



Impact Assessment Program Strategy

Background

The Australian Centre for International Agricultural Research (ACIAR) has always placed significant emphasis on assessing impact of research it funds, particularly focusing on quantifying returns to research investments. ACIAR has used these assessments to account to stakeholders and to support improved decision-making and management. ACIAR has not only applied the extensive body of existing literature to this area of investment analysis, but also contributed to this literature through this process.

In ACIAR's early days, quantification of potential impacts were used to support aggregate priority setting and more effective project development, as well as enhancing the Centre's public accountability. As research efforts matured, more attention has been focused on quantifying the returns on these investments by measuring impacts and adoption.

ACIAR's Impact Assessment program currently commissions three types of finished-project assessments.

The first are primarily economic evaluations, which are published in ACIAR's Impact Assessment Series (IAS). Most of the assessments are undertaken by independent economists with special expertise in measuring the impact of agricultural research. These involve an in-depth analysis of the adoption and impact of project outputs in partner countries and Australia. The impact assessments provide estimates of the returns to the investment in the research area of interest. A qualitative assessment of social and environmental impacts is also sought. In recent years, the focus has been on thematic evaluations of larger numbers of projects in similar areas, overviews of all past impact evaluation studies and an assessment of returns to total ACIAR funding.

As part of the evaluations, areas for practical methodology development have been identified and advances developed. Examples are methods for quantifying the benefits from investment in capacity building, measuring the returns to policy-orientated research, and assessing poverty reduction.



Recognising the complex contextual environment in which ACIAR operates, the second type of finished-project evaluations is the set of adoption studies. The adoption studies are primarily undertaken to provide ACIAR—and our project leaders—with a greater understanding of the pathways to change. They are undertaken by the Australian project leader, 3 to 4 years after the completion of the project, and provide ACIAR with information on the difference the project has made at the scientific and community levels in partner countries and Australia. If uptake of the project results has not occurred, reasons are sought. An understanding of the contextual environment in which we operate increases the likelihood that our research will have a positive impact.

In a similar vein, the third type of finished-project evaluation is what could be termed an 'impact pathway analysis'. These are also published in the IAS. In these analyses, the path from a body of research to impact is articulated. Impact pathway analysis studies provide an in-depth analysis of the contextual environment, the key stakeholders, pathway linkages, any changes that have occurred, and actions that could be undertaken within the project or program to increase the likelihood of the ultimate goals being reached.

The knowledge gained through the completed project evaluation is used to guide project development and implementation and in training courses for research groups, so that eventual impact and adoption is an integrated part of research-project design and management. Emphasis is also placed on developing collaborative networks with Australian and partner country practitioners responsible for impact evaluations, and building capabilities to undertake robust

analysis. These activities help improve the accuracy of the information used in assessing the impacts of the research, and the effectiveness of the methodology used to quantify the returns on investment. ACIAR has also worked closely with institutions, such as the International Food Policy Research Institute (IFPRI), to develop comprehensive, consistent software for undertaking these evaluations, and has used these to train collaborating partners.

Current Situation

Impact Assessment: To date, 82 Impact Assessment Series reports have been published, with a further 5 in preparation. These assessments cover a range of research disciplines and countries.

A summary of the benefit and cost results of 48 of the Impact Assessment Series reports, covering 130 ACIAR projects, was undertaken by the Centre for International Economics (CIE) in April 2011. This provides an update of results presented in IAS 63 (Harding et al. 2009¹). The update incorporates 9 new IAS publications, covering 34 projects.

The observable differences between the results of this analysis and the previous report were driven by the results of the Indonesian forestry projects. At an aggregate level, it is clear that there has been a significant increase in the benefits generated by ACIAR projects compared to the estimated benefits reported in IAS 63. Moreover, as the increase in costs are proportionally lower than the increase in benefits, the estimated benefit:cost ratio is noticeably higher.

¹ Harding M., Tingsong Jiang and Pearce D. 2009. *Analysis of ACIAR's returns on investment: appropriateness, efficiency and effectiveness*. ACIAR Impact Assessment Series Report No. 63.

Comparison of aggregate results with IAS 63 results

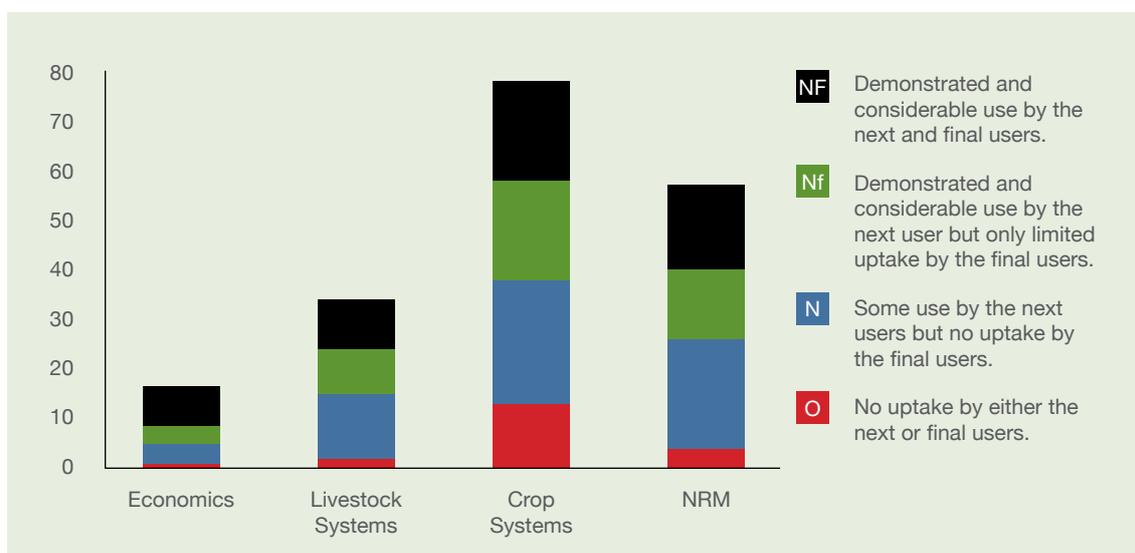
	April 2011 report		IAS 63
	present value (2010 \$)	present value (2008 \$)	present value (2008 \$)
Total investment (A\$1000)	379	359	234
ACIAR investment (A\$1000)	189	179	128
Total benefits (A\$1000)	31 926	31 258	12 632
Benefits attributed to ACIAR (A\$1000)	15 927	15 094	6 811
Benefit cost ratio	85:1	85:1	54:1

Source: Chupungco et al. 2008; Fisher and Pearce 2009; Fisher 2010; Francisco et al. 2009; Harding et al. 2009; Harris 2011 and 2010; Lindner 2011; Martin 2010; Mullen 2010; The CIE.

Adoption Studies: The adoption study portfolio now contains 85 (sets of) projects from which we are able to learn important lessons that can be fed back into our project development, design and implementation process. Reports in ACIAR's adoption studies series also provide an estimate of the level of adoption for the projects covered (see figure below). The qualitative assessment

suggests that, in the majority of cases, the project outputs are being used by either intermediaries or the final-targeted groups. While the measure of adoption provided in the studies is subjective, 7 projects reporting a high level of uptake were subjected to a more in-depth quantitative analysis. With one exception, each was found to have significant benefits.

Adoption indicators by research area



FURTHER INFORMATION

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Future Directions

Impact Assessments: There will be increased investment in measuring the returns to ACIAR's investment in terms of poverty reduction and sustainability. Measuring the impact of research on poverty will be used to accumulate a body of evidence showing ACIAR's contribution to poverty reduction. Given the complexity and cost of undertaking poverty studies, micro-level analysis will be undertaken to establish the causal link between ACIAR-induced productivity and changes in the livelihoods of the target beneficiaries. Once the causal link has been established, the incidence and magnitude of the change in poverty will be assessed. This builds on the poverty studies that were undertaken in 2011–12 and 2012–13, namely:

- » A broad-based analysis examining the role of agriculture (and agricultural research) in poverty reduction. The countries covered in this study are China, India, Indonesia, Vietnam and South Africa.
- » A methodological paper developing a livelihoods framework for assessing the impact of ACIAR-funded projects on poverty, where poverty is considered a multi-dimensional concept.

Measuring the impact of natural resource management (NRM) research will continue to be another major area of focus. Two methodological papers have been completed recently. The first of these developed a framework for defining NRM research and outputs, and provided a summary of ACIAR's investment in this area. The second methodological paper resulted from a small-research activity (SRA) with WorldFish and focussed on measurement approaches to capture environmental changes and distributional effects.

The next step is to undertake in-depth case studies. These will be obtained from the CIE examination of ACIAR's investment in NRM research and from discussions with Research Program Managers (RPMs) and project leaders.

Pathway analysis will continue to be undertaken on an ad hoc basis to answer questions about the contextual environment in which we operate. This information should feed into project development and portfolio management as the focus of each study is largely driven by the needs of the RPMs. The two pathways analysis studies completed in 2011–12 and 2012–13 focussed on ACIAR's investment in oil palm in Papua New-Guinea and rodent control in South-East Asia.

There will also be continued effort to develop a useful tool for assessing project capacity building.

Adoption studies: The rolling program of adoption studies will continue as the benefits from the lessons learned and experience gained exceed the cost.

Capacity building: Where possible, the capacity of our in-country collaboration institutions will be strengthened through involvement in the evaluations.

Dissemination of results: In addition to the Impact Assessment Series, the adoption studies report, and information contained on the ACIAR website, a number of Impact Assessment Briefs will be produced. These will provide overviews of the measured returns to research, in total, by country and by program.



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