

Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector Advisory and Support Group (ASG)

Partnership Annual Plan July 2017 – June 2018

30 June 2017



When you
think with a
global mind
problems
get smaller

Table of contents

1	Introduction	1
1.1	Background.....	1
1.2	Program Framework	2
2	Planned Activities	3
2.1	Partnership Projects	3
2.2	ASG-Supported Activities	4
3	ASG Inputs	6
3.1	Operational and Technical Assistance Management	6
4	Risk Management and Mitigation	8

Tables

Table 1: Brief Description and Status of Partnership Project (as of June 2017)	4
Table 2: ASG-Supported Activities (July 2017 – June 2018).....	5
Table 3: Planned Inputs of ASG Short-Term Advisers (July 2017 – June 2018)	7

Annexes

Annex 1: Draft Implementation Strategy of Partnership Phase II

Annex 2: Annual Plan 2017-18 Gantt Chart

Annex 3: Risk Register

Abbreviations

AAI	Australia Awards Indonesia
ASG	Advisory and Support Group
AUD	Australian Dollar
BKPM	Indonesia's Investment Coordinating Board
Coffey ID	Coffey International Development
DAWR	Department of Agriculture and Water Resources
DFAT	Department of Foreign Affairs and Trade
GESI	Gender and Social Inclusion
GoA	Government of Australia
Gol	Government of Indonesia
IACCB	Indonesia Australia Commercial Cattle Breeding
M&E	Monitoring and Evaluation
NIAPP	NTCA Indonesia-Australia Pastoral Program
TSP	Technical Support Pool

1 Introduction

This Annual Plan outlines planned activities and budget under the Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector (the Partnership) for the period of July 2017 – June 2018. It also outlines the support that will be provided by the Advisory and Support Group (ASG) to ensure effective and efficient implementation of Partnership activities.

This Plan is prepared by ASG in close coordination with the Partnership secretariat.

1.1 Background

The Indonesia - Australia Partnership on Food Security in the Red Meat and Cattle Sector (the Partnership) is a jointly agreed heads of government initiative underpinned by an AUD 60 million fund provided by the Australian Government to be expended over 10 years to 2024. It brings together key decision makers, from government and industry, to benefit both countries through strengthening people-to-people, government-to-government and industry-to-industry relationships.

It aims to achieve this by developing joint competitive advantages along the Indonesian and Australian cattle and beef sector supply chain, to foster enduring bilateral relations; by promoting a stable trade and investment environment within Indonesia; and by promoting and enhancing the commercial complementarities of our industries.

There are four broad objectives of the Partnership:

1. Underpinning Indonesia's food security by improving the long term sustainability, productivity and competitiveness of Indonesia's cattle sector
2. Strengthening Indonesia-Australia bilateral business, investment and trade ties, and supporting closer engagement with the red meat and cattle sector
3. Supporting the bilateral exchange of expertise, capacity building and technical assistance related to the red meat and cattle sector
4. Building and improving understanding and the effectiveness and efficiency of cooperation between parties by establishing regular meetings between governments and the red meat and cattle sector from both Indonesia and Australia

The Partnership is co-chaired by Australian (Department of Agriculture and Water Resources) and Indonesian (Investment Coordinating Board - BKPM) representatives, and is supported by Partnership secretariats in both agencies. Since July 2016, the Advisory and Support Group (ASG) has provided support to the Partnership.

The role of the ASG is to provide administrative support to BKPM and the Department of Agriculture and Water Resources, access to high quality and timely technical expertise, and to assist in the development of a monitoring and evaluation (M&E) framework to review and communicate the Partnership's progress against agreed priorities and milestones.

The ASG is contracted by the Australian Department of Foreign Affairs and Trade (DFAT), but maintains a strong relationship with both the Australian and Indonesian secretariats (Department of Agriculture and Water Resources and BKPM (via the Red Meat and Cattle Partnership Manager Jakarta Post), and works through the secretariats to communicate with Partnership members. Unless specifically tasked, the ASG has limited direct communication with Partnership members.

Strategic and policy related decision making for the Partnership is the responsibility of the Partnership members, Co-Chairs and the secretariat (BKPM and Department of Agriculture and Water Resources). The ASG may provide input to strategic and policy related decision making, via the contracting and management of relevant expertise. Annex 2 details Partnership governance arrangements, key stakeholders and Partnership members.

1.2 Program Framework

The Partnership's Strategic Framework defines the purpose of the Partnership as follows:

To synergise Australian and Indonesian strengths and potential in order to develop the Indonesian cattle sector and improve joint competitiveness and prospects for long term investment and trade between Indonesia and Australia as part of a globally competitive supply chain in the red meat and cattle sector.

The long term goal¹ of the program is:

To develop a prosperous Indonesian and Australian red meat and cattle industry built on competitive advantage, strong relationships across the supply chain and mutually beneficial investment and innovation.

Progress towards this goal will be measured by progress towards four short term (3-5 years) and four medium term (5-8 years) outcomes:

Short Term Outcomes

Outcome 1 - Effective linkages exist between Indonesia and Australia at the levels of government, industry and enterprise in the sector. Effective Partnership linkages are ones in which both parties actively seek to collaborate to address issues of common interest.

Outcome 2 - Those working in the sector have the skills needed to support a productive red meat and cattle industry. Training and other forms of capacity development outcomes include an increase in the knowledge, skills and experience of those working in the sector.

Outcome 3 - The Indonesian and Australian governments have access to quality policy analysis to inform policy and investment decisions. Having access to quality policy analysis should lead to better policy formulation and investment decisions.

Outcome 4 - Potential advances in the supply chain are identified and where agreed tested, with lessons to inform policy, investment and production decisions. The intended outcome is that pilot programs and innovations to improve the supply chain can be implemented and scaled up to have a significant impact on beef production.

Medium Term Outcomes

Outcome 5 Productivity improvements in the red meat and cattle sector supply chain realised in Indonesia. Productivity improvements should begin to emerge through improvements in skills training, technology transfer and innovation.

Outcome 6 Indonesian and Australian government policies achieve beneficial outcomes for industry in Indonesia and Australia. The Partnership arrangement should lead to greater trust and confidence in the development of mutually beneficial policies and regulations.

Outcome 7 Improved investment environment, stable policies and prices, and inclusive economic growth. Improved productivity and better working relationships between government and industry in Indonesia and Australia will ultimately lead to a more stable and predictable investment environment. Gender equality, women's empowerment and disability inclusive policies should lead to more inclusive economic growth.

Outcome 8 Resilient and effective Partnership between Australia and Indonesia in the red meat and cattle sector to address emerging issues. Demonstrating mutual benefits from improvements in the investment environment, policies and economic growth should encourage a long term and resilient Partnership in the sector.

¹ Based on a draft vision statement developed at the Joint Industry Visioning Workshop in Jakarta in July 2016.

Achieving these outcomes will be through a series of coordinated activities and outputs. These will be produced through projects which are delivered through the Partnership and its three working groups, representing the Partnerships priority areas:

1. Breeding
2. Processing
3. Transport/logistics.

The working groups are made up of industry Partnership members from both countries. The working groups are responsible for assisting in project proposal development and providing an advisory role during implementation. The projects include a number of outputs that will be evaluated periodically as part of progress reporting. These include:

- Training programs and skills development
- New systems and processes
- Operating guidelines and standards
- Policy advice and research
- Supply chain improvements
- Innovative production and breeding systems
- Partnership and working group meetings, work plans and strategies.

The ASG is responsible for monitoring and evaluating the performance of the partnership towards the attainment of its goal:

1. At the Project level – to determine how individual projects and programs are contributing to the Partnership's intended short term outcomes.
2. At the Partnership level – to determine the extent to which the Partnership, through its combined efforts, are progressing towards the achievement of its medium term outcomes.

2 Planned Activities

Changes to the Partnership operations and strategic direction are currently under review, following the completion of its early harvest² phase. These changes are documented in a Draft Strategy for Implementation of Phase II (see Annex 1), and entail two key changes to improve the Partnership, as follows.

1. Promote the Partnership's primary role as a think-tank for the sector, that provides quality data and analysis to assist in decision making.
2. Review the project proposal process and the Partnership's priority areas to ensure the most effective use of Partnership funds.

The draft Implementation Strategy is currently being negotiated between the Australian and Indonesian Partnership members. Once approved, the Strategy will guide the implementation of Partnership activities over the next three years (2017-2020). The Annual Plan is written based on the current draft Strategy. If there are any significant changes to the draft Strategy, this Annual Plan will be updated accordingly.

2.1 Partnership Projects

Currently, there are four ongoing projects under the Partnership: the Indonesia-Australia Commercial Cattle Breeding (IACCB) Program; the Advisory and Support Group; the Development of Joint Industry Strategy; and Best Practice Guidelines for Cattle Transport and Handling. Nine projects are proposed for implementation from July 2017 to June 2018, subject to Partnership approval. Three are extensions to current projects that were partially endorsed at the 5th Partnership meeting, three are currently under open tender, and one was already approved by the Partnership with activities to be developed. The remaining two projects are still under development and will be submitted to the 6th Partnership meeting for approval. The status of each project is outlined in Table 1 below.

² Early harvest phase covers the first four years of the Partnership (July 2013 – June 2017)

Table 1: Brief Description and Status of Partnership Project (as of June 2017)

No	Project Title	Indicative Timeframe	Status
1	Indonesia-Australia Commercial Cattle Breeding (IACCB)	Feb 2016 – Jan 2019	Ongoing
2	Advisory and Support Group (ASG)	Jun 2016 – May 2020	Ongoing
3	Development of Joint Industry Strategy	Feb – Jul 2017	Ongoing. Nearing completion
4	Best Practice Guidelines for Cattle Transport and Handling	Apr 2016 – Jul 2017	Ongoing. Nearing completion
5	Extension of the Skills Development Short Course Awards Programme	Jan – Jun 2018	Waiting for approval ³
6	Extension of the NTCA Indonesia Australia Pastoral Program (NIAPP)	Jan – Jun 2018	Waiting for approval
7	Extension of the East Kalimantan Breeder Support Programme	Jun 2017 – Jan 2018	Waiting for approval
8	Survey of Indonesia's Beef Consumption and Preference Trends	Jul 2017 – Mar 2018	Under open tender
9	Indonesia's Supply Chain and Logistic study	Jul 2017 – Mar 2018	Under open tender
10	Feasibility Study of a Cattle Bonded Logistics Zone in Indonesia	Jul 2017 – Mar 2018	Under open tender
11	Policy and Problem Solving Visits Programme	Jul 2017 – Jun 2018	Approved by the Partnership, activities not yet identified
12	Feasibility Study of a Cattle Breeding Centre in Indonesia	Sep – Dec 2017	To be tabled ⁴ at the 6 th Partnership meeting
13	Communications Activities to support the Implementation of Partnership Strategy Phase II	Jul 2017 – Jun 2018	To be tabled at the 6 th Partnership meeting

2.2 ASG-Supported Activities

In addition to the projects outlined above, the Partnership will also run a variety of Partnership meetings, conduct research and analysis on select topics, finalise and implement a Communications Strategy, and conduct evaluations on Partnership activities, all supported by the ASG (see Table 2

³ Waiting for approval - already endorsed by the Australian Partnership members at the Perth Partnership meeting, but are pending approval from the Indonesian members.

⁴ To be tabled - projects that are still under development, but will be submitted to the next Partnership meeting for approval.

below and Annex 2: Gantt Chart). ASG efforts within the July 2017 – June 2018 period will focus on operationalising the Partnership Phase II Implementation Strategy (see Annex 1).

Table 2: ASG-Supported Activities (July 2017 – June 2018)

Key Priorities	ASG Inputs	Indicative Timeframe
Meetings		
6 th Partnership meeting in Yogyakarta, Indonesia	<ul style="list-style-type: none"> Rearrange meeting format to encourage more policy discussion Engage independent technical experts to present papers on agreed topics and to facilitate discussion among Partnership members Provide all required logistical support, including provision of meeting papers 	Aug 2017
7 th Partnership meeting in Australia	<ul style="list-style-type: none"> Ensure meeting format continues to encourage policy discussion Engage independent technical experts to present papers on agreed topics and to facilitate discussion among Partnership members Provide all required logistical support, including provision of meeting papers 	Feb 2018
Partnership Co-chairs meetings	<ul style="list-style-type: none"> Provide all required logistical support, including provision of meeting papers 	Aug 2017
Intersessional meetings – Indonesian members	<ul style="list-style-type: none"> Provide all required logistical support, including provision of meeting papers 	Jul 2017 Oct 2017 Jan 2018 Apr 2018
Sectoral Working Group (SWG) meetings	<ul style="list-style-type: none"> ASG Strategic Adviser facilitates session/s with Processing, Breeding, and Logistics/Transport Working Groups to determine priority areas/topics for the Jul 2017 – Jun 2020 period 	Jul - Aug 2017
Partnership Annual Report (2016-2017)	<ul style="list-style-type: none"> Review progress of Partnership activities and expenditure for the period Jul 2016 – Jun 2017 	Jul 2017
Partnership Progress Report (Jul-Dec 2017)	<ul style="list-style-type: none"> Review progress of Partnership activities and expenditure for the period Jul - Dec 2017 	Dec 2017 – Jan 2018
Communications		
Development of Partnership Communications Strategy	<ul style="list-style-type: none"> Engage and oversee the work of a Lead Communications Specialist and an Indonesian Communications Specialist to facilitate the development of the Partnership Communications Strategy 	Jul – Aug 2017
Implementation of Communications Strategy	<ul style="list-style-type: none"> Coordinate implementation of the Communications Strategy including development of Partnership Newsletter 	Sep 2017- Jun 2024
Research and Analysis		
Economic Assessment of Indonesian Breeder Operations using Australian Cattle	<ul style="list-style-type: none"> Determine options, via an economic assessment, to support breeding operations using Australian cattle. Options to be evaluated include 1) fast-tracking proven models under the IACCB Project; and 2) expanding Meat and Livestock Australia (MLA)'s work with Gajah Mada University (UGM) and cattle importers to develop bespoke assessments of viability 	Sep 2017
Indonesian Commercial Cattle Sector Gender and	<ul style="list-style-type: none"> Engage and oversee the work of a GESI specialist who will analyse GESI successes, barriers and opportunities in the Indonesian 	Oct 2017

Key Priorities	ASG Inputs	Indicative Timeframe
Social Inclusion (GESI) Analysis	commercial cattle sector, and propose recommendations for the Partnership and its projects	
Case Study on Smallholder Integration with Commercial Business ⁵	<ul style="list-style-type: none"> Conduct a case study on PT Great Giant Livestock and PT Santosa Agrindo on the sustainability and viability of smallholder integration with commercial business and women's leadership using the experience of the PT Great Giant Livestock Director. 	Oct 2017
Partnership M&E Support⁵		
Annual Partner Interviews	<ul style="list-style-type: none"> Annual interview of Partnership members to seek their feedback on the progress and performance of the Partnership. 	Nov 2017
M&E and reporting assistance for new projects	<ul style="list-style-type: none"> For new projects, work with project implementers to develop program logics, M&E plans and reporting requirements. 	Aug – Oct 2017
Project Implementation and Evaluations⁶		
Mid-Term Review of IACCB	<ul style="list-style-type: none"> Review program implementation over the initial 18 months' period 	Jul 2017
End of Program Evaluation – East Kalimantan Breeder Support Project	<ul style="list-style-type: none"> Review program implementation, focusing on the extension period (Jun 2017 – Feb 2018). 	Mar 2018
Rapid Review of Indonesia's Beef Consumption and Preference Trends Survey	<ul style="list-style-type: none"> Review the outcome of the survey 	Apr 2018
Rapid Review of Indonesia's Supply Chain and Logistic Study	<ul style="list-style-type: none"> Review the outcome of the study 	Apr 2018
Rapid Review of Cattle Bonded Logistics Zone in Indonesia Study	<ul style="list-style-type: none"> Review the outcome of the study 	Apr 2018

3 ASG Inputs

3.1 Operational and Technical Assistance Management

The ASG Operations Team is comprised of a full-time Program Manager (Mr Muhamad Isradi Alireja), and an Administration/Finance Officer (Ms Shinta Martin). The team is responsible for providing logistical and administration support to the Partnership as well as managing the operationalisation of Partnership Phase II Implementation Strategy, including implementation of the Communications Strategy.

⁵ Conducted by ASG M&E Adviser

⁶ Conducted by ASG M&E Adviser

Part time Secretarial Support input totalling 4 months will be provided by Ms Trudy Djanggur. Her inputs will focus on administrative and logistical support for the 6th and 7th Partnership meetings – e.g. confirming and facilitating member attendance, organising venues, flights and accommodation, and recording minutes of the Partnership meetings.

- A part time Communications Officer (approx. 5 months input per year) will be recruited in July. She/he will assist the Program Manager in preparing the bi-annual Partnership Newsletter, managing the Partnership social media platforms (subject to the agreed Partnership Communications Strategy) and liaising with DFAT and Department of Agriculture and Water Resources communications and public relations units when organising public diplomacy events and/or social media presence. A key focus of the Communications Officer efforts will be to ensure consistency in messaging and branding across Partnership activities and to actively identify public diplomacy opportunities for the Partnership.
- The team is supported by two core Short-Term Advisers (STAs): Dr Ben Mullen (Strategic Adviser) and Mr David Goodwins (M&E Adviser). In addition, ASG draws additional technical expertise from its Technical Support Pool (TSP) to provide specialised technical support to the Partnership. The planned inputs of STAs are provided in Table 3 below.

Table 3: Planned Inputs of ASG Short-Term Advisers (July 2017 – June 2018)

Name	Position/Role	Inputs
Strategic Adviser (Dr Ben Mullen)	<ul style="list-style-type: none"> • Prepare discussion papers and facilitate brainstorming sessions with each Sectoral Working Groups to determine priority areas/topics for the Jul 2016 – Jun 2020 period • Lead the development of new project proposals • Prepare project documents in formats suitable for inclusion in DFAT/DAWR tenders • Develop baseline indicators for the East Kalimantan Breeder Support Project and provide ongoing strategic support during implementation • Provide technical support in preparing policy discussion paper/s for the 6th and 7th Partnership meetings • Contribute to the Partnership Annual and Progress Reports 	40 days
M&E Adviser (Mr David Goodwins)	<ul style="list-style-type: none"> • Present the M&E results at the 6th and 7th Partnership meetings • Develop program logic and M&E plans for new projects, in collaboration with respective project implementers • Conduct a case study on smallholder integration with commercial business • Contribute to the case study on women's leadership • Conduct end-of-program evaluation of the East Kalimantan Breeder Support Project • Contribute to the Partnership Annual and Progress Reports 	50 days
Lead Communications Specialist (Ms Sabina Scharee)	<ul style="list-style-type: none"> • Lead the development of Partnership Communications Strategy • Conduct consultations with Australian stakeholders 	20 days
Communications Specialist (Ms Desy Mutialim)	<ul style="list-style-type: none"> • Contribute to the development of Partnership Communications Strategy with a focus on the development of a Partnership Social Media Strategy • Conduct consultations with Indonesian stakeholders 	15 days
Gender and Social Inclusion Adviser (TBC)	<ul style="list-style-type: none"> • Conduct a Gender and Social Inclusion (GESI) analysis of the Indonesian commercial cattle sector • Conduct a gender case study on PT Great Giant Livestock 	15 days

Name	Position/Role	Inputs
Agricultural Economist (TBC)	<ul style="list-style-type: none"> Develop economic modelling for individual breeding models chosen under the economic assessment of Indonesian Breeder Operations project 	5 days
Technical Specialists (up to 4 STAs - TBC)	<ul style="list-style-type: none"> Develop and present discussion paper at the 6th and 7th Partnership meetings Facilitate policy discussion sessions at the 6th and 7th Partnership meetings 	40 days

4 Risk Management and Mitigation

A risk matrix is presented in Annex 3, which has been based on stakeholder consultations and the current status of program activities.

The major risks and proposed mitigation strategies are as follows:

Risk 1: The range of activities and projects being supported do not make significant contributions to intended Partnership outcomes and the commitment of key stakeholders to the Partnership declines.

This is currently a significant issue amongst Partnership members. This risk can be addressed through the development of a program design, a more collaborative approach when developing project concepts; improvements in reporting to highlight short term gains; improving project templates and designs so they are focussed on intended Partnership outcomes; improved communication to Partnership members and the industry; and by closely monitoring results to ensure projects focus on their original intent.

Risk 2: Outputs and results do not meet the needs of the Indonesian Government and industry, reinforcing the perception that the Australian Government is driving the program.

This perception was raised during numerous discussions with both Australian and Indonesian Partners and has resulted in a degree of Indonesian disengagement. The issue has been exacerbated by unequal information flows⁷. This risk is being addressed through increased engagement with Indonesian partners to ensure greater ownership of projects, particularly during the development of concepts, project designs and in working groups. It could also be addressed through the direct involvement of the Indonesian Government in project evaluations and case studies.

Risk 3: The Partnership involves four distinct stakeholder groups⁸, each of which has contrasting opinions regarding what should be done to achieve the Partnership's objectives.

These differences are difficult to reconcile through the current communication arrangements, which are dominated by large, formal annual meetings.

More open and regular communication between members in smaller groups will be encouraged in the coming period. Members will also be encouraged to discuss differences at the Partnership meetings, rather than simply agreeing to avoid uncomfortable negotiations.

Risk 4: There is a tension between program effectiveness and spending imperatives.

This issue is linked to delays in decision-making within the Partnership, particularly when funds are required to be allocated ahead of approvals. This results in a greater pressure to spend the approved

⁷ Generally, more information flows to Australian Partnership members

⁸ Australian and Indonesian industry and Australian and Indonesian governments

annual allocation towards the end of financial year, which often conflicts with the need for more checks and balances throughout the year (e.g. through milestone payments) to ensure program effectiveness.

This issue could be alleviated by identifying a funding mechanism that allows Australian departments to allocate funds through ASG, which would then manage the payments to project implementers when approvals are negotiated or milestones achieved.

Annex 1

Draft Implementation Strategy of Partnership Phase II

Indonesia Australia Partnership on Food Security in the Red Meat and Cattle Sector

Draft Strategy for Implementation of Phase II

Background

The Indonesia-Australia Partnership on Food Security (the Partnership) is a \$60 million investment over 10 years (2013/14- 2022/23) with the purpose of 'improving joint competitiveness and prospects for long term investment and trade between Indonesia and Australia as part of a globally competitive supply chain in red meat and cattle'.

In its 'early harvest' phase, the Partnership identified cattle breeding, processing and transport/logistics as priority areas of investment, under the overarching themes of skills development and investment.

To date, Partnership funds have been primarily committed to the Indonesia Australia Commercial Cattle Breeding Program (\$9,071,061 over three years) and Skills Development: Australia Awards Short Courses (\$3.1 million expended and a further \$2.3 million budgeted for 2017). Other activities include the Northern Territory Cattlemen's Association Indonesia-Australia Pastoral Student Program (\$1.35 million expended), designing Standard Operating Procedures for abattoirs (\$175,000 expended) and the East Kalimantan Breeder Support Programme (\$383,000 expended). As of April 2017, approximately \$16.5 million has been committed by the Partnership.

Development of the beef and cattle sector and supply chain are high priorities for both the Australian and Indonesian governments. When the Partnership was first established, its objectives and the convening power of the program were successful in improving engagement and trust between both governments and industry stakeholders. However, in recent times, the performance and effectiveness of the Partnership has been diminished by program delays, policy setting changes and reduced engagement from key government stakeholders.

Taken together, these issues have highlighted the need to improve the level of cross-agency profile and ownership of the Partnership's programs across key Indonesian and Australian Government and industry stakeholders.

Phase II of the Partnership (2017-2020)

As the early harvest phase of the Partnership comes to a close, it is timely to review how the Partnership operates, and its priority areas of focus.

In Phase II of the Partnership, it is proposed that two key changes are made to its operation. The first is that the Partnership's primary role is as a think-tank for the sector, providing quality data and analysis to assist in decision making. The second change is to the project proposal process and reviewing the Partnership priority areas of focus to ensure the most effective use of Partnership funds.

Concreting the Partnership as a Policy Forum

1. *Use the biannual meetings to further policy discussions*

As the primary architecture for the Partnership, the biannual meetings should be a genuine forum for policy discussion, with program implementation details taking a backseat where there is not a direct or pressing issue related to policy. There is a desire to elevate the role and function of the Partnership to a strategic 'think-tank'. The biannual meetings could have a greater policy focus through the following:

- a. The biannual meetings should have an overarching theme, supported by independent analysis and research, but still address the immediate pressing issues.
- b. To discuss the overarching theme, the plenary should be broken into smaller groups to allow for greater discussion.
- c. Where appropriate and possible, the plenary policy dialogue sessions should be closed to members and official observers only, and actively facilitated by the co-chairs or ASG.

- d. Project updates should be primarily discussed in the working groups, and given to the rest of the membership in written form.
- e. Working groups should present any key issues or recommendations from their separate discussions to the plenary.
- f. Ministerial attendance at the biannual meetings should be sought on an opportunistic basis, aiming for every second meeting.

2. *Use working groups to facilitate policy discussion*

The ability of the ad hoc working group on breeding to respond to the introduction of the 5:1 feeder to breeder import policy was broadly regarded as a successful model for collaboration and resulted in positive policy outcomes. It was also noted by many stakeholders that this should be a role for the Partnership. We see industry-led working groups facilitated by the Partnership as a possible mechanism to respond to emerging issues, and should enable this by:

- a. Facilitating each existing working group to conduct a 'brainstorming session' in 2017 to discuss the future direction for each thematic area, and objectives of Partnership funded projects in the sector. These sessions should also be used to discuss current policy or challenges faced by the sector, and propose recommendations for overcoming these challenges.
- b. Regularly scheduling sectoral working group meetings in between Partnership biannual meetings, to provide oversight of technical aspects of Partnership projects and/or to discuss pressing issues that the sector is facing.
- c. Establishing ad hoc working groups in response to emerging issues, including drawing on representatives outside of the Partnership where appropriate.
- d. Where appropriate, the working groups should develop issues briefs and/or recommendations to government, or recommend the Partnership task the ASG to conduct analysis (to be confirmed by co-chairs).

3. *Develop the Partnership's reputation as a think-tank which governments and industry can rely on for independently-sourced advice*

The Partnership should commission research and analysis from independent experts to inform their policy discussions. Enhanced policy dialogue sessions will only be meaningful if the outcomes and recommendations filter up through government, and are viewed as credible. This may be achieved by:

- a. Developing or commissioning clear and concise briefing notes on key issues, with Partnership branding where appropriate, for members to circulate within industry or send up the line in their bureaucracies.
- b. Developing and implementing a Partnership communications strategy to deliver the right messages to the right audiences in a timely manner, including by strengthening the Partnership's online presence.

Using the Partnership funding resources in the most effective way

4. *Re-determine priority areas for Partnership projects*

As the Partnership's 'early harvest' phase closes, and the Indonesia Australia Commercial Cattle Breeding Program is underway, it is important to reassess the priority areas for the Partnership to invest its funds. This re-determining can be achieved through the following processes:

- a. Building off the outcomes of the industry strategy workshop in March.
- b. Receiving Government of Indonesia input through consultations with each Ministry.
- c. Where possible, aligning projects with areas where Indonesia's policy settings are supportive.

5. *Provide structure for the annual allocation of funds*

The Partnership should look to fund projects that aim to achieve its long-term objectives, while remaining flexible enough to respond to unforeseen or emerging issues. Being a facility model, the risk that the Partnership will struggle to spend its yearly allocation is high. This can be mitigated through:

- a. Determining rough allocations for each priority area each year, as well as keeping a smaller proportion of funds aside to respond to emerging issues as required.
- b. Defining allocations for project implementation as well as analysis.
- c. Using the ASG to track expected and actual expenditure throughout the year.

6. *Broaden the call for proposals and implementing agencies*

Once the priority areas for Partnership investment have been determined, projects need to be developed based on demand, evidence and logic, and implementing partners chosen in an open and fair process to ensure quality and value for money.

- a. Where the Partnership agrees on the solution to a problem the ASG will design a program and then run a tender for its implementation.
- b. Where the Partnership does not necessarily know the answer to an issue, the ASG will run a 'challenge tender' where the broad area of work is presented to the market, and the market prepares possible solutions. The ASG and Partnership Secretariat will determine the top responses and present them for the Partnership to decide on the successful tender.
- c. Provide the members with more than one option for a solution, or the best of several solutions, to avoid members feeling obligated to approve a program.

7. *Ensure projects have clear designs, which describe their contribution to the Partnerships' objectives and are reviewed to measure their effectiveness*

In order to 'tell the story' of the Partnership, projects need to clearly outline what they will achieve within their specified timeframe, and projects will be reviewed to determine their contribution to the Partnership's objectives. This can be achieved by:

- a. Aligning projects with the Partnership Strategic Framework, endorsed at the third Partnership Meeting (August 2015)
- b. Designs adhere to the DFAT design standards, and have input from the ASG M&E Advisor to ensure their logic aligns with the Partnership's logic.
- c. Project designs specify the M&E arrangements and an end of program review is conducted in accordance with the M&E Framework (plus mid-term review where the timeframe and value of the program warrants one).

8. *Ensure the Partnership's programs are responsive to the policy environment*

To ensure the Partnership's funds continue to be effective in leveraging policy reform, the delivery of programs should be responsive to the policy environment. This will be achieved by:

- a. Where possible, halting the development of new projects, or the delivery of major project milestones, where the current policy does not underpin the objectives of the project, and relay messaging accordingly.
- b. Utilising the sectoral working groups to develop briefing notes and policy options to assist Governments to develop mutually beneficial policies.

Annex 2

Annual Plan 2017-18 Gantt Chart



Annex 3

Risk Register

Risk Register Indonesia Australia Partnership on Food Security in the Red Meat and Cattle Sector

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
Achieving Partnership Results and Outcomes											
Disparate activities do not yield cohesive results and lose strategic focus. Partnership outcomes are not achieved.	Regular engagement with the Partnership members and working groups to reinforce the agreed vision and strategic outcomes	Major	Likely	High	N	Strengthen project templates and designs to ensure they align with strategic outcomes Improve communication to all stakeholders on outcomes Closely monitor results to ensure projects focus on their original intent.	Secretariat ASG	Ongoing	Mod	Possible	High
Partnership involves four distinct stakeholder groups ⁹ , each of which has contrasting opinions regarding what should be done to achieve the Partnership's objectives.	Strategies and activities are discussed at Partnership meetings	Major	Likely	High	N	Convene more open and regular communication between members in smaller groups Establish mechanisms for members to frankly discuss differences at the Partnership meetings	Working Groups ASG Co-Chairs	Ongoing	Mod	Possible	Mod

⁹ Australian and Indonesian industry and Australian and Indonesian governments

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
There is a tension between program effectiveness and spending imperatives when funding that is allocated to projects fail to achieve approvals in a timely manner.	Projects are often forward-funded to meet end of financial year requirements, which may reduce the pressure to meet milestones, thereby reducing program effectiveness.	Mod	Likely	High	N	Identify a funding mechanism that allows Australian departments to allocate funds through ASG, which would then manage the payments to project implementers once approvals are negotiated or milestones achieved	ASG & DFAT/DAWR	Ongoing	Mod	Possible	Mod
A focus on small holder farming instead of commercial operations may divert attention and resources to activities that are not priorities in meeting Partnership goals.	All projects are reviewed against the overall strategic framework and technical input provided on designs by Working Groups. Some Working Groups members support small holder initiatives where they are seen to meet Partnership goals.	Mod	Likely	Mod	N	Reinforce the purpose, scope and objectives of the program with stakeholders. Ensure all funded projects contribute to the longer-term outcomes through a clearly defined results chain or theory of change.	Working Groups ASG M&E Adviser	During project evaluation	Mod	Possible	Low

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
There is a significant expectation that the Cattle Breeding Program (IACCB) is able to conclusively address the questions around cattle production under Palms or Forestry after 20 years of failed attempts. The current approach does not place a high emphasis on producing clearly defensible research.	The Cattle Breeding Program has a strong M&E program in place, however, it does not place a strong enough emphasis on producing clearly defensible research.	High	Likely	High	N	Review the M&E system from a research perspective to ensure it maintains scientific integrity when addressing key evaluation questions, taking into account the previous work of ACIAR and the known factors affecting success and failure.	ASG Team Leader IACCB M&E Adviser	From January 2017	Minor	Possible	Mod
Outputs and results do not meet the needs of the Indonesian Government. There is a perception that the Australian government and industry is driving the program.	Continued engagement with the Indonesian government and industry to fully understand their needs Regular Partnership meetings	Major	Likely	High	N	Increase Indonesian engagement and ownership in working groups and project designs Improve monitoring and evaluation of projects and share the results more widely with stakeholders to demonstrate benefits Ensure immediate sharing of evaluation results prior to approval of ongoing programs	DoAWR/DFAT Partnership members / Working groups Secretariat ASG	On commencement	Mod	Possible	High

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
Inability to attribute results to program activities or articulate the program's contribution.	Project-based M&E in place but not closely aligned with the strategic outcomes identified by the Partnership	Mod	Likely	High	Y	Assist each project to implement a results-based approach to M&E and to track contributions and alternative explanations for results Each major project will establish a results chain to indicate outcomes being achieved.	ASG M&E Adviser	From January 2017 for all new approved programs or program extensions	Minor	Possible	Mod
The benefits delivered through the various projects and activities are not sustainable	Documented in program designs but sometimes not clearly demonstrated.	High	Likely	High	N	Each funded project will be required to develop a sustainability and exit strategy to ensure benefits are ongoing after the initiative is complete.	ASG Project managers / Implementers	All new funded programs	Minor	Possible	Mod
The M&E system fails to meet the needs of the program due to limited resources and focus	M&E is being implemented at the Partnership level through the ASG but needs strengthening at the project level. Each project has an M&E component but these need strengthening	Mod	Likely	High	N	M&E resources will increase to meet anticipated needs. Technical support will be provided to projects to ensure each M&E approach is customised to their needs but able to be combined for Partnership level reporting	ASG M&E Adviser	June 2017	Minor	Possible	Mod

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
Partnership / Relationships											
The strength of the Partnership and working relationships are impacted by continuous changes in membership and government reorganisation as well as the limited opportunities for engagement (e.g. once or twice a year)	Regular communication and briefing between members keeps Partners updated, however, personal working relationships need to be more stable.	Mod	Likely	High	N	Additional effort will be invested in ensuring close relationships are maintained between sessions, and if changes occur, clear handover procedures are in place, including introductions to counterparts. The communication strategy will be implemented to help keep Partners informed of changes.	ASG Secretariat	Continuous	Mod	Unlikely	Mod
Government of Indonesia does not appreciate the value of the Partnership as an economic partnership and sees the program as technical assistance only.	Partnership meetings are used to reinforce the strategic outcomes for the Partnership. This includes wide-ranging industry representation.	Mod	Possible	High	N	Fully implement the Phase II Implementation Strategy which has a stronger focus on policy. The Communications Strategy will focus on communicating the benefits of the Partnership. M&E will monitor the strength of the Partnership on an ongoing basis.	ASG Secretariat	Continuous	Mod	Unlikely	Mod

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
Gol sees the Partnership as being Australian-driven and primarily to achieve Australia's interests	ASG attempts to engage the Gol and is kept aware of the mutual benefits of the Partnership	High	Likely	High	N	All partners commit to open communications on Partnership issues. ASG ensures that relevant information is shared with all Partners in a timely manner	DFAT/DoAWR BKPM/MoA ASG	Continuous	Mod	Possible	Mod
The Australian Industry perceive the Partnership as helping Indonesia at the expense of Australian interests and trade. They have limited visibility of the results being achieved given the significant investment in the program, and question the worth of the program.	The Secretariat produces newsletters which promote the program to all industry players and which articulates the mutual benefits of the Program.	High	Likely	High	N	The Communication Strategy will explore a wide range of approaches to improving communication with industry players to ensure they have a good understanding of the potential benefits of the program. The M&E will focus on reporting on the results of the Partnership which will be communicated to all stakeholders	ASG Secretariat	From Sep 2017	Mod	Likely	High

Risk	Existing Controls	Risk Rating with existing controls in place			Is this acceptable (y/n)	Further Possible Mitigation Measures in the design of the integrated program	Responsibility	Implementation Date	Residual risk after mitigation		
		Consequence	Likelihood	Risk Rating					Consequence	Likelihood	Risk Rating
Technical Assistance											
Technical assistance is not fit for purpose or properly contextualised. There is a lack of understanding of the conditions in Indonesia limiting the effectiveness of skills training and the implementation of operational guidelines	Project designers and Gol counterparts work together to determine requirements however the working context is often not fully appreciated and the projects are not market-driven.	Min	Possible	Mod	N	Encourage greater collaboration between project designers and Gol counterparts. A quality assurance process involving Partners and the ASG will be implemented for Project Designs and procurement to ensure the assistance is fit for purpose and meets local needs. The ASG will assess the contribution each project is likely to make to Partnership strategic outcomes to inform decision making.	ASG	On evaluation and commencement of each project	Min	Unlikely	Low
Gender equality, social inclusion and disability inclusiveness are not mainstreamed or adequately considered.	The ASG commissioned a Gender and Social Inclusion Strategy	Mod	Likely	High	N	The ASG will implement the Gender and Social Inclusion strategy and work with all sub-projects on mainstreaming key principles to achieve gender and social inclusion outcomes, where relevant.	ASG	2017	Min	Possible	Mod

Risk Rating System

Likelihood	Consequences				
	Negligible	Minor	Moderate	Major	Severe
Almost Certain	Moderate	Moderate	High	Very High	Very High
Likely	Moderate	Moderate	High	High	Very High
Possible	Low	Moderate	High	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Moderate	Moderate	High

Descriptions - Likelihood

Likelihood	Description
Almost Certain	<i>Expected to occur in most circumstances</i>
	<ul style="list-style-type: none"> Has occurred on an annual basis in DFAT/AusAID or in similar agencies/organisations in the past Circumstances are in train that will cause it to happen
Likely	<i>Will probably occur in most circumstances</i>
	<ul style="list-style-type: none"> Has occurred in the last few years in DFAT/AusAID or has occurred recently in similar agencies/organisations Circumstances have occurred that will cause it to happen in the next few years
Possible	<i>Might occur at some time</i>
	<ul style="list-style-type: none"> Has occurred at least once in the history DFAT/AusAID or in similar agencies/organisations
Unlikely	<i>Not expected to occur</i>
	<ul style="list-style-type: none"> Has never occurred in DFAT/AusAID but has occurred infrequently in similar agencies/organisations
Rare	<i>May occur only in exceptional circumstances</i>
	<ul style="list-style-type: none"> Has not occurred to date in DFAT/AusAID or any other similar agency/organisation

Descriptions - Consequences

Consequence	Description
Negligible	<ul style="list-style-type: none"> • Result in consequences that can be dealt with by routine operations
Minor	<ul style="list-style-type: none"> • Minor delays in providing services or achieving objectives
	<ul style="list-style-type: none"> • Threaten the efficiency of effectiveness of some aspect of the program/activity/business unit but can be dealt with internally
	<ul style="list-style-type: none"> • Have minor political/community sensitivity
	<ul style="list-style-type: none"> • Minor dissatisfaction of clients/beneficiaries, partners or other key stakeholders
	<ul style="list-style-type: none"> • Program/project/business unit suffers minor adverse financial impact
	<ul style="list-style-type: none"> • Minor breach of public sector accountability requirements
	<ul style="list-style-type: none"> • Minor damage to property or one minor injury
Moderate	<ul style="list-style-type: none"> • Moderate delays in providing services or achieving key objectives
	<ul style="list-style-type: none"> • Program/activity/business unit subject to unplanned review or changed ways of operation
	<ul style="list-style-type: none"> • Have moderate political/community sensitivity resulting in limited adverse publicity or criticism
	<ul style="list-style-type: none"> • Limited dissatisfaction of clients/beneficiaries, partners or other key stakeholders, moderately damaging DFAT's reputation
	<ul style="list-style-type: none"> • Program/project/business unit suffers moderate adverse financial impact
	<ul style="list-style-type: none"> • Moderate breach of public sector accountability requirements or information security
	<ul style="list-style-type: none"> • Moderate damage to property
Major	<ul style="list-style-type: none"> • One serious injury or multiple minor injuries
	<ul style="list-style-type: none"> • Major delays in providing services or achieving key objectives

Consequence	Description
	<ul style="list-style-type: none"> • Threaten the survival or continued effective function of the program/activity/business unit
	<ul style="list-style-type: none"> • Have major political/community sensitivity resulting in significant adverse publicity or criticism
	<ul style="list-style-type: none"> • Significant dissatisfaction of clients/beneficiaries, partners or other key stakeholders, significantly damaging DFAT's reputation and relationships
	<ul style="list-style-type: none"> • Program/project/business unit suffers major adverse financial impact
	<ul style="list-style-type: none"> • Major breaches of public sector accountability requirements, legislative/contractual obligations or information security
	<ul style="list-style-type: none"> • Major damage to property or moderate damage to multiple properties
	<ul style="list-style-type: none"> • One life-threatening injury or multiple serious injuries
Severe	<ul style="list-style-type: none"> • Critical business failure resulting in non-achievement of key objectives
	<ul style="list-style-type: none"> • Program/activity/business unit subject to unplanned external review/inquiry
	<ul style="list-style-type: none"> • Have severe political/community sensitivity resulting in extensive adverse publicity or criticism
	<ul style="list-style-type: none"> • Extensive dissatisfaction of clients/beneficiaries, partners or other key stakeholders, severely damaging DFAT's reputation and loss of stakeholder and/or Government confidence in or support of DFAT
	<ul style="list-style-type: none"> • Program/project/business unit suffers severe adverse financial impact
	<ul style="list-style-type: none"> • Severe breaches of public sector accountability requirements, legislative/contractual obligations or information security
	<ul style="list-style-type: none"> • Extensive damage to property resulting in loss of property or major damage to multiple properties
	<ul style="list-style-type: none"> • One death or multiple life-threatening injuries