



Australian Government
AusAID



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MINISTRY OF COMMERCE OF THE PEOPLE'S REPUBLIC OF CHINA

ACEDP

Australia China Environment Development Partnership

Annual Plan 2010-11

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An Australian Government AusAID initiative
implemented by GHD Pty Ltd

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Acronyms

ACEDP	Australian China Environment Development Partnership
AP	Annual Plan – AP-I for 2007-08, AP-II for 2008-09, AP-III for 2009-10, AP-IV for 2010-11
AusAID	Australian Agency for International Development
CEF	Communication and Engagement Framework
CCPS	China Country Program Strategy (AusAID-MOFCOM)
CSIRO	Commonwealth Scientific and Industrial Research Organisation (Australia)
DAFF	Australian Government Department of Agriculture, Fisheries and Forestry
DCCEE	Australian Government Department of Climate Change and Energy Efficiency
DEWHA	Australian Government Department of the Environment, Water, Heritage and the Arts
EAT	Environment Advisory Team
5YDP	Five Year Development Plan (China), eg the 12 th 5YDP from 2011-15
GPS	Gender Mainstreaming, Public Participation and Social Impact Management
HLRT	Joint Australia China High-level Roundtable (HLRT) - the 'governing board' of the ACEDP
IPR	Independent Progress Report (formerly known as 'mid-term review')
MEF	Monitoring and Evaluation Framework
MDBA	Australian Government Murray Darling Basin Authority
MEP	Ministry of Environmental Protection (China)
MOFCOM	Ministry of Commerce (China)
MWR	Ministry of Water Resources (China)
NDRC	National Development and Reform Commission (China)
NWC	Australian Government National Water Commission
OPES	Operationalised Policy Engagement Strategy (to be prepared by AusAID)
OPS	Operationalised Partnership Strategy (to be prepared by AusAID)
PCO	Program Coordination Office in Beijing (includes the Program Liaison Office in Melbourne)
SFA	State Forestry Administration (China)

1. Introduction

1 The ACEDP is a five-year, \$25m Australian Government, AusAID initiative with the objective of supporting and improving policy development in China in the area of environmental protection and natural resources management. The program's initial focus on water resources and integrated river basin management, confirmed at HLRT-III in July 2009, is envisaged to continue but with increased emphasis on maximising policy outcomes and, on sustaining partnerships between Australian and Chinese environmental agencies from government (across jurisdictions) and the academe.

2 The ACEDP is designed as a facility. It funds a number of discreet and largely un-connected project interventions that aim to strengthen and expand the bilateral policy dialogue between Australia and China through targeted capacity building measures and development of sustainable partnerships among relevant government, academic and private sector agencies.

3 The ACEDP aims to facilitate change. A key aspect of the work undertaken under the facility is thus the exposure of Chinese and Australian technical, scientific and managerial personnel to different and novel ways of thinking, to more efficient and effective water resources management systems and, last but not least, to the lessons from each country's successes and failures in water resources management.

4 The ACEDP facilitates this through interventions that display a combination of study tours, training courses and workshops, through high-level policy dialogues and, through collaboration in demonstration projects that explore adaptation of Australian experiences to Chinese conditions.

5 Specific end-of-program outcomes for the ACEDP are integrated with AusAID's China Country Program Strategy, viz 'Contributing to Policy'¹, 'Developing & Sustaining Partnerships' and, 'Strengthening Capacities at Technical & Managerial Levels'.

6 The strategic direction of the ACEDP, established at HLRT-II and confirmed at HLRT-III, is expected to remain but subject to recommendations from two analytical studies that were recommended by the Independent Progress Report in early 2010, and that are being commissioned by AusAID for submission in late 2010. These are the 'Operationalised Policy Engagement Strategy' OPES and the 'Operationalised Partnership Strategy' OPS that will inform the allocation of the residual unallocated program funds².

7 The Australian Agency for International Development (AusAID), the Chinese Ministry of Commerce (MOFCOM) and program core partners from both nations will continue their oversight of the ACEDP, ensuring its relevance to national policy priorities.

8 GHD Pty Ltd is the AusAID-engaged Managing Contractor for the ACEDP and discharges this responsibility through its Program Coordination Office (PCO) headquartered in Beijing and its Australian based Program Liaison Office (PLO) in Melbourne.

2. Facility Description

2.1 Goal, Components, Objectives and Outcomes

9 The goal of the ACEDP is to support China's policies for a better environment. The purpose of the ACEDP is to improve environmental protection and natural resource management (in particular

¹ Initially termed 'Influencing Policy', it has since been renamed.

² As of August 2010 there were an estimated \$1.2 million in unallocated and available program funds.

water) to balance the needs of the environment and human development in China. The Program focuses on improving outcomes for the environment in China through stronger engagement between Australia and China on environmental issues of mutual interest. In the long term, these outcomes are expected to serve Australia's strategic interests for the environment. The ACEDP has three components, each with a specific objective:

Component 1 - Environmental Governance & Dialogue to demonstrate methods and applications of improved environmental governance in China, and to develop and enhance the environment policy dialogue between China and Australia

OUTCOME 1.1 - Improved environmental governance in China, initially in relation to water resource management, including water rights.

Achieved through demonstrations and adaptations of water policy mechanisms to maintain ecosystems services and achieve environmental outcomes, including market-based approaches (water trading and pricing), incentives, awareness, legislation, community consultation processes etc.

OUTCOME 1.2 - Scientific and technological tools that can enhance environmental (risk) management in China are more integrated with policy processes, initially in the area of water resource management.

Achieved through the adaptation and integration of scientific and technological tools that can enhance water resource management in China

OUTCOME 1.3 - Improved models to address environmental impacts that exacerbate poverty, reinforce gender imbalances and are detrimental to HIV-AIDS control and integration of these models in policy processes.

Achieved through demonstrations and adaptation of models, including new strategies, approaches, methods and processes.

OUTCOME 1.4 - Strong bilateral linkages for dialogue in the environment sector, enhancing existing engagement between Chinese and Australian agencies, and shared knowledge on a range of environmental management issues of mutual interest.

Achieved through activities that enhance environment policy dialogue and support exchange of expertise between China and Australia on environmental issues of mutual interest

OUTCOME 1.5 - Active high-level policy dialogue to promote/develop priorities for ACEDP.

Achieved through activities that support identification of priorities for ACEDP through whole of government consultation at all relevant levels.

Component 2 - Integrated River Basin Management to assist with the practical application of IRBM principles in China

OUTCOME 2.1 - Shared understanding of IRBM and IWRM principles and practices in Australia and China.

Achieved through activities that support engagement between Australia and China on IRBM principles.

OUTCOME 2.2 - Improved water resource management through applications of IRBM principles in China and their adoption by Chinese agencies.

Achieved through activities that support strategic demonstrations and piloting of models and policy options for IRBM in China, including integrated resource assessment, participatory planning and community ownership.

Component 3 - Program Management to provide strategic direction to, and effective coordination and efficient management of, the ACEDP

OUTCOME 3.1 - Effective and efficient delivery of the program.

Achieved through a collaborative management approach that emphasizes coordination and networking, building of national ownership and ongoing quality control.

2.2 Risk Management

10 The facility employs a number of instruments to manage risks at different levels. Foremost amongst these is the Monitoring & Evaluation Framework MEF³ that brings the ACEDP in line with AusAID's China Country Program Strategy. It manages risks through an integrated 5-level M&E strategy (§ 4.3). In addition the facility employs

- The Environment Advisory Team (EAT) that provides independent policy and program advice on strategic and technical issues to AusAID, MOFCOM and the PCO
- The 'Gender Mainstreaming, Public Participation and Social Impact' GPS Framework and its associated Screening Guidelines that aim to identify 'social' threats and opportunities and thus facilitates management of unintended negative social consequences of ACEDP interventions
- Field Monitoring Inspections by the PCO through regular visits to projects sites and discussions with project beneficiaries, stakeholders and joint project teams (ANNEX III)
- Project Steering Committees comprising executive level representatives from relevant government agencies in Australia and China and/or the academe. These are not compulsory but strongly encouraged for all larger and technically complex projects
- Adoption of a rigorous system of technical scrutiny of all project reports (ANNEX IV), including appointment of a senior environmental / water resources specialist, located at GHD offices in Beijing
- GHD's internal 'Practice-Quality-Management-System', certified to ISO-9001 standards, guarantees financial probity and administrative efficiency.

11 Key risks facing the facility in year 4 (Section 5) include: (i) technical quality control of project outputs, (ii) communication with Australian stakeholders, (iii) integration of gender equity and, (iv) formatting of facility progress reports.

3. Review of Progress-to-date

12 The Independent Progress Report for the ACEDP concluded in May 2010 that it was difficult to ascertain progress towards end-of-facility outcomes for the ACEDP and to determine whether or not the facility provided good-value-for-money. Two factors contributed to that: (i) there was no clear definition of ACEDP outcomes at the inception phase and, (ii) a slow start-up of the major (core) projects resulted in only a limited number of projects being available for evaluation. Most of the IPR recommendations thus relate to strategic oversight, quality assurance and, to communication with stakeholders, especially in Australia:

³ The MEF is a 'living document', updated from time to time to respond to changing facility requirements. It will be updated in the aftermath of the two operationalised strategies that are under preparation by AusAID.

- Establishment of an oversight group under AusAID/MOFCOM leadership
- Extended involvement of the AusAID corporate Environment Advisor
- Development of an Operationalised Policy Engagement Strategy
- Development of an operationalised Partnership Strategy
- Improved progress reporting by the PCO - *commenced*
- Assessment of the ACEDP MEF - *commenced*
- Strengthening gender mainstreaming in projects - *commenced*.

13 Of the 24 projects registered with the ACEDP by August 2010, **5** were completed on time, within budget and fully meeting their stated objectives (21%). **16** are at implementation stage (67%)⁴ and only **3** have not yet commenced, pending approval (12%). Of the latter ones, one was deferred by AusAID pending a decision on allocation of residual program funds in the context of the IPR (the \$500,000 Gansu Inland River Basins) and, two of the \$200,000 partnership projects were delayed – in one case because parties could not agree on design/contract issues (Long-lasting Drought) and in the second case the team needed to re-identify qualified Australian experts (Strategic Planning in Climate Change)⁵. These latter two projects are now expected to commence in early 2010-11.

14 The most recent progress report for the ACEDP (Jan-Jun 2010) notes that the facility to-date has delivered 45 out of a combined total of 133 contracted outputs⁶, representing 42% of contracted value. A detailed analysis of 10 selected projects, representing 64% of facility funds, shows that 80% of projects are tracking well against their policy, partnership and capacity building outcomes.

15 Financial management of the facility is showing marked improvements. Compared to Year 1 (2007-08) where only 23% of planned expenditure had been achieved and an even poorer performance in Year 2 (2008-09) when actual expenditure was only 17% of planned expenditure⁷, Year 3 (2009-10) can point at a 76% success rate of actual versus planned expenditure. If delivered and accepted outputs are included, that figure climbs to 84% of achieved.⁸

16 In consultation with AusAID it was agreed not to replace the M&E specialist who resigned in early 2010 and to stop the work on the 'case studies', pending conclusion of the two 'operationalised strategies' (OPES and OPS) recommended by the IPR. The PCO further strengthened its program of Field Monitoring Inspections that had begun in late 2009.

17 In response to IPR recommendations, a rigorous technical appraisal of technical, scientific and other reports generated by projects (ANNEX IV) has commenced.

18 To guarantee report integrity and ensure national ownership, the respective Chinese or Australian project counterpart agency must also endorse all project outputs, even drafts, before they can be submitted to the PCO for appraisal.

19 Innovative elements have been added to the Partner Database of the bilingual facility website, such as the 'Project Portal' where project teams can access reports from other projects to facilitate intra-ACEDP learning and information exchange and other material uploaded by the PCO⁹ For privacy reasons, access to the Portal is by password only. Recently added was the 'Eutrophication Portal' that

⁴ This includes the \$50,000 gender project with UNIFEM that is scheduled to commence in September.

⁵ Note that the combined estimate of \$950,000 for these 4 projects is NOT included in the \$1.2 million unallocated program funds mentioned above.

⁶ These include study tour evaluation reports, workshop evaluation reports, technical training evaluation reports, technical reports and progress reports.

⁷ The main reason for that delay was the slower than expected start up of core projects, caused inter alia by extended joint designs, lengthy counterpart approval processes and slow procurement.

⁸ ...but where invoices have not yet been received or paid.

⁹ Eg the 'Operations Manual' and occasional updates, 'PCO Notes for Project Teams' and so on.

aims to provide a platform for scientific exchange among scientists and practitioners involved in managing algal breakouts.

20 A monthly 'Schedule of Events' that lists all ACEDP-funded activities¹⁰ in Australia and in China over a 3-4 months period is maintained on a forward rolling basis. Starting in mid 2010 it is being produced as a bilingual version, making it consistent with other ACEDP publications.

3.1 Lessons learned

21 This chapter is now integrated in the discussion of critical issues (Section 5) where key risks are identified, their impact on the facility analysed and specific courses of action (the 'lessons learned') advanced to address and mitigate these risks.

4. Implementation Strategy

22 With 88% of projects either completed or at implementation stage, and with only \$ 1.2 million in unallocated funds available for new initiatives, the focus for year 4 of the facility is likely to be two-fold – on the one hand to deliver projects to a high quality and on the other hand, to maximise opportunities for policy collaboration and sustaining partnerships.

Project Delivery

23 Of the 16 running projects, 12 projects are scheduled for completion during 2010-11 (TABLE 1) and the focus of the PCO will be not only on ongoing quality control of outputs, especially of the final technical/scientific reports and recommendations, but also on integration of cross-cutting issues such as gender equality and participatory approaches, as well as on timeliness of progress reports, technical papers and completion reports.

24 The 3 projects which have not yet been approved, are expected to proceed in early 2010-11¹¹ and the PCO will need to work closely with the project partner agencies to facilitate their speedy implementation so as to guarantee completion before cessation of the ACEDP in June 2012.

25 The highly specialised technical nature of many of these projects (eg ecological compensation mechanisms, climate change modeling, carbon sequestration, multi-criteria analysis for forestry monitoring, dam breaking forecast modeling and so on) will require access to specialised expertise to authoritatively appraise the quality of project outputs. This is likely to necessitate extended use of the EAT¹² to determine the quality of outputs and, where appropriate, of recipient government peer reviews to determine their relevance and usefulness for China¹³.

26 The application of the facility's GPS Framework will be enhanced through a proposed 'GPS Outreach' to other ACEDP projects, scheduled tentatively for late 2010. The outreach approach was trailed in July 2010 for the Lake Tai project. Municipal officers from the project underwent a three days training workshop that aimed to build competencies for adopting simple GPS principles in their daily

¹⁰ Eg, workshops, training, seminars, study tours, etc

¹¹ This is of course subject to AusAID/MOFCOM approval and may be influenced by their decision regarding the allocation of residual funds.

¹² This will include Core as well as Non-Core EAT Members.

¹³ This was trialed successfully with for the final technical report of the 'Trans-Jurisdictional Water Pollution Management' project where an internal MEP review in late 2009 confirmed the value of that project to the Chinese Government .

work. Based on lessons learned from that workshop, a larger training workshop for about 60 counterpart personnel from 10-12 ACEDP water resource management projects¹⁴ is proposed.

Policy & Partnership Outcomes

27 This aspect of the ACEDP work will be influenced by the two strategies (OPES and OPS) that are currently under preparation by AusAID, and that will influence the allocation of residual facility funds. Based on the decision on how to allocate these funds, the PCO will then need to develop, adopt and implement simple but transparent guidelines for identification, selection, procurement and quality control including monitoring & evaluation of projects.

28 Targeted communication not only with program core partners but also the extended stakeholder community¹⁵ in both countries needs to be strengthened and sustained. This will require additional extended involvement of AusAID Canberra through its whole-of-Government approach across jurisdictions.

29 The ACEDP sponsors, at no cost to the facility, the 2-months attachment of an officer from the QLD Department of Environment and Resource Management at one of its climate change partnership projects¹⁶. This attachment, if approved, will be fully funded under the 'Queensland China Climate Change Fellowship' program and opens additional opportunities for partnership collaboration and policy dialogue. That role of the ACEDP, as a facilitator or networker, is an important addition and one way the value of the ACEDP can be enhanced beyond its portfolio of projects.

4.1 Communication and Engagement

30 Monthly or bi-monthly catch up meeting between PCO and Chinese program core partners are now routinely minuted and, pending competing commitments, AusAID is aiming to join all of these meetings. These are on a one-to-one basis, with PCO aiming to meet with each of the four Chinese program core partners at least every other month. At these meetings both sides go through the project portfolio under the ministry's supervision, with the PCO providing a progress update and the Chinese side providing feedback from the project implementing agencies. Any issues are discussed and action by either side agreed upon. These meetings also provide an opportunity to discuss broader non-project issues and AusAID presence here is indeed essential.

31 On the Australian side, no such institutionalized mechanism exists and AusAID Canberra, as part of its whole-of-government commitment, largely manages relations with Australian program core partners¹⁷. The two strategies OPES and OPS currently under preparation by AusAID are expected to influence thinking on how the ACEDP can optimise relations with Australian program core partners and second tier stakeholders¹⁸.

¹⁴ The target group are projects that pilot water resource management at provincial sites, focusing on junior municipal officers working with local communities.

¹⁵ In Australia that could include, for example, State and Territory Governments, think tanks and selected academic institutions.

¹⁶ 'Capacity Building for Climate Change Adaptation' – a partnership project between the MEP-affiliated 'Policy Research Centre for Environment and Economy' and the Melbourne University's 'Australia China Centre on Water Resources Research'

¹⁷ Eg AusAID is now routinely sending invitation letters to all Australian government agencies that host ACEDP study tours and has recently started to approach the Chinese Embassy Canberra, inviting them to meet with ACEDP-funded Chinese delegates in Australia.

¹⁸ That term was introduced at HLRT-II in Sept 2008 and comprises government from other jurisdictions, academe and education & research institutions.

32 A bilingual 'Schedule of Events' for the facility is being updated monthly. On a forward rolling basis it lists all project activities¹⁹ in both Australia and China over a 3-4 months period from date of issue. The purpose is three-fold; to inform the wider stakeholder community of the broad range of activities that are funded under the ACEDP; to facilitate intra-ACEDP networking by informing project teams of what is going on in other ACEDP projects, hopefully leading to cross-project attendance at workshops and training courses and; to build support among program owners and core partners from both nations. For that latter reason, the schedule of events is being circulated by AusAID Beijing and not by the PCO.

33 A dedicated 'Project Portal' under the Partner Database, accessible to joint project teams by password, has been established on the ACEDP website. It is a platform not only for information dissemination, such as the occasional 'PCO Notes for Project Teams', updates of the ACEDP Operations Manual and so on, but also for exchange of 'lessons learned', such as study tour evaluation reports and progress reports from ACEPD funded projects. The Portal is being augmented from time to time by 'Thematical Portals' such as the recently established Eutrophication Portal that links scientists and practitioners involved in algal research and management.

34 Further activities to engage program core partners and to build on high-value policy outputs from projects are envisaged for the second half of 2010-11, but this will need to be coordinated and harmonised with the recommendation deriving from the two operationalised strategies OPES and OPS mentioned above.

4.2 Gender Mainstreaming, Public Participation and Social Impact

35 One of the recommendations of the independent progress report was to ensure that integration of gender equality considerations is maximised throughout the facility and its projects. The PCO started that process in July 2010 with a dedicated 4-days GPS training course for 20 municipal government officers from Suzhou and Huzhou Cities, part of the Lake Tai Water Pollution Treatment project. A joint project team from the 'GPS Project' delivered the workshop, comprising specialists from IDSS Pty Ltd in Melbourne and the Beijing-based Centre for Integrated Agricultural Development CIAD of the China Agricultural University.

36 Based on lessons learned²⁰ from that inaugural outreach workshop, an expanded training course for up to 60 participants is proposed to be held late 2010 in Beijing to train Chinese counterpart personnel from approximately 10 or 12 ACEDP projects²¹.

4.3 Monitoring and Evaluation

37 The current MEF²² comprises a 5-step approach to M&E: (i) the contractor who bears prime responsibility for project level M&E prepares a Project Results Framework and M&E plan; (ii) PCO supervises the contract, monitors progress, appraises outputs (ANNEX IV) and records those on the

¹⁹ Eg, workshops, study tours, training courses, field surveys and technical visits.

²⁰ This includes, inter alia, deliberate and careful selection, extensive preparation through information sharing, surveys, needs analyses, finetuning of workshop curriculum and, judicious use of case studies from projects.

²¹ The focus here is very much on those ACEDP projects that trial the adaptation of water resources management systems/methodologies at provincial demonstrations sites in China. Participants to the training are then expected to be junior officer provincial/municipal officers at the 'cold face', working with local communities on a day-to-day basis.

²² http://www.acedp-partnership.org/en/frameworks/Monitoring_and_Evaluation_Framework/45.aspx

'Activity Tracking System'; (iii) detailed analysis of selected projects through 'case studies'²³; (iv) aggregation of findings into annual 'Statements of Success or Failure' in regard to facility outcomes²⁴ and; (v) annual review of progress by the EAT.

38 The facility's MEF is likely to require revision following the two strategies OPES and OPS referred to above. As an interim measure, the PCO has accelerated a program of regular field monitoring inspection to project sites (ANNEX III) in China.

5. Critical Issues

39 This section deals with those significant issues/risks defined to have the potential to seriously impede program outcomes.

5.1 Technical quality control of project outputs

Definition

40 This issue is becoming more apparent as projects start producing outputs (reports, study tours, training workshops, seminars, etc) of a technical / scientific nature. PCO monitoring of the quality of these outputs is possible only to a certain extent, as they require specialised expertise not necessarily resident among PCO staff.

Impact

41 The effect of poor or inadequate technical/scientific outputs can be severe. It will erode clients' confidence in the ACEDP as a tool to foster bilateral policy dialogue and strengthen and develop partnerships between agencies in the two countries. It can also affect policy views of Australia as a reliable partner for China.

Response

42 The PCO response is multi-pronged, addressing technical/scientific and strategic issues. During 2009 the PCO relied on a combination of EAT assessment and scientific peer review by the Chinese beneficiary ministry (eg Trans-jurisdictional Project). Maturation of the program in late 09 saw more projects producing technical/scientific outputs and the PCO adopted a rigorous system of internal quality control, drawing on external expertise as required (Annex IV).

43 During 2009, the EAT conducted its first Policy Gap Analysis for the ACEDP that confirmed the relevance of the program's strategic direction agreed in 2007 and 2008. At this stage in the program there seems little justification for another GAP Analysis as 94% of program funds have already been allocated. Rather, the two operationalised strategies that are in preparation by AusAID are intended to enable assessments of the strategic/technical relevance of projects towards program outcomes, and identify gaps/opportunities for further strengthening partnership or policy outcomes.

44 In early 2010 the PCO started to issue 'Guidelines for Project Teams' on issues of common interest. PCO monitors adherence to these Guidelines²⁵. The first set that was distributed to all joint project teams comprised short 1-2 page guidelines for preparation of project-specific Monitoring &

²³ In agreement with AusAID, this has been discontinued for the time being. Instead the PCO has commenced an accelerated program of 'Field Monitoring Inspections'.

²⁴ Following the recommendations in the IPR, the PCO is now providing this analysis as part of the 6-monthly progress report to AusAID, eg the 6th progress report for the period Jan – Jun 2010.

²⁵ PCO appraisal of project outputs (reports) and field monitoring are two interactions where PCO monitors use of these guidelines by projects, ensuring their application.

Evaluation M&E, Communication & Engagement C&E and Establishment of Project Steering Committees.

45 The PCO also distributed a guide for preparation and internal clearance by project teams of project outputs, including technical reports, progress reports and study tour reports that requested Australian teamleaders to get all project material cleared by Chinese counterpart agencies before submission to the PCO²⁶. The same applies of course to Chinese teamleaders that are requested to get clearance from their Australian counterparts.

5.2 Communication with Stakeholders

Definition

46 That issue has been a pervading one for the ACEDP, applying particularly to Australian Commonwealth Departments that, unlike the Chinese program core partners, are not direct beneficiaries of the ACEDP. It is also a highly dynamic problem – as the program matures, so does the communication with, and involvement of, Australian program core partners. While the ACEDP was successful in involving program core partners in the project design phase (through participation in design teams) and in the selection process for subcontractors (through membership in technical advisory panels), the implementation stage of the program is largely run by independent subcontractors, with involvement of Commonwealth agencies limited largely to giving presentations to study tours.

47 Major complicating factors are the absence of an identified counterpart in China and the presence of Australian Commonwealth Departments / Agencies as program core partners. Together that has created a unique set of challenges for the ACEDP. Servicing the needs and objectives of nine quite disparate national policy ministries in two countries with vastly different political and administrative systems is compounded by the non-political status of the PCO that is managed by a commercial company GHD Pty Ltd, which automatically limits its access at the policy level in Australia.

Impact

48 The effect of that risk is potentially significant as the program risks losing policy traction in Australia, which will affect agency preparedness in using the ACEDP to engage with China in partnership arrangements or policy dialogue. However, the ACEDP has moved onwards and beyond the original 5 Australian program core partners of which only CSIRO, BRS (DAFF) and DEWHA remain directly involved in project implementation.

Response

49 The PCO continues issue of bilingual quarterly e-newsletters and has expanded the monthly 'Schedule of Events' that lists all ACEDP funded training courses, workshops, study tours and so on both in Australia and China. As of July of this year, the Schedule is issued bilingual.

50 Establishment of a 'Portals' under the Partner Database on the ACEDP website to facilitate intra ACEDP learning and information exchange and outreach to other stakeholders – eg the 'Project Portal', where evaluation and technical reports from ACEDP projects are made available to all other ACEDP project teams and where the PCO uploads relevant information such as the 'Operations Manual' regular 'Updates' and 'Notes for Project Teams' and so on. It also includes thematic themes such as the recently added 'Eutrophication Portal' that aims to bring together researchers involved in algal outbreaks, such as happened at Lake Tai). Current subscribers are academicians and administrators from China, Australia, USA and Hongkong.

51 Monthly catch-up meeting with Chinese program core partners are now routinely minuted and AusAID is being invited to attend all meetings. Relations with Australian program core partners are

²⁶ PCO does not process draft reports unless the respective counterpart has cleared them by email.

facilitated largely through AusAID Canberra that is becoming increasingly involved in managing relationships through its whole-of government approach.

52 Any further ACEDP response to communication challenges will need to be harmonised with the two operationalised strategies (policy engagement and partnership) that are currently in preparation by AusAID as these strategies will influence the strategic direction of the program for its remaining two years of operation.

5.3 Strengthening Gender Integration in the Program

Definition

53 Although the program has taken steps to integrate social and gender issues throughout the program (see below), the issue still remains that the AusAID's gender policy and other social measures can not be broadly adopted in such a natural environment oriented program.

Impact

54 The effect of the problem is potentially high. As an Australian Government AusAID initiative, the ACEDP has to adhere to AusAID's stated gender policy²⁷. Non-adherence will not only be in contravention of that policy – and hence the contract between the managing contractor and AusAID - but could also affect perceptions that the ACEDP does not constitute value-for-money.

Response

55 PCO response to-date has been diversified, is project specific, and, up to now, has been appropriate to the stage of development of the program. At the start-up phase it consisted of appointment of a social specialist and preparation of a Gender Mainstreaming, Public Participation and Social Impact Management GPS Framework. At the project identification and design phase it consisted of requiring design teams to address the GPS Framework requirements. At the project assessment stage, the PCO developed internal GPS Screening Guidelines that helped in identifying specific GPS needs / requirements for any future projects. This assessment was then provided to project teams. At the project inception phase, project teams were required to address issues identified in the GPS Screening Guidelines. At the implementation phase, all outputs (technical reports, study tours, workshops etc) need to demonstrate that GPS has been addressed. This is the appraised by PCO.

56 Despite these efforts, adoption of GPS in projects remains sub-optimal and will require additional inputs to maximise sustainability. An outreach of the GPS project has started with a dedicated GPS training course for municipal officer from two provinces (Jiangsu, Zhejiang) involved in a science-based project (Lake Tai), conducted in July 2010. This training course is a test case for a much larger effort later in 2010 when a dedicated GPS training course is planned for Chinese counterpart staff from 10-12 ACEDP water resources projects. The aim of that workshop will be to build competencies for project implementation staff in applying GPS in their day-to-day work responsibilities of managing environmental / water resources programs. In addition the PCO is in the final stages of signing a contract with UNIFEM China and MWR for co-funding a women empowerment project in the water sector in Ningxia. This will complement three other ACEDP projects that have pilot sites in the same Qingtongxia River Basin of Ningxia Hui Autonomous Region.

5.4 PCO Progress Reporting to AusAID

²⁷ The reference document here is 'Gender Equality in Australia's Aid Program – why and how', issued by AusAID in March 2007

Definition

57 That issue was identified by the IPR that concluded the reporting formats used to-date did not provide the type of information required by AusAID for its internal reporting.

Impact

58 The effect of inadequate reporting can be severe. If achievements and lessons learned are not communicated, this may affect public perceptions of the value-for-money offered by the ACEDP and reduce public/political support for the program and its intended outcomes.

Response

59 The PCO response has been to change the reporting format for its 6-monthly progress reports to AusAID (the most recent one submitted in July 2010 already followed a new format) and, in accord with the two Operationalised Strategies currently in preparation, to refine its M&E Framework so that it communicates achievements and challenges effectively.

6. Interim Program of Work for 2010-11

60 Details of the program of work for year 4 of the ACEDP are included in the budget (ANNEX I) and the Workplan (ANNEX II). This interim version of the annual plan comprises projects and some essential non-project activities. Upon completion of OPES and OPS mentioned above, a revised Program of Work for 2010-11 will be issued by the PCO.

6.1 Projects

61 The program of work for year 4 of the ACEDP will be pre-occupied with implementing the 16 approved / running projects and with starting-up the 3 delayed projects, subject to AusAID/MOFCOM approval. Their combined Year 4 expenditure is around \$7 million.

TABLE 1 – Projects Year 4 by order of completion date

No	Title	Partners	Completion
	Approved / Running		
			FY 2010 - 11
2.4	Improving Water Efficiency through Better Irrigation District Management and Water Right Trading – Stage I	MWR / YRCC – GHD Pty Ltd	Sep 2010
1.4 (a)	Water Ecology Compensation (Payment for Environmental Services) Policy & Mechanisms	MEP – ANU Enterprises	Oct 2010
1.4 (b)	Water Ecology Compensation (Payment for Environmental Services) Policy & Mechanisms– 2 individual projects	MWR – ANU Enterprises	Oct 2010
4.1	System of Environmental Economic Accounting for Water SEEAW	MWR-ICEWARM	Oct 2010
1.15.4	Application of Multi-Criteria Analysis to Monitor Forestry Ecological Programs and Evaluate Community Compensation Mechanisms such as Carbon Sequestration in Qinghai Province	Southern Cross University & Bureau of Rural Sciences – Qinghai Forestry Bureau	Dec 2010
3.8	Gender Mainstreaming, Public Participation and Social Impact Management	MEP /MWR/NDRC/ SFA / MOFCOM – IDSS/CIAD	Jan 2011

1.15.1	Capacity Building on Adaptation to Climate Change in the Field of Water Environment	MEP– Melbourne University	Jan 2011
1.15.8	Research on the Applicability of Australian Total Channel Control Technology in China	MWR - Rubicon Pty	Jan 2011
1.15.2	Impact of Climate Change on Economic Development and Policy Options in China	State Information Centre (NDRC) – Monash University	Mar 2011
1.6	Public Participation in Social & Environmental Impact Assessment and Basin Water Pollution Control	MEP – IDSS/CIAD	Apr 2011
1.1	Lake Tai Water Pollution Treatment	International Cooperation Centre (NDRC) – Australian Urban Systems AUS	Jun 2011
1.15.10	Environmental Informatics for the Development of Landscape-scale Monitoring and Modelling	CSIRO – Chinese Academy of Surveying and Mapping	Jun 2011
			FY 2011 - 12
1.15.9	Environmental Risk Assessment and Management of Persistent Organic Pollutants Contaminated Water Body	MEP - DEWHA	Jul 2011
1.16	Empowering Women to Protect Rural Drinking Water Resources	MWR – UNIFEM China	Aug 2011
2.2	River Health and Environmental Flows in China	MEP / MWR – International Water Centre	Sep 2011
1.3	Wetlands Management Policy, Guidelines and Capacity Building	SFA – Kari Ganai Research & Wetlands International	Jan 2012
Pending Approval			
1.2	Inland River Basin Management: Managing the Threats to Sustainable Water Resources Development	MWR – Melbourne University	
1.15.7	Capacity Building on Strategic Planning for Impact of Climate Change on Water Resources	International Cooperation Centre (NDRC) - Sydney University	
1.15.11	Comparative Study on Countermeasure toward long-lasting Drought between China and Australia	MWR – Charles Sturt University	

6.2 Non- Project Activities

62 An amount of \$10,000 has been allocated to permit maintenance and expansion of the Partner Database on the facility website, including the web-based registration of Australian companies interested in work with Chinese partners. [Activity 3.5](#)

63 An amount of \$200,000 has been set aside for the 4th meeting of the Joint Australia China High-level Roundtable, to be held in Australia plus costs for associated 'side meetings' between Chinese and Australian agencies. [Activity 3.13](#)

64 An amount of \$100,000 has been allocated to networking projects, eg (i) intra-facility networking and information exchange among ACEDP projects; (ii) donor networks with bi- and multilateral agencies; (iii) inter-agency collaboration and exchange among Chinese and/or Australian program core partners and; (iv) bilateral policy dialogue on topics of mutual interest between Australian and Chinese environmental agencies. [Activity 3.15](#)

65 An allocation to assist partners developing activity design documents to ACEDP specification, activity 3.17 in the previous Annual Plan, was discontinued, as there was no demand in the previous year.

66 Other non-project activities, such as input by the EAT (Activity 3.2) for which an indicative amount of \$73,000 has been budgeted, or any other initiative in support of ACEDP policy & partnership outcomes, will be include in an amended 'Program of Work' to be submitted after conclusion of the OPES and OPS that are currently under preparation.

6.3 Budget Summary Year 4

Item	A\$	A\$	A\$
Total Overall Budget Forecast			8,845,797
Management Cost		1,365,037	
Imprest Account		7,480,760	
- Core Activities	6,989,600		
- EAT Activities	73,160		
- Emerging Priorities	100,000		
- Key Operational Activities (component 3 minus EAT)	318,000		