13 budget. The 2011-12 list of top 20 countries is the same as 2012-13 (though with a different ordering.) In 2010 Iraq (for which a strategy was [released](#) [pdf] in December 2010, covering only until June 2011) and Northern Africa/Middle East (no country strategy) are in and Samoa (country strategy for all three years) and Fiji (a country strategy released in 2012) are out.

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