

Annual Review Report

Papua New Guinea–Australia Governance Partnership

Quality and Technical Assurance Group

July 2018

Acknowledgements

The Papua New Guinea Quality and Technical Assurance Group (QTAG) thanks all stakeholders for their support and cooperation in the review process.

First, we would like to thank the Government of Papua New Guinea (GoPNG) for its welcome and hospitality, facilitating the work of the QTAG warmly and with great generosity of time and energy.

Particularly in light of the challenging start to the Governance Partnership, there was from all stakeholder groups an exceptional level of transparency and cooperation with QTAG throughout. This manifested in an openness to discussions, acceptance of mistakes and learnings, and sharing of documentation, as well as proactive facilitation of meetings and a general spirit of finding optimal ways forward.

We would also particularly thank the representatives from the GoPNG for their input to the review process – offering frank perspectives on the experiences of the Governance Partnership so far, and supporting the QTAG’s efforts to identify pathways forward that will work for all parties.

We trust that the report reflects this spirit of transparent, frank and yet constructively forward-looking consultation.

About the QTAG

The QTAG provides strategic, advisory, review, and quality assurance capability and services to support the delivery of Australia's aid program in Papua New Guinea. It is designed to assure both governments that the agreed development objectives are being addressed efficiently and effectively and that development outcomes are emerging.

The goal of the QTAG is to improve the quality and performance of the Department of Foreign Affairs and Trade (DFAT) and GoPNG programs that support stability and inclusive growth in Papua New Guinea.

The objective of the QTAG is to enable DFAT and the GoPNG to make more informed decisions and exercise greater accountability for the performance and quality of agreed strategies and selected projects.

The QTAG is implemented by Oxford Policy Management (OPM) Australia.

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List of abbreviations and definitions

ABG	Autonomous Bougainville Government
AHC	Australian High Commission, Port Moresby
ANU	Australian National University
APEC	Asia-Pacific Economic Cooperation
APSC	Australian Public Service Commission
AQC	Aid Quality Check
AUD	Australian Dollar
BGGS	Bougainville Community Grants Scheme
CDD	Community-Driven Development
CDF	Constituency Development Fund
CEO	Chief Executive Officer
Contractor	Abt Associates Pty Ltd, formerly Abt JTA Pty Ltd at the time the contract was awarded
CoP	Community of Practice
CPP	Churches Partnership Program
CSO	Civil Society Organisation
DCP	Decentralisation and Citizen Participation
DDC	District Development Committee
DFAT	Department of Foreign Affairs and Trade (Australia)
DFID	Department for International Development (UK)
DNPM	Department of National Planning and Monitoring
DoF	Department of Finance
DPLGA	Department of Provincial and Local Government Affairs
DPM	Department of Personnel Management
DSIP	District Services Investment Program
EGIG	Economic Governance and Inclusive Growth Partnership
Facility	The Governance Partnership, when referred to in the context of the 'Facility' modality
FSV	Family and Sexual Violence
GESI	Gender Equality and Social Inclusion
GoPNG	Government of Papua New Guinea
Governance Partnership	The overall aid delivery Facility, formerly the PNG Governance Facility
GST	General Sales Tax
HHISP	Health and HIV Implementation Services Provider
IFMS	Integrated Financial Management System
IPA	Institute of Public Administration
IPP	Institutional Partnerships Program
KAL	Knowledge, Analytics, and Learning
KGC	Kumul Game Changers
KIP	Kokoda Initiative Partnership
KRA	Key Result Area
KTA	Kokoda Track Authority
LTA	Long Term Adviser
M&E	Monitoring and Evaluation
MDI	Media Development Initiative
MEL	Monitoring, Evaluation and Learning
MP	Member of Parliament
MSU	Management Support Unit
MTDP	Medium-Term Development Plan
NEFC	National Economic and Fiscal Commission
NRI	National Research Institute
OPM	Oxford Policy Management
PAF	Performance Assessment Framework

PDIA	Problem-Driven Iterative Approach
PEA	Political Economy Analysis
PFM	Public Financial Management
PGF	PNG Governance Facility (before being renamed ‘The Governance Partnership’)
PGK	Papua New Guinea Kina
PILAG	Pacific Institute of Leadership and Governance
PLLSMA	Provincial and Local Level Service Monitoring Authority
PPF	Papua New Guinea Partnerships Fund
PSLR	Public Sector Leadership and Reform Partnership
PWSPD	Pacific Women Shaping Pacific Development
QA	Quality Assurance
QTAG	Papua New Guinea Quality and Technical Assurance Group
QUICK	Quality at Implementation Checks
SBPP	School of Business and Public Policy
SDPA	Service Delivery Partnership Agreement
SME	Small- to Medium-sized Enterprise
SO	Service Order
STA	Short-Term Adviser
TA	Technical Adviser
TOR	Terms of Reference
TSU	Technical Services Unit
UPNG	University of Papua New Guinea
VfM	Value for Money
Workstream	An individual partnership under the Governance Partnership; formerly ‘Pillar’.

Executive summary

Context

The focus of this review is primarily forward-looking, but begins by revisiting some of the contextual factors germane to the current scenario. First, this helps identify general lessons from the experience so far. Second, it supports an analysis of the extent to which challenges are a result of problems inherent in the design concept and to what extent they arise out of contextual factors. Third, it highlights why this investment attracted such attention as a consequence of management issues that emerged.

Overall, we confirmed that the early stages of the Governance Partnership were beset with difficulties. Contributing factors included: the sheer size and scale of mobilising and resourcing this investment; significant changes in personnel between design and mobilisation; changes to the way of working; weak coordination; and the communications process among and within DFAT, Abt PNG, and GoPNG.

There are lessons around the internal DFAT due diligence processes for future procurement of this scale.

For the purposes of the Governance Partnership itself, one key point is that conditions have significantly changed and – crucially – we believe there is sufficient evidence and goodwill on all sides to propel a re-orientation toward the principles behind the original design. The Partnership can then leverage the potential of a facility approach, applying the lessons so far.

Effective governance programs

KRA 1

Effective governance programs addressing development opportunities and constraints in priority areas, delivered.

Deep dive – Decentralisation and citizen participation

Decentralisation at the higher policy level focuses on improvement to service delivery, as well as finding the optimal distribution of power across the levels of government. Progress in these areas is a function of the deeply complex political and cultural context across the country. In terms of government itself, there are diverse and often competing interests, not only between levels of government but between actors within each level.

Policy strategy has invested heavily in the District Services Improvement Program (DSIP), which has potential but is highly susceptible to incentive structures that are not aligned with the outcomes DSIP is aiming for. This is not unusual, but in other contexts internationally pressure from highly organised civil society organisations (CSOs) can mitigate some of the risks. This sector is less well developed in Papua New Guinea and oversight relies more exclusively on the quality of supervision from higher tiers of government.

The Decentralisation and Citizen Participation (DCP) workstream is navigating this context with a vision that prioritises adaptive, context-driven approaches, rather than imported ‘best practice’ solutions. However, a number of contextual factors, both exogenous and endogenous to the program, have limited progress. In order to respond more effectively to exogenous factors, GoPNG, Australian High Commission (AHC) and Abt PNG have more work to do to improve their own relationships and governance. Alongside this, a more authentically adaptive approach

(especially through the more rigorous use of strategy testing) needs to be employed to respond dynamically to the exogenous factors.

There are steps in the right direction, with a more coherent workstream strategy emerging, increasingly aligned with broader government policy. In particular, the focus on the relationship with the Department of Provincial and Local Government Affairs (DPLGA) and the support to the Provincial and Local Level Service Monitoring Authority (PLLSMA) and the Service Delivery Partnership Agreements is well justified.

Though there is emphasis on the DSIP, the review encourages more attention to the provincial level. This is in order to harmonise with the strategies of other development partners, to leverage the full potential of the district advisers (by not limiting their purview so tightly), and finding more powerful levers of change.

Finally, the commitment to social accountability is a strategic strength, recognising several core drivers of development at the local level – service delivery, community collective action, trust building, and the social influence of the church.

Challenges will always persist, and the underlying emphasis of the review is to ensure that adaptive processes are rigorously maintained as programming evolves. As the Service Delivery Partnership Agreements (SDPA) are rolled out, Kina+Kina begins, strategy around PLLSMA and the DSIP develops, and the Churches Partnership Program (CPP) and other smaller initiatives evolve, the strengths can be amplified and extended where applicable, while the weaknesses can be dampened. This iterative approach will be the core process supporting sustainable growth.

Other workstreams

The remaining workstreams were treated in overview, primarily to assess the sufficiency of the foundations in place: design and governance, incorporation of gender inclusion principles, and monitoring, evaluation, and learning (MEL). We also explored their early achievements. At this stage and with the resources for this review, it was not possible to make significant determinations as to the extent of the contribution to the Governance Partnership outcomes overall.

Broadly speaking, the workstreams have in place or are moving quickly toward the appropriate governance mechanisms for their work. The quality of MEL varies, and on the whole can be strengthened.

At the workstream level, in general the trajectory around gender and inclusion is positive. Equally, in particular with the Economic Governance and Inclusive Growth Partnership (EGIG) workstream, there is scope for a fuller appreciation of the relevance of gender and inclusion principles to the workstream agenda. The mechanisms to monitor, report, and learn around gender and inclusion principles can also generally be improved. This connects with the wider commentary around gender and inclusion that is addressed in Chapter 5.

In terms of assessing progress toward outcomes, there are limitations, partly as a function of the further work that is needed to strengthen monitoring and evaluation (M&E) systems at the workstream and overall Partnership level. We expect to be in a better position to comment on this in the 2019 review.

Where appropriate, we undertook further inquiry in a specific area if we considered it a low hanging fruit for short-term improvement.

The Pacific Sector Leadership Reform (PSLR) workstream will be the subject of an Independent Evaluation, conducted by QTAG, in July 2018.

Gender and inclusion outcomes

KRA 2 Governance programs effectively addressing critical gender issues.

The effective implementation of gender and inclusion principles is critical to achieving outcomes across the Governance Partnership, and this is reflected in its prominence as one of the Key Result Areas (KRA).

The inputs around gender and inclusion, as well as the impacts, should be visible both at a whole-of-facility level and in relation to the individual workstreams. To date, the progress has been limited by the quality of the system and the relative lack of priority that has been afforded to gender and inclusion at the most senior levels.

Broadly speaking, there is a good foundation for gender outcomes. However, in many cases the approach needs more nuance and specificity in the articulation of outcomes, outputs, and measures, such that not only reporting requirements but also learning imperatives are met. Staff need to be accountable for these and understand them as central to the realisation of broader objectives. This will allow gender and inclusion programming to become progressively more effective, as the learning is fed back into the system at both facility and individual workstream levels.

To this end, more work needs to be done to ensure all staff in AHC and Abt PNG have not only a grasp of the principles but also the potential application to their area of work, as well as the knowledge system and advice to support implementation. The forthcoming gender stocktake will help identify more clearly the issues, gaps, and opportunities.

Efficient and effective operational support

KRA 3 Efficient and effective operational support provided to Papua New Guinea stakeholders and AHC.

The facility modality

It is premature to comment definitively on the appropriateness of the modality in the Papua New Guinea context, given that the conceptual approach has not been holistically implemented.

In particular, the Theory of Action's conceptual underpinnings rely heavily on the integration of cross-cutting components, many of which are not yet properly integrated. Second, the approach relied on the development of organisational capacity and capability that was not present at the outset – both on the side of Abt PNG and in certain respects within AHC.

Crucially, we believe there is now sufficient will on all sides to propel programming toward the principles behind the original design. This will enable the fuller realisation of the modality's potential, applying the lessons so far.

To achieve this, all sides need to treat key design components as necessary (though insufficient) to the effective functioning of the facility. This will involve a consolidation of the

organisational commitment (from AHC and Abt PNG) to facility coherence and ways of working, and the relevant prioritisation that flows from that.

Ways of working

The principles on which key stakeholders base their operations and their mutual engagement are critical. We structured our reflection by looking at the original concept and the ways of working it requires, then the structures that can support those ways of working, and finally the approaches to communication, engagement, and relationships that give life to the operation. We propose adjustments in structure, attitude, and engagement approach in order for the concept of the facility to flourish.

First, we underline the distinction between the policy level of decision-making, which lies at an intergovernmental level, and the leadership in relation to strategic, adaptive implementation, which lies at the facility level, in consultation with both governments. As AHC and Abt PNG build mutual confidence, the policy position on devolving strategic, adaptive implementation to Abt PNG at the programmatic level should find a more optimal balance. This has a bearing on the value for money (VfM) of personnel at the facility level, many of whom were recruited for their expertise and extensive experience in this regard. A full organisation assessment will illuminate where and how to redress any current imbalances.

Secondly, we emphasise the vision that knowledge, analytics, and learning (KAL), gender, communications, and adaptive management are fundamentally cross-cutting; they are not to be referred to as and when partnerships consider them useful, convenient, or feasible but should be core threads to their operations.

Finally, the external communications and visibility of the Governance Partnership's activities are essential to the approach. They create the conditions for public engagement in the ongoing conversation around governance in Papua New Guinea.

Value for Money

In terms of the review questions, it was not possible to make a definitive assessment of the extent to which the Governance Partnership is achieving Value for Money (VfM), for two main reasons.

First, there is not enough information to make a Partnership-wide VfM assessment because the current VfM reporting focuses predominantly on the services provided by the Management Support Unit (MSU), and does not include the component partnerships.

Second, and related to this, the current VfM framework does well in identifying important economy savings, particularly one-off economies, but it does not adequately address issues around efficiency, effectiveness, and ethics. The attribution of costs to outputs and results is lacking.

Operational efficiencies may be greater through the facility model, but the size and complexity of such a facility may ultimately undermine its overall effectiveness and results, in which case it would not be achieving VfM. In this regard, the lack of comprehensive benchmark further complicates the challenge of assessing VfM provided by a facility compared with other contracting arrangements.

This relates to our analysis on KAL and MEL: without measures of economy linked to measures of effectiveness and efficiency, we have no way of making a full VfM assessment

across the entire Governance Partnership. Further, considerations of ethics are narrow and need to align with internal audit results.

As such, the focus of the VfM inquiry shifted early on to make observations around the extent and limitations of the current VfM framework adopted by the Governance Partnership. Based on this analysis, over the next six to 12 months a more reliable basis for assessing VfM can be instituted, for periodic review by the QTAG.

In the first instance, work is needed to establish reliable baselines or benchmarks, which have been absent to date, responsibility for which lies between DFAT and Abt PNG. Predecessor program data is both incomplete and unlikely to be an adequate baseline, given the confounding variables alongside the shift to a facility modality. This underlines the need to establish a comprehensive VfM framework proportionate to the investment that offers a measurable approach to value for money: both to make a data-based assessment of VfM, and to learn iteratively around VfM in a way that continuously improves it.

Assessment of the extent to which the current operational systems are fit for purpose or lean and efficient warrants an organisational capacity assessment of its own. While our team's observations were that some operational units, such as Human Resources, were struggling to meet the Governance Partnership's demands for recruitment, other units (such as the travel team of two people) were clearly under-resourced yet lean and efficient. This question is addressed throughout the review where we felt it appropriate to comment.

High-quality knowledge and learning, effectively communicated

KRA 4

High-quality knowledge and learning about governance and development in Papua New Guinea communicated effectively to stakeholders.

KAL

The KAL function is central to the Theory of Action for the facility. For the purposes of this first review, the emphasis was to understand how well positioned the facility is to leverage the full potential of a KAL system.

We found that, while many of the components are in place, they have not yet coalesced in a way that optimises the KAL function. The understanding of the KAL role through the individual partnerships varies, as do levels of buy-in – this often relates to a failure to distinguish between a provider of specific knowledge products and a knowledge system. The relationship between KAL in the facility and other knowledge brokers in the Papua New Guinean system at large needs further clarity. Furthermore, the limited public visibility of KAL products also undermines effectiveness.

Beyond specific recommendations around these questions, the review underlines the centrality of KAL to the integrity of the conceptual approach. As long as the existing Theory of Action remains, a thriving KAL function is essential.

MEL

Robust KAL relies on equally robust MEL to feed it. The focus questions around MEL examined two elements. First, we looked at the robustness of MEL in relation to the respective partnerships, on their own terms (also addressed in the individual stocktakes). Second, we

reviewed the systemic approach to MEL. Naturally, there is an overlap here with the findings and recommendations in the KAL section.

The initial key observation is that MEL approaches vary considerably across the partnership. This is inherent to some degree to the complex and internal programmatic diversity of the facility, but can be partially attributed to the longer histories of some workstreams.

However, there is a risk of limited coherence (as distinct from sameness) and clarity around MEL. This risk was realised particularly in the early stages of the program, and is being addressed. A well-designed, overarching MEL system can allow for distinct and bespoke approaches to MEL in the workstreams and it would have a rich diversity of data to draw on. However, this demands a carefully crafted overarching architecture, and quality standards. We anticipate that this will be provided in the impending MEL Implementation Plan.

More work is required to refine the approaches, further embed the more adaptive approaches (where applicable), clarify information needs and performance questions, refine measures, and in particular to have a more nuanced approach to the M&E of gender equity and social inclusion questions, without which learning is impossible. Learning is not an automatic consequence of M&E, and requires specific attention. There is a distinction between *identifying lessons* and *learning*; the latter is evidenced in change, the former as a headline in a report.

Finally, there remain some disconnects around the nature and frequency of reporting requirements. Reporting that is useful for Abt is not necessarily so for AHC, and vice versa, and the reporting system to GoPNG is unclear. The KAL team has been working hard to redress the shortfalls, with significant progress being made, and needs to be resourced to further develop and consolidate this work.

Conclusion

The Governance Partnership is an exemplar of complexity. In endeavouring to implement such a design at such a scale, DFAT is pushing the conceptual boundaries of aid programming. In the process, it is therefore unsurprising that the program has stretched the organisational capacity and capability of AHC, Abt PNG, and GoPNG. In the months ahead, there is a window to build on the momentum of the last months, maintaining a strong line of communication with the GoPNG throughout. In particular, the core facility-level functions – KAL, gender and inclusion, communications, and adaptive management – should be prioritised as the new structure is consolidated.

If the recommendations of this review are implemented, we expect that by early 2019 the discussion around the Governance Partnership will be focused at a more strategic level. If they are not, we expect that the aspiration for cross-sector programming coherence will collapse under the stress of a design in tension with its implementation. This would demand an explicit revision to the theory of action. However, we strongly underline the potential in the principles of the original design, and encourage every effort to continue the re-orientation in that direction.

Consolidated recommendations

Recommendations are included throughout the report under the relevant headings, and consolidated below for reference.

Tender process

1. DFAT tendering processes are reviewed to ensure that assessments of organisational capacity are robust and take into account implementation, operation, and the corporate services capacity of tenderers when assessing tender responses, especially where there is a significant order of magnitude difference between the contract under tender and previous contracts managed by each tenderer.
2. DFAT in-country officers and delegates be supported with expert contracting advice and appropriate comparator fee arrangements in the awarding of significant value contracts, especially where they are to be sourced through limited tender.

Theory of Action

3. Six-monthly reports from the workstreams to include a one-page update on the workstream's implementation of the theory of action.

Ways of working

4. QTAG to report in future reviews on the performance of workstreams against an agreed, streamlined 'ways of working' criteria. The criteria will be developed by QTAG in consultation with stakeholders and agreed with AHC by September 2018.
5. DFAT and Abt PNG facilitate a full organisational assessment by Jan 2019 that addresses:
 - a. At a facility level, the current and required capacity to support higher visibility and authority for KAL, MEL, and GoPNG Gender Equality and Social Inclusion Policy (GESI) and enhance efficiency of the MSU.
 - b. Options for the re-structure of each workstream, the MSU and strategic/MEL functions that demonstrates VfM.
 - c. Value, challenges, options and implications of relocating staff currently in Ravalian Haus to full or time presence within GoPNG partner agencies.
6. SO 1 costs are allocated or attributed to each workstream or core activity on an activity-based costing model.
7. Partnerships establish mutual principles of communication between GoPNG, AHC, and Abt. These would be agreed and then monitored through the Partnership Governance Mechanisms and periodically by QTAG (QTAG can also support in the facilitation of a workshop to establish the principles). They would cover communications and decision-making protocols and expectations, including:
 - a. Frequency and form of communication
 - b. Position on funding modalities
 - c. Participation in decision-making processes
 - d. Thresholds for budget approvals
 - e. Reporting expectations (cf. MEL section)

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8. AHC to consider a request from the Secretary of DNPM to place a senior O-Based Program Manager in the department, with primary responsibility for facilitating the flow of relevant information and the coordination of the aid program.

Gender and inclusion principles

9. The workstreams include gender analysis and gender advisory capacity within strategy testing, PEA, and program design processes.
10. The Governance Partnership finalise gender indicators across the PAFs in a way that reflects both the gender KRA and the centrality of gendered approaches in achieving other KRA.
11. The GoPNG Department of Personnel Management's Gender and Inclusion Team brief program staff and LTAs about the GoPNG GESI Policy, how it is meant to be implemented, and opportunities for the advisers to support implementation within their partnerships or host agencies.
12. Increasing the emphasis on research and documentation of lessons learned and emerging evidence of what works in addressing gender inequality and seeking broader developmental change through gendered approaches. All workstreams to build gender research into their work and to demonstrate use of emerging evidence around gender (from within the partnerships and externally) in challenging assumptions in program design and adapting program activities accordingly.
13. The communities of practice (CoPs) disseminate emerging external evidence and advise particularly on pilot approaches demonstrated by the Pacific Women Shaping Development (PWSPD) Program that could be adopted at scale through the partnerships. They should also disseminate emerging evidence from within the facility through PWSPD. The relationship between the partnerships and PWSPD should be more deliberate and strategic.
14. Institutionalise accountability for gender within HR processes both for regular staff and LTA positions, including:
 - a. Assessment of knowledge around gender and development and/or gender in the workplace during recruitment processes and inclusion of gender dimensions within all job descriptions.
 - b. Deliberate actions to attract female candidates in under-represented areas, including reassessment of job descriptions, advertising and application processes, and interview structures (including ensuring there is a gender balance on interviewing panels).
 - c. Instituting a mechanism for staff to raise concerns and debates around gender within the workplace, including the different needs of men and women in performing their work and instances of potential discrimination. Commitment to addressing gender equality concerns raised within the workplace and to providing staff with avenues to seek services to address issues they face outside the workplace (particularly family and sexual violence (FSV)).
 - d. Staff performance frameworks should, as appropriate, include a requirement to demonstrate commitment to gender equality in ways of working and in contribution to realising the gender KRA through programming.
 - e. Improving transparency around key gender data within the facility, including sharing and discussing analysis of the gender balance across different staffing levels and partnerships, gender across pay bands, gender balance in training participation, and other opportunities.

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15. Develop and communicate a broader, shared definition of gender and inclusion, incorporating gender and disabilities but also geographical, ethnic, class/livelihood, sexual orientation, age, and other identity differences as well as analysing these as intersectional. This should be reflected in overarching theories of change and in the KRA itself (which could be revised if needed). Communications products being produced by all partnerships should ensure that the importance of gender equality is articulated in line with this common understanding.

Knowledge, Analytics and Learning

16. KAL be strengthened by expediting the completion and endorsement of a strong, fit-for-purpose KAL strategy, which includes a knowledge partner engagement strategy and an appropriate M&E framework for KAL.
17. The KAL Strategy be endorsed through a governance mechanism that enables the various knowledge actors to work collaboratively.
18. In the near term, the Governance Partnership website be approved, to establish a catalogued and moderated knowledge repository as a component, which would in the medium and longer term be integrated with the National Research Institute (NRI) (or the most appropriate local institution) with the goal of enabling them to better host such a function.

Monitoring, Evaluation and Learning

19. The MEL Implementation Plan and the component set of PAFs and MEFs be finalised as soon as possible. A light review and refinement of these documents should be performed annually.
20. Consistent MEL language and terms need to be applied and integrated through all MEFs and PAFs, and the MEL Implementation Plan, with the MEL CoP taking the lead in supporting common language usage.
21. Activity reporting for accountability and compliance be separated from analytical and evidence-based outcome reporting. Agree on standard activity and outcome reporting frequency and format, including potential use of fact sheets and case studies.
22. Appropriate reporting formats and content be negotiated for each primary audience (AHC and GoPNG), as well as supporting relevant data to be collected to inform GoPNG's own reporting requirements (e.g. for MTDPs).
23. Gender and inclusion principles be better integrated in MEL, at both whole-of-facility and workstream levels, through regular dialogues between both the MEL and internal and wider Gender and Inclusion CoPs, including PWSPD, with a particular focus on examples of what is working and why in practice, and in MEL for gender and inclusion.

Value for Money

24. The Partnership move responsibility for VfM reporting to KAL, to track both sides of the VfM equation, with key economy and efficiency data provided by the Finance Team on a monthly basis (in the current VfM monthly workbook).
25. Provide KAL with the resources, through QTAG or otherwise, to develop a robust VfM framework that makes use of existing evidence such as the six-monthly QUICKS.
26. Elevate VfM analysis to a more prominent role in regular strategic discussions of the Executive Team and Partnership Leaders Group (at least six monthly).

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27. Seek QTAG support in the design and/or refinement of a more sophisticated, and impact-oriented, VfM framework to present a clear and robust performance story, incorporating explicit, program-specific VfM criteria (incorporating and building on the ‘Four Es’) and standards (levels of performance) to provide a transparent basis for making judgements about performance and VfM.

Decentralisation and citizen participation

28. The DCP media engagement seek to build momentum for reform by ensuring success stories are given a high level of publicity. There must be close links across DCP to identify potential successes early and record progress as it unfolds.
29. Strategy testing processes already initiated in the Partnership (through KAL) be rolled out to discrete interventions and to strategies for districts and provinces. Strategy testing does not require high-level specialist skills or knowledge, and therefore we recommend that the Partnership train and support staff to apply this approach vertically through the workstream.
30. DCP should consistently define what is meant by ‘citizens’, ‘communities’, and ‘the people’, disaggregating these to a greater extent to acknowledge that these are not homogenous but that complex and intersecting identities determine lines of exclusion. They should also articulate how all activities ensure that different groups within society are represented to ensure that voices are heard and needs met across genders and other intersectional identity groups.
31. District advisers:
 - a. be supported and empowered to use their deep understanding of the local political context in which they work to adapt and inform their strategies, including using their budget in a flexible and entrepreneurial manner;
 - b. be trained to ensure that they fully grasp gender and social inclusion issues locally and understand ways in which their activities can impact on these.
32. District advisers give less emphasis to the training of district officials. When supporting the development of the five-year district development plans they should try to ensure a greater degree of budget realism to improve the prospects of building accountability for implementation.
33. The Kina+Kina program be licensed and proactively encouraged to be a truly adaptive program, exploring experimentation with incentives, subject to an iterative approach to ensure that it remains contextually targeted and adapted.
34. Kina+Kina and other accountability interventions be tailored to local circumstances; choices of provinces and districts should also be made at least partly on an assessment of the underlying prospects for positive change.
35. Where there is a clear will among district officials to improve frontline performance, the DCP be able to coordinate interventions to support citizen monitoring with ‘joint patrols’.
36. Criteria that reduce fiduciary risk be introduced, based on continuous improvement in key areas rather than a predetermined set standard. This has the potential to build incentives into the system.
37. A strategy to explain the intent of social accountability be developed in order to disarm the distrust that can develop around such an initiative. Frank discussions at all levels will be needed to make this work.
38. Careful thought be given to whether forcing a wider accountability role on a number of sub-programs is appropriate, or whether these programs are better placed to play a role as vectors of important information on citizens’ rights and responsibilities.

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39. CPP Phase Three be extended by two years to enable a design for CPP Phase Four to be developed. The final decision to proceed to Phase Four to be made in mid-2021 after QTAG completes an evaluation of CPP Three in first quarter 2020.

Economic governance and inclusive growth

40. That EGIG re-write the EGIG PAF following the new Theory of Change with realistic and achievable outcomes.
41. That EGIG develops its gender and inclusion strategy to meet more fully Australia's policy objectives and supports GoPNG GESI Policy. Particular emphasis needs to be placed on integrating it into the EGIG Inclusive Growth Strategy.

Public sector leadership and reform

42. PSLR engage with DFAT to finalise the next iteration of the PSLR design as soon as possible.
43. The PSLR Director, together with DFAT, take the lead in managing PSLR as a coherent program of mutually reinforcing activities.
44. The program consult the Director of the Pacific Institute of Leadership and Governance (PILAG), and DFAT, to develop and resource a medium-term plan for the institutional strengthening of the Institute of Public Administration (IPA) as it transitions to a statutory tertiary education body.
45. DFAT and Abt PNG management ensure the program is resourced with the staff and skillsets needed to implement the program.
46. Abt PNG ensure that the weaknesses in the core MSU platform services, particularly around capturing costs, forecasting, and recruiting staff with the needed skillsets, are addressed.

Kokoda Initiative Partnership (KIP)

47. The program logic be peer reviewed, with a particular emphasis on the robustness of causal links and incorporating gender in a more nuanced manner, including qualitative assessments.
48. Further community consultation designs be quality assured, with a specific criterion of evaluating the design against international good practice in facilitation methodologies.
49. The KIP take an adaptive, iterative programming approach to the detailed design and implementation of the initiatives identified through the diagnostic process. The design should explicitly incorporate communication lines with other areas of the Governance Partnership where adaptive approaches are being applied (e.g. DCP).

Bougainville Program

50. The Bougainville Program prioritise the establishment of an IFMS.
51. The program conduct robust scenario planning that leads to the development of alternative theories of change.

Papua New Guinea Partnerships Fund (PPF)

52. The following management enhancements be implemented:

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- a. Documenting governance mechanisms for PPF to reflect the April 2018 Ways of Working draft document.
 - b. Updating the PPF handbook to illustrate more clearly the involvement, engagement and reporting to GoPNG in parallel with or through DFAT.
 - c. Including a specific gender equality assessment criterion at 10% for the assessment of grants.
53. That the PPF MEL Adviser ensure each grantee is implementing MEL to an agreed set of MEL quality standards, common formats, and consistent approaches, to a set of common agreed terms and definitions; specifically:
- a. The frequency of reporting be reviewed by Abt PNG and AHC with a view to adopting quarterly and annual reports on the grantee's progress and bi-monthly finance reports.
 - b. The Secretariat adds to the quarterly and six-monthly reports a concise analysis on each grant and its progress towards delivering on the development outcomes and key outputs. Grantees should be supported to provide an analysis at the outcome level.
54. Engage a gender adviser to work with grantees to embed gender and inclusion principles and ensure greater prominence in their reporting.
55. Seek opportunities to undertake appropriate scale research during the projects.
56. DFAT and Abt PNG jointly review the procurement fee for SO 8 to establish if it provides VfM given the experience of the last year, the resources required to manage the fund, the advance funding requirements, management fees for comparator funds, and the risks assumed by Abt PNG.

Investment key information

Investment design title: PNG Governance Facility	
Deed of Standing Offer 72404 dated 4 April 2016	
Start date	4 April 2016
End date	3 April 2020
Extensions	1 year x 1 x 1 x 1 x 1 with maximum 4 years
Design concept approval by Aid Investment Committee	2 November 2014
Design Quality Assurance (QA) (peer review) completed:	March 2015
GoPNG approval of design	25 May 2015
Delegate approving design at post	8 July 2015
Approval to approach the market	8 July 2015
CVB/DFAT approval of procurement plan	5 August 2015
Approval evaluation outcome	19 December 2015
Approval to commit and enter into an arrangement	1 April 2016
Initial S. 23 financial commitment under PGPA Act	AUD 107 million (MSU)
Initial contracted financial ceiling (with separate S23 approvals)	SO 1 (MSU) AUD 107 million, incl. GST SO 2 (Deployee Services) AUD 64.05 million, excl. GST SO 3 (Bougainville) AUD 85.695 million, incl. GST SO 4 Leadership and coalitions AUD 13.26 million, plus GST SO 5 Core Government Functions AUD 13.569 million, plus GST SO 6 Communities and civil society AUD 25 million, plus GST SO 7 Private Sector development AUD 1.0 million, plus GST
Subsequent services orders	SO 8 PPF AUD 146 million, incl. GST SO 13 KIP AUD 13.827m from 1 July 2017 SO 15 EGIG; PSLR, DCP AUD 127 million, incl. GST
Contractor: Abt JTAI Pty Limited now Abt Associates Ltd	

1 Introduction

1. The Annual Performance Review process was conducted in three parts, between March and June 2018:
 - a. Background data collection, concurrently with the inception phase of the QTAG;
 - b. Interviews with key informants:
 - i. In-country mission from 9 to 25 April, comprising the Team Leader, Governance and Accountability Adviser, Program Review Adviser, Gender Adviser, and Program Manager. This mission shared key initial findings with the key stakeholders;
 - ii. In-country mission from 21 to 26 May, comprising the Team Leader, VfM Adviser, and Program Manager. This mission shared key recommendations with key stakeholders at a meeting jointly chaired by the Chief Secretary to the GoPNG and the QTAG Team Leader;
 - c. Drafting of full findings and recommendations.
2. Each in-country mission concluded with the presentation of an Aide Memoire.

What we reviewed

3. The scope of the review had two focus questions:

1	To what extent does the current form (systems, processes, frameworks, decision-making tools, etc.) of the Governance Partnership provide an effective foundation for enabling achievement of intended outcomes?; and, more specifically and in greater depth,
2	To what extent is the DCP workstream under the overarching Governance Partnership appropriate, relevant, and potentially effective?

4. In terms of the review questions, the emphasis shifted during the in-country briefings with AHC from outcomes to assessing the robustness of the foundations to the Governance Partnership and its components, including VfM. This modification was driven in part by the extensive changes made to the Governance Partnership from late 2017 through to April 2018.
5. The review was framed by the following considerations:
 - a. Time period: January to December 2017, including relevant observations to March 2018 to ensure the assessment is as up to date as possible (where appropriate acknowledging and understanding previous efforts under predecessor programs).
 - b. The complexity of the political, social, environmental, and cultural economy in which the facility is operating.

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- c. The significant change in form from predecessor programs, and throughout the facility establishment period.
 - d. The scale of investment vs. the scale of the reform challenge.
 - e. The extent to which the operating environment has enabled or demanded intended changes.
 - f. Cross-cutting issues:
 - i. Gender and inclusion principles
 - ii. KAL

Review questions

- 6. We considered the Governance Partnership and the facility modality through different lenses: policy direction, design, contextual relevance, choice of inputs, structure of the modality, contract management, quality, and responsive implementation.
- 7. The overall findings and recommendations were considered in light of the KRA for the Governance Partnership:

KRA 1	Effective governance programs addressing development opportunities and constraints in priority areas, delivered.
KRA 2	Governance programs effectively addressing critical gender issues.
KRA 3	Efficient and effective operational support provided to Papua New Guinean stakeholders and AHC.
KRA 4	High-quality knowledge and learning about governance and development in Papua New Guinea communicated effectively to stakeholders.

- 8. The Annual Performance Review comprised a broad view of all of the components of the Governance Partnership. The DCP workstream was the subject of a ‘deep dive’ as part of this review. Beyond the review, an Independent Evaluation of the Pacific Governance and Leadership Precinct is scheduled for July 2018.
- 9. For the EGIG, the Precinct, KIP, Bougainville, and PPF workstreams, we reviewed at a high level, then identifying any key areas which may merit attention before next year’s review.

Overall review approach

- 10. We adopted a ‘strengths-based’, appreciative inquiry approach. We looked at *what works, for whom, why, and in what context* across the facility and particularly in depth for the DCP workstream.

Data collection methods

- 11. Document review –we reviewed an extensive collection of Governance Partnership documents, including:

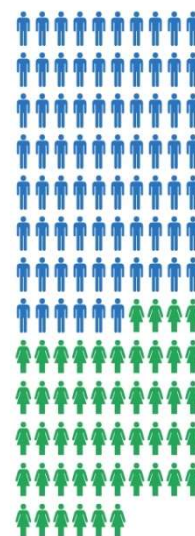
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- a. Governance Partnership Design (overarching and for each workstream) and Abt PNG's background and strategy papers;
 - b. Workstream partnership agreements;
 - c. Annual workplans (overarching and, where available, for each workstream);
 - d. PAFs (for each workstream);
 - e. Progress reports (annual, six-monthly, bi-monthly, etc.), including budgets, cash flows, risk reports, and internal audit reports;
 - f. KAL Strategy;
 - g. Evaluation and research (MEL/KAL) reports already commissioned through the Governance Partnership;
 - h. Current DFAT aid program documents (Aid Investment Plan, recent aide quality checks (AQC's), aid program performance reports, and partner performance assessments); and
 - i. Current GoPNG planning documents.
12. Inquiry – Semi-structured, open-ended inquiry was conducted with key informants identified through a purposive sample. A full list of key informants is provided in Annex B. This list expanded from the initial list as interviews progressed.

Validation of findings and recommendations

13. The approach to the review has been to ensure at each stage that we share our impressions and ideas with stakeholders. As far as possible, the findings and recommendations in this report are based on a significant degree of consensus.
14. The final draft was reviewed by Alex Matheson from the QTAG Reference Group and Mujib Khan from OPM's Public Sector Governance Team. Their comments were incorporated alongside those of GoPNG, AHC and Abt PNG.
15. The review team mobilised very early in the QTAG process, and before it was possible properly to assess the scale of the review task. Ultimately, this report presents a starting point and baseline for ongoing support through the QTAG role. We have confined our findings and recommendations to areas where we are confident that they support the Governance Partnership moving in a positive direction. This report is not, and is not intended to be, an exhaustive analysis of the Partnership.

16. Gender and inclusion issues were considered in the collection of data, as well as the commentary on the data. There are various dimensions of gender and inclusion that are relevant to the data collection for this review:

- a. In terms of the raw figures of men and women, we consulted 50 women and 76 men.
- b. In terms of the consultations themselves, the inclusiveness varied. Some meetings, though highly representative and inclusive in attendance, were less so in terms of participation. In the context of a short in-country mission, where it is unrealistic to speak to every individual program team member, the inclusiveness of collective sessions needs more work. This limitation appears sometimes to be a function of hierarchy and so QTAG needs to reach agreement in advance on the methods that might be used to improve the inclusiveness of the perspectives collected.
- c. There is also often a bias that results from the head of the hierarchy being present in a meeting (this is a function of human nature and is not intended as a criticism of any individuals). One option would be to consult program heads one-on-one, and have more inclusive group sessions conducted differently.
- d. For future reviews, the QTAG can incorporate more explicitly in its plans how gender and inclusion principles will be observed in the collection of data. We will also detail the ways in which our approach is consistent with international good practice in this regard.



A note on the structure of the report

- 17. This report has been drafted as a review of the Governance Partnership as a whole and is not intended to go into depth on every point. It seeks to cover the whole territory to some degree. We hope some will read from cover to cover; at the same time, we have drafted it in a way that its discrete components are easily extractable.
- 18. For this reason, we have not pared down the volume to the high level take-aways, except in the Executive Summary. Rather, we assume that for those delving into individual sections, much of the detail will be useful, in and of itself, and also as a foundation for the ongoing conversation.
- 19. We have structured the report largely following the structure of the Governance Partnership itself. However, in exploring the facility as a whole, we have separated the key components into individual chapters, recognising their importance to the robustness of the facility's architecture.
- 20. At points the analysis draws on experiences from outside of Papua New Guinea. These are introduced as perspectives and experiences that might stimulate reflections. They are designed to support the growth of the Papua New Guinea owned and led agenda for development, drawing on insights locally and internationally. We underline this point following one piece of feedback from an embedded Australian adviser that insights from international experience are not generally welcomed in Papua New Guinea.
- 21. This report provides the baseline for subsequent annual reviews, which are likely to be slimmer in content, as we collaborate iteratively with AHC, GoPNG, and Abt PNG to implement the suggested improvements.

The facility as a whole

These first chapters explore the components at the overall facility level, all of which are critical both to the general outcomes and the specific outcomes the investment is looking for *by virtue of the facility modality*.

Beginning with context to the review, we then look at the Theory of Action – the starting point of the conceptual thinking. This provides a basis then to look more closely at the necessary ways of working to support that theory, and the extent to which they are in place. We approach the ways of working both from the perspective of the programming mentality, the structures, and the communication and engagement approach. This corresponds to KRA 1 and KRA 3.

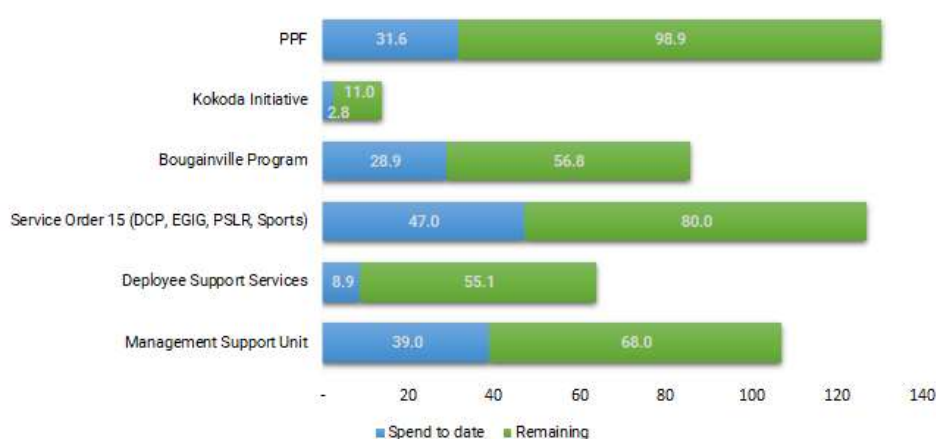
We then move on to KRA 2 (gender and inclusion) and KRA 4 (KAL and MEL) respectively, both of which are designed as central drivers of the programming.

This leads to the question of VfM, not to make any final determinations but primarily to assess the extent to which the foundations are in place for that assessment in the next six to 12 months.

From there, the review moves to the following section examining the individual workstreams more closely.

To give the financial context of the partnership workstreams, below is the budgeted and to-date spend of the facility overall. This helps situate the stocktakes in terms of their place in the facility as a whole. The figures are reflective of current budgeting and accounting systems, some of which are in the process of revision, and some to which we propose revisions.

Figure 1: Governance Partnership financing, 2016–2020 (millions)



2 Context – The perfect storm

Review question(s)

What can be learned from the history of the facility that informs future procurements of this nature and also the opportunities and limitations to the trajectory of the Governance Partnership?¹

1. The design of what was originally called the PNG Governance Facility (PGF) started in 2013 with some exploratory policy work by AusAID on governance in Papua New Guinea. The design itself was approved in 2015, and approval to approach to market followed. The contract was awarded to Abt PNG in January 2016 and it mobilised in April 2016.
2. The single facility model aimed for greater coherence and coordination of Australia's governance investments in Papua New Guinea. DFAT had previously managed the governance portfolio through a number of separate contracts. Seven projects/programs were rolled into the Governance Partnership (then PGF). Consolidation aimed to achieve greater flexibility to respond to the country's complex political and operating environment, and efficiencies in aid management through economies of scale and reduced administrative duplication

Table 1: Timeline of key events

Date	Event / Change / Deliverable
April – June 16	<ul style="list-style-type: none"> - Mobilisation of PGF - Change to design: Four pillars moved to three as <i>Private Sector Development</i> moved under <i>Core Government Functions</i>
July – September 16	<ul style="list-style-type: none"> - Novation and transition period - Progressive transition of 29 grant agreements, contracting of 89 transitioning personnel, recruitment of additional staff - Interim Annual Plan submitted to DFAT
November 16	<ul style="list-style-type: none"> - Interim Delivery Strategy submitted to DFAT
December 16	<ul style="list-style-type: none"> - Disbanding/integration of Political Economy Unit across workstreams - PGF Liaison Office is established within Department of Prime Minister and National Executive Council
January 2017	<ul style="list-style-type: none"> - Inaugural Strategic Management Committee Meeting
February 2017	<ul style="list-style-type: none"> - Start of Long-Term Development Strategy process with AHC
March 2017	<ul style="list-style-type: none"> - Second and last Strategic Management Committee Meeting
April 2017	<ul style="list-style-type: none"> - Long-Term Delivery Strategy submitted to DFAT - Establishment of three workstreams (DCP, EGIG, and PSLR) as program areas

¹ This question was not explicitly articulated in the Annual Review Plan, but it emerged early in the process that an objective exploration of the history by the QTAG would be instructive for all parties.

Date	Event / Change / Deliverable
	<ul style="list-style-type: none"> - PPF mobilised - 2016/17 AQC's finalised - The investment's performance was rated as unsatisfactory in relation to four quality criteria: effectiveness, efficiency, gender equality, and M&E. Underperformance was identified in the core governance workstreams (Bougainville Program, KIP, and Deployee Support Services were rated satisfactory) - DFAT started to develop a Remediation Plan.
April – July 17	<ul style="list-style-type: none"> - DFAT and contractor discussions continued on performance issues and their resolution - Aid visa processing challenges results in lack of resourcing and operational challenges
May 2017	<ul style="list-style-type: none"> - Draft 2017/18 Annual Work Plan submitted to DFAT
June 2017	<ul style="list-style-type: none"> - Four PPF grants disbursed
July 2017	<ul style="list-style-type: none"> - AHC Final Brief to DFAT PFG as 'Investment Under Review' - Final 2017/18 Annual Work Plan submitted to DFAT - Papua New Guinea General Election
September 2017	<ul style="list-style-type: none"> - Australia and Papua New Guinea sign <i>Decentralisation and Service Delivery Partnership Arrangement</i> - Abt-AHC Health Check Meeting established as a high-level review mechanism - Abt-AHC Monthly Finance Forum established
October 2017	<ul style="list-style-type: none"> - PwC Efficiency Audit commences - DFAT prepares and shares briefing document with GoPNG, formalising the Papua New Guinea-Australia Governance Partnership, and providing an overview of transition from PGF - Senate Estimates places increased scrutiny on the facility model
November 2017	<ul style="list-style-type: none"> - Decision to disband Technical Services Unit (TSU), with staff embedded within delivery teams or the platform - Draft PAFs shared with DFAT
December 2017	<ul style="list-style-type: none"> - PGF Liaison Office within Department of Prime Minister and National Executive Council is disbanded
January 2018	<ul style="list-style-type: none"> - PGF identity is removed, establishing individual partnerships that are supported by a shared services platform (Abt PNG Management Services). - Significant reshaping of the aid delivery platform for the Governance Partnership and the management of the workstreams. - Introduction of new management arrangements at the strategic and operational levels. - Working under the Governance Partnership meeting, jointly chaired by the Chief Secretary to Government and the Australian High Commissioner, each workstream to have its own joint governance mechanism.
February 2018	<ul style="list-style-type: none"> - First Partnership Strategy Testing sessions takes place (DCP and EGIG)

Date	Event / Change / Deliverable
March 2018	<ul style="list-style-type: none">- First Abt–AHC Monthly Effectiveness Meeting is held, replacing fortnightly core management meetings- QTAG mobilises
April 2018	<ul style="list-style-type: none">- 2017/18 AQC's completed- DFAT review concludes improvements sufficient to move from Investment Under review status- QTAG Annual Review commences

3. DFAT identified four key areas for improvement with specific remediation actions:

- strategic planning and a shared vision;
- human resource management;
- internal systems and processes; and
- oversight of strengthened performance.

4. Causes identified for underperformance included:

- The underestimation of the skill sets and human resources required to deliver on the ambitious objectives set by the PGF design;
- The difficulty attracting and retaining high-quality staff; and
- The challenge of establishing internal systems and processes to accommodate standing up a large program;
- Other contributing factors included:
 - o The protracted contract negotiation process between DFAT and Abt PNG reduced the scheduled transition period available to set up the PGF's operations and undertake strategic planning.
 - o The tender process did not adequately test assertions in Abt's submission regarding the capability of Abt PNG to establish the systems and human resources needed to guide the facility from the transition phase into strategy development, design, and implementation of new investments.
 - o DFAT also underestimated the sheer scale of the task. Lessons from the experience of contracting Abt to manage a large facility in Indonesia were overlooked during the contracting phase.
 - o The turnover of relevant A-based staff at Post during transition added to the challenge during this process.
 - o The design was ambitious, complex, and created a situation where Abt PNG had a high degree of accountability and responsibility for implementation strategy, policy engagement, and operational dialogue. This did not sit comfortably with the new AHC cadre at the highest levels.
 - o Abt PNG also suffered from significant delays in the deployment and mobilisation of some new personnel in early 2017, due to GoPNG's abrupt

freeze on aid worker visas. This had an impact on delivering key outputs this period.

5. There were also contributing factors on the GoPNG side. The new facility, which combined the previous programs, was an unfamiliar concept. The partner agencies were used to having their own projects and engagement relationships. Strategic and transactional coordination was easier when it was a single department with a specific DFAT sector. The introduction of PGF exposed weaknesses and some tensions in the GoPNG's ability to engage. Specifically:
 - GoPNG does not have a governance strategy. While this was known during the design phase it made it harder for the then PGF team and DFAT to establish strategic priorities at the whole-of-government level;
 - The previous projects had encouraged a transactional, demand-driven approach from the GoPNG side that created high expectations of responsiveness from DFAT. It was therefore difficult to establish a more strategic way of working where individual requests for technical assistance needed a more rigorous foundation;
 - There was sometimes weak coordination among the government agencies when it came to engaging with PGF. The Department of National Planning and Monitoring (DNPM) had a role in the governance of all the previous projects' governance arrangements. The Department of Prime Minister and National Executive Council (PM&NEC) had virtually no role in the previous projects other than economic governance yet was now taking the lead. This arrangement needed time to be embedded.
 - After two decades of embedded projects the individual departments and agencies found it difficult to engage strategically with the main coordinating mechanism at a much higher level.
6. A detailed remediation plan was agreed. Key actions included:
 - Increased *implementation capacity* by refocusing resources into additional program support staff. Abt PNG put into place a new PGF senior management structure that bolsters oversight of priority workstreams. Further resources were allocated to program design and M&E.
 - Closer senior oversight of *budgets and tracking forecasts* against actual expenditure. Accuracy of budget forecasting was to be improved as it is a key performance indicator linked to the PGF's management fee payments.
 - Enhanced oversight of the Pacific Leadership and Governance Precinct, including the recruitment of new staff.
 - DFAT increased its oversight of *contractor performance and accountability*, through more regular operational and management meetings.
 - DFAT engaging with GoPNG, confirming the strategic priorities of both governments and explaining the Governance Partnership's role as the implementing platform for agreed activities. This is intended to ensure a greater focus on the bilateral partnership and help manage expectations about the role of the facility.
7. The impact of the situation leading to the remediation plan is illustrated in this recommendation from a March 2017 internal Abt PNG review of PSLR. We include it here to demonstrate the practical effects on those seeking to implement the Governance Partnership workstreams in the early stages when systems were not adequate:

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- 'That Abt and DFAT reassess the scope of the MSU platform needed to deliver a program of the size of PGF in a manner that adequately underpins the Precinct and other work streams. This includes a work force plan that provides management support to the Precinct and work streams (Team Leader / Senior Program Managers).
 - That the cost of this platform is fully understood and implications for various SO / workstream budgets is understood and agreed.
 - That Abt provide a workforce plan that matches Terms of Reference (TOR) with realistic workloads and suitably qualified staff and advisers, and considers how they will manage the many gaps in the current resource profile due to the visa issue (virtual teams, more LES, etc.). Where there are multiple advisers working on a similar issue (such as gender), clear distinctions are made on who is doing what and where this is funded.
 - That Abt ensure Directors / teams understand the technical skill sets available through the PGF Panel, and how they access this.
 - That Abt make other program TA Panels (such as KOMPAK and PHD) available to PGF given that panel members have been pre-screened and due diligence is complete.
 - That Abt provide AHC with an updated Organisation chart for the Precinct, showing operational and management support for the Precinct within the team and to be drawn from the MSU (including the knowledge platform), based on respective SO budgets.
 - That Abt makes clear the operational and management support available to the Precinct and other work streams from the MSU, and prioritises systematic access to these services.
 - That senior staff across the work streams have a sufficient understanding of key systems (such as NetSuite) that they know what is possible and how to access it (without necessarily needing to log in themselves).
 - Abt establishes and / or ensures staff are aware of templates and guidance for core program management processes such as financial reports.
 - Abt establishes QA processes for all documents going to DFAT. This includes detailed checks on format / proofing as well as content.'
8. During the review, DFAT, Abt PNG, and GoPNG have been very frank about what went wrong and why, from their respective positions. In many ways what developed in 2016 was a 'perfect storm', with contributing factors from all sides. QTAG makes no judgement on this and allocates no blame. The stakeholders have in place improved governance structures at the strategic and operations levels. Conversations are taking place and issues are discussed at a range of levels. QTAG witnessed this in action within the Governance Partnership and also within its own engagement sessions. There is significant evidence that DFAT and Abt PNG took appropriate remedial action in 2016 and 2017, while at the same time going through a significant mobilisation, resourcing, and upscaling of activities. By the time the remediation plan was finalised in mid-July, significant improvements had been made and other changes were well underway. Enough progress had been made by November 2017 for the former PGF to be formed and restructured as the Governance Partnership. In early 2018, the QTAG observed a program that had regained its confidence and the confidence of DFAT and GoPNG.

Recommendations

- a. DFAT tendering processes are reviewed to ensure that assessments of organisational capacity are robust and take into account implementation, operation, and the corporate services capacity of tenderers when assessing tender responses, especially where there is a significant order of magnitude difference between the contract under tender and previous contracts managed by each tenderer.
- b. DFAT in-country officers and delegates be supported with expert contracting advice and appropriate comparator fee arrangements in the awarding of significant value contracts, especially where they are to be sourced through limited tender.

3 Theory of Action

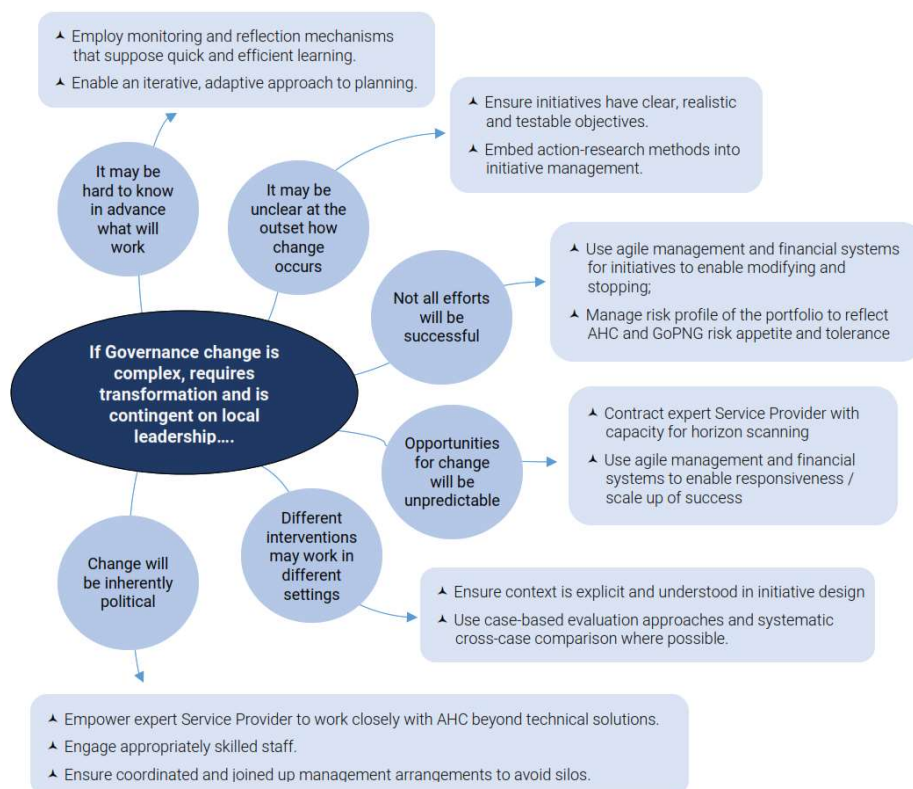
Review question(s)

1. To what extent is the single facility an appropriate modality to deliver diverse governance outcomes, for a significant investment program, at multiple scales in Papua New Guinea?
2. What is making it work, or could make it work?
3. How is gender equality understood in relation to the broader aims of the partnership? Is there a common understanding of the role of gender equality in the program Theory of Change and where/how are approaches to gender equality articulated?

Theory of Action – From design to present

1. Rather than describing a Theory of Change, given the nature of the challenges in Papua New Guinea, the design for the Governance Partnership² described an overarching Theory of Action. This is set out in Figure 2.

Figure 2: The Theory of Action



² DFAT (2015) *Investment Design for Papua New Guinea Governance Facility Final Version* (9 July), p. 14.

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2. Typically, a Theory of Change would elaborate assumptions, describing conditions that need to be in place to enable success. The Theory of Action took a different approach, however. Some risks of high relevance to the Theory of Action were documented in the design Risk Matrix,³ for example the following selection:
- a. 'Lack of GoPNG engagement at the Sector (Facility) level through the Strategic Facility Management Committee;
 - b. Insufficient time for Facility Contractor to complete handover of physical assets, IP and program functions from existing SPs;
 - c. Streamlining of existing (individual) Program Governance mechanism through the single Facility reduces GoPNG engagement;
 - d. Potential loss of continuity with existing PNG delivery Partners;
 - e. Insufficient time for AHC Governance staff to modify the scope of existing programs and draft Service Orders to implement programs with PGF;
 - f. Single Contractor model too complex and adversely affects performance;
 - g. Further reductions in AHC PNG governance staff reductions results in lack of strategic oversight and direction in some programs;
 - h. Lack of GoPNG engagement at (governance) program level;
 - i. Potential complexity of coordinating Facility Annual (Program) Planning due to number and diversity of governance programs;
 - j. Poor quality designs for new governance programs (political pressures);
 - k. Existing AHC QA mechanisms for new designs not conducive to a design and implement approach to respond to rapid changes in priorities.'
3. The extent to which implementing partners considered or populated a risk matrix during the Inception Phase is not clear. Nonetheless, it appears that many of these risks were realised in the early stages of implementation, inception, and beyond. From early 2017 there was a more active approach to risk management, with quarterly risk reports being produced and discussed with DFAT.
4. Consistent with the Theory of Action, Abt PNG proposed a more specific strategic approach and overarching Theory of Change. They explained the rationale for the design of interventions as follows.⁴ We quote it at some length because it is theoretically so foundational to the entire operation:

'The strategic response of [the Governance Partnership] to the governance challenge facing PNG was based on an examination of the evidence in PNG itself over the past 20 years, combined with what the international evidence has to say about 'where change comes from'. At the centre of the Governance Partnership's response were two interrelated and mutually supportive strategies.

The first strategy is to supplement the undoubted need for technical support in certain critical areas with a major focus on incentivising and strengthening three accountability relationships:

³ DFAT (2015) *Investment Design for Papua New Guinea Governance Facility Final Version* (9 July 2015) Annex 4, p. XIV.

⁴ Based on PGF (2017) *Long Term Delivery Strategy*, 7 April 2017, pp. 8–11.

Only when public servants are incentivised to give of their best will they do so;

Only when citizens have reasonable expectations of the state will they express their views and demand more and better services; and

Only when politicians are incentivised to meet the needs of all their constituents will CDF resources be mobilised for the general good.

Strengthening accountability and incentivising performance will require a fourfold approach:

Working upstream on building whole-of-government organisational capability to deploy resources, manage budgets, choose among priorities, set direction, and monitor progress on the full range of GoPNG policy priorities, including (for example) macro-economic reform, decentralisation, service delivery, and infrastructure provision. This will determine how well PNG's reform agenda meets its aims and objectives.

Working downstream at the frontline on helping GoPNG to maximise both its own resources and those of development partners (e.g. the private sector, churches) more effectively, efficiently, and equitably.

Empowering communities to demand more and better goods and services from government or other providers. Sometimes others will provide, sometimes communities will need to lead development initiatives themselves: but important in all of this will be the role of PGF in connecting citizens 'back to the state' over time, to develop expectations and accountabilities.

Promoting the voices and agency of women, youth, and people with a disability in leadership and decision-making processes, and supporting inclusive opportunities for all citizens to participate in and contribute to these processes.

The second, and complementary strategy, is to strengthen the role of motivated, ethical and inspirational leadership at all levels and in all domains in the public and private sectors. [The Governance Partnership] recognises that social, economic, and political change will come from the determined and purposeful activities of leaders at all levels and in all domains of society. Leadership is predominantly a collective enterprise, where groups of like-minded people act collaboratively to bring about change. At the heart of the [Governance Partnership] is a focus on encouraging the emergence of individuals, groups of individuals, and informal networks to deliver better development outcomes.

The strategies were based on the overwhelming weight of international evidence:

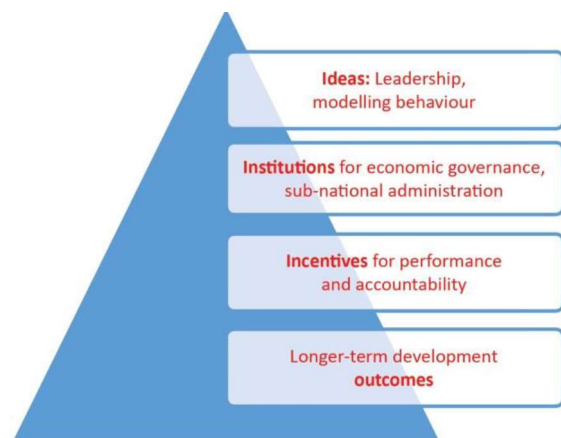
Effective change is country-led, country-owned, and country-delivered.

External partners can assist by supporting and stimulating positive leadership – but change comes from inside – and usually (but not always) from the top. This is particularly the case when public action and civil society pressure helps 'good leaders' build the case for change.'

These two complementary strategies merged to form the high-level Theory of Change that underpins [the Governance Partnership]:

Leaders embrace ideas and put these ideas into practice.

Figure 3: Theory of Change underpinning Governance Partnership



In so doing they help create a new set of values – the ‘institutions’ that influence behaviour and therefore outcomes.

Once these values become the accepted norm, they create the incentives to which people respond.

This ‘cascade’ lies at the heart of PGF’s long-term strategy. It is why a sole focus on either leadership or institutions would be insufficient: the two interact. Leaders shape institutions and incentives, and in turn are influenced by those institutions and incentives.

The Pacific Leadership and Governance Precinct is considered critical to the long-term transformation of economic, political and administrative institutions. Its role is to influence elite perceptions of what is appropriate and ethical public service behaviour.’

5. In the course of interviews, we encountered varying levels of familiarity with, and ownership of, the Theory of Action and the Governance Partnership Theory of Change. This variance was across the different stakeholder groups, including the AHC, the GoPNG and the Abt PNG delivery team. It is symptomatic of this lack of clarity that there is no single, mutually endorsed document describing the current Theory of Action (or Change). However, numerous high-level informants indicated that they are committed to the concepts described in the design.
6. Under the January 2018 Facility Operating Model⁵ (Figure 5 below), most of the workstreams have an emerging or agreed Theory of Change or program logic, which are detailed in their respective PAF.⁶ Theories of change for the EGIG and DCP workstreams are in the process of being revised as a result of recent strategy testing exercises.
7. Pursuant to the design, the Governance Partnership anticipates results in four key areas:⁷

Table 2: KRA

KRA	Summary description
1: Effective governance programs, addressing development opportunities and constraints in priority areas, delivered	This KRA relates to the performance of Governance Partnership programs themselves in the priority areas identified in AHC’s Governance Strategy: Core functions of government; Private sector development; State–civil relations; and Leadership .
2: Governance programs effectively addressing critical gender issues demonstrated	All Australian governance aid programs will mainstream women’s empowerment and equality issues, demonstrating they are addressing issues of women’s leadership and economic and physical security.
3: Efficient and effective operational support provided to Papua New Guinean stakeholders and the AHC	This KRA relates to the quality and efficiency of service provision by Abt PNG, with a view to achieving demonstrable VfM improvements for Australian assistance.

⁵ Abt Associates (2018) *Abt-AHC Governance Mechanisms Going Forward*, p. 4.

⁶ Papua New Guinea – Australia Governance Partnership: Facility Performance Assessment Frameworks (1 December 2017).

⁷ DFAT (2015) *Investment Design for Papua New Guinea Governance Facility Final Version* (9 July 2015), p. 5.

4: High-quality knowledge and learning about governance and development in Papua New Guinea communicated effectively to stakeholders

A research and knowledge-based approach is a key area that the [facility] will strengthen, to generate the necessary learning that informs Papua New Guinean stakeholders and the strategic development of Australian assistance.

Recommendation

- a. Six-monthly reports from the workstreams to include a one-page update on the workstream's implementation of the theory of action.

4 Ways of working

Review question(s)

1. To what extent does the current structure (aggregated vs. disaggregated governance structures) enable effective programming? Are the right structures now in place?
2. To what extent is the MSU supporting and being used by the workstreams and enabling their effectiveness? What framework and way of working is in place to ensure that the MSU is properly engaged by the workstreams?
3. To what extent is the facility enabling greater coherence across the workstreams, including identifying current linkages, and any opportunities for further linkages that will enhance effectiveness and efficiency toward the target outcomes?

Intended ways of working – A new approach to doing business

1. Working from the Theory of Action toward the KRA, the design called for a bespoke set of skills and capabilities from Abt PNG, including experience in:
 - a. 'Establishing flexible, responsive Facility management, administration and coordination systems for a diverse portfolio of work, capable of responding to opportunity where it arises and scaling back where anticipated developments are not forthcoming;
 - b. Managing complex governance programs in a range of thematic areas, demonstrating world-class expertise and deep understanding of relevant governance issues in the PNG context, as well as evidence of achieving concrete results;
 - c. Tailoring approaches and influencing strategies to reach different audiences and building relationships with key players;
 - d. Ensuring longer-term focus on strategic objectives while balancing short-term demands for assistance;
 - e. Knowledge-based and action-research orientated programs, with an emphasis on real-time problem-driven learning and adaptation;
 - f. Working effectively in fragile environments, demonstrating an understanding of the challenges and requirements of working in Papua New Guinea;
 - g. Advancing and actively promoting women's empowerment and equality within governance programs with a strong emphasis on women's leadership, economic and physical security;
 - h. Working in partnership with multilaterals, government, private sector, civil society (including local and international non-governmental organisations);
 - i. Engaging effectively with local leaders and change agents through use of compelling and influential communication strategies and modalities.'
2. The facility model was deliberately intended to be flexible and adaptive to allow the portfolio program of work to evolve over time, responding to Papua New Guinea's governance context and building on iterative engagement, innovation, and evidence of what works and what does not.

3. Coherence and coordination across facility pillars (now ‘workstreams’) and programs, as well as with other AHC and donor programs, were fundamental features of the design. The Knowledge Platform was to play a key role, providing robust, credible information for Papua New Guinean policy-makers, potentially through Participatory Action Research.
4. This set the scene for an ambitious, and largely new, way of working, in comparison to the overarching theory behind the delivery of previous component programs.
5. In part, Abt PNG’s response to this call for a new way of working was to draw on approaches being promoted and tested in the more recent development literature and CoPs, such as:
 - a. Doing Development Differently;⁸
 - b. Thinking and Working Politically;⁹ and
 - c. Problem-Driven Iterative Adaptation (PDIA).¹⁰
6. Table 3¹¹ below highlights different points of emphasis as well as the commonalities of these approaches.

Table 3: Approaches to development

	Doing Development Differently	PDIA	Thinking and working politically
Features emphasised	<ul style="list-style-type: none"> ✓ Use locally legitimate institutions ✓ Partnership not principal agent ✓ Focus on real results 	<ul style="list-style-type: none"> ✓ Relentless focus on a specific problem ✓ Make many small ‘bets’ ✓ Learn and adapt as you go 	<ul style="list-style-type: none"> ✓ Explicit recognition of competing interests ✓ Engage with (i.e. fund) reformers / pro-poor coalitions ✓ Based at all times in political economy perspectives: country / sector / program / issue
Common features	<ul style="list-style-type: none"> • Context is everything • Best fit not good practice • No blueprint – rather flexible, responsive, adaptive programming • Real-time learning (i.e. think, test, act, learn – repeat) • Long-term commitments with staff continuity • Enabling, not doing 		

⁸ Accessed 11 May 2018 at <http://doingdevelopmentdifferently.com/>

⁹ Accessed 11 May 2018 www.dlprog.org/research/thinking-and-working-politically-community-of-practice.php

¹⁰ Accessed 11 May 2018 www.cgdev.org/publication/escaping-capability-traps-through-problem-driven-iterative-adaptation-pdia-working-paper

¹¹ PGF Team Canberra (2016) *Briefing Note No. 5: Supporting staff to understand and respond to change in PNG*. Unpublished.

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7. To support the effective introduction and use of these newer approaches to identifying and designing interventions, Abt PNG envisaged that staff would be supported to develop the relevant knowledge and skills.¹² The more recent introduction of approaches such as strategy testing and outcomes mapping fit well with these ways of working.
 8. During the review, there were two comments that consistently heard:
 - a. Abt PNG's organisation structure is too flat and shallow, i.e. there are too many advisers in funded positions, especially in Ravalian Haus, with too few people reporting to them. This is not the case across all workstreams; for example, the PPF and PSLR appear to us to be under-resourced. However, the other workstreams should be reviewed. Abt PNG's senior management agrees with this recommendation.
 - b. There are too many people sitting down in the waterfront building known as Ravalian Haus. There are elements of fact and perception in statements such as this. What is clear is that Ravalian Haus is a visible 'sore point' for the Governance Partnership that needs to be addressed. It is affecting people's attitudes to engaging with the Governance Partnership. One solution is that each workstream needs to work through their governance arrangements to consider when and where advisers, secretariats, and perhaps some management roles can be located within a GoPNG counterpart agency? This should include the workstream manager, at least on a part-time basis. GoPNG has requested greater institutionalisation of the Governance Partnership's activities. This approach is a move in that direction.

Recommendations on the ways of working

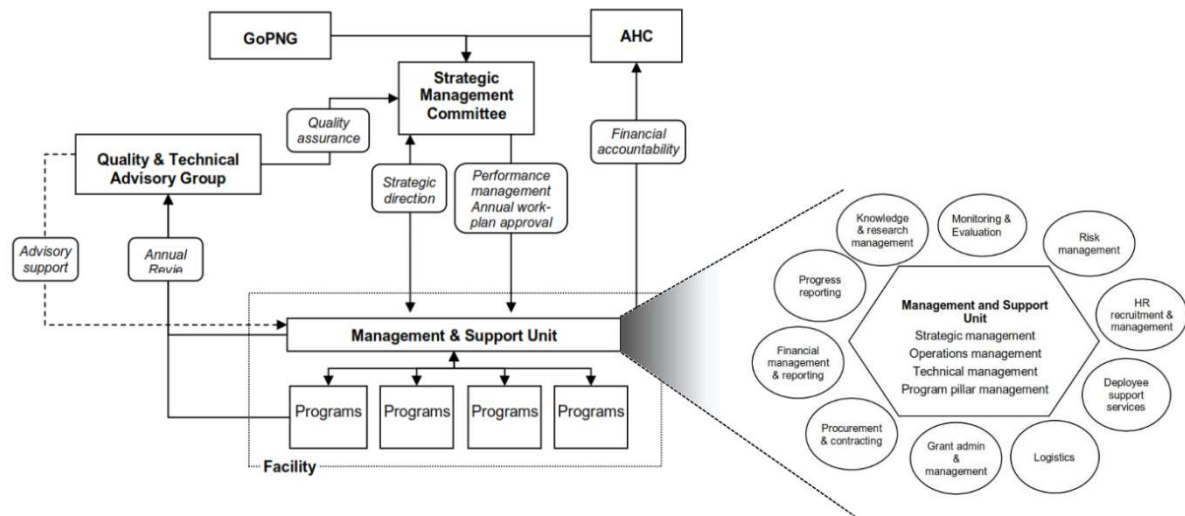
- a. QTAG to report in future reviews on the performance of workstreams against an agreed, streamlined 'ways of working' criteria. The criteria will be developed by QTAG in consultation with stakeholders and agreed with AHC by September 2018.

Structures to support the ways of working

9. The facility's organisational structure has gone through several iterations. In the initial structure, illustrated in Figure 4, there was a comprehensively resourced MSU that would support the facility-level dimensions of the design. Within the purview of programming at the policy level between the two governments, there was considerable strategic input to the programming at the facility level. This was germane to the design. A high number of strategy planning, cross-cutting, KAL, and management services inputs were expected of Abt PNG, as shown in the cluster on the right of Figure 4.

¹² PGF Team Canberra (2016) *Briefing Note No. 5: Supporting staff to understand and respond to change in PNG*. Unpublished.

Figure 4: Structure as per program design



10. Throughout late 2016 and then into 2017, the relevance of some of the MSU support clusters was questioned and the organisation was progressively streamlined.
11. In this initial design, governance measures lay with the Strategic Management Committee, at a level sitting above the individual partnership (at that stage ‘pillar’) level.
12. In late 2017, as part of the overall package of reforms, Abt PNG, in close consultation with DFAT, developed a revised organisational structure. This was based upon these decisions and principles:¹³

‘Overview of Changes and Principles of the Operating Model’

As directed by DFAT, a de-branding and change of identity from PGF to ‘Workstream’ Partnerships supported by the Abt PNG Management Services has taken place. Principles and key elements of the new operating model are outlined below:

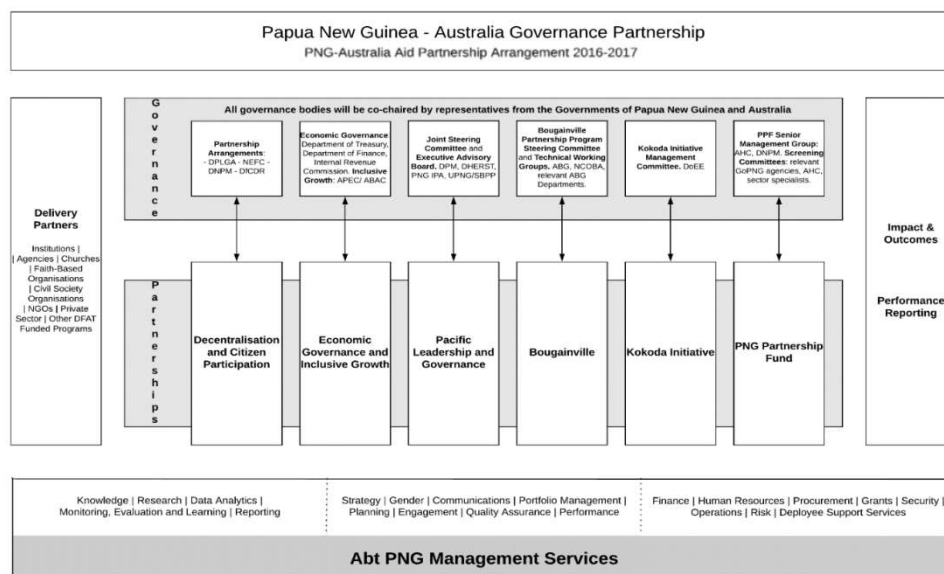
- Realignment based on decision to promote individual Workstream partnerships rather than PGF;
- ‘PGF’ brand has disappeared, but focus on facility-level impacts and outcomes will continue;
- There is full responsibility and accountability for delivery performance at the partnership level;
- Cross-cutting expertise are embedded within delivery teams, but leveraged across all partnerships;
- Governance occurs at the individual partnership level relative to partner needs and expectations;
- Abt PNG Management Services has incorporated roles and functions including the CEO’s Office, MSU, KAL and Director of Programs;

¹³ Abt Associates (2018) *Abt-AHC Governance Mechanisms Going Forward*, January 2018.

- All Technical Services Unit (TSU) responsibilities, activities and resources have been allocated to Partnerships or the platform;
- Abt PNG Management Services provides leadership on core priorities, including gender and inclusion, communication and engagement, risk management and performance;
- Partnership Directors and program teams are required to identify and pursue synergies across all Partnerships;
- Abt PNG Management Services facilitates communities of practice for evaluation, learning, knowledge and collaboration.’

13. Figure 5 illustrates the new structure. The key change is that governance arrangements are devolved to the individual partnership level.

Figure 5: Revised structure (2018)



14. The revised structure appropriately recognises that, for a structure of this size, and bearing in mind the distinctiveness of the individual partnerships, governance mechanisms appropriate and adapted to each were needed.
15. However, there is a risk in this approach that it will encourage and to a degree formalise a characterisation of the Governance Partnership as a number of distinctive, stand-alone partnerships, with a generic corporate service supporting their implementation. This risk was recognised:
- a. in the most recent six monthly report:¹⁴ ‘[a]n emerging risk is that each partnership may become more siloed through this arrangement. The Facility has checks and balances already in place through the various governance mechanisms that will allow for this risk to be minimized and addressed early’; and
 - b. was also referred to in QTAG interviews and observations that the partnerships were evolving in their own space with limited attention to cross-partnership

¹⁴ Abt Associates (2017) *Six-monthly Implementation Report on Abt PNG Management Services Support to the PNG–Australia Governance Partnership, July–December 2017*, Section 5.1.

questions. The exception was in the support for the GoPNG's decentralisation policy implementation.

16. The role of the facility (as opposed to the workstreams or programs) and the MSU has also been clarified:

‘The PGF is a shared services platform for the delivery of agreed activities under the partnership. What this means is that for administrative and other functions that are common to all activities, for example monitoring and evaluation or fraud control, staff are hired and can work on any aspect of partnership. This ensures less money is spent on administration and more on delivering projects.

For all of the [workstreams], PGF provides administration and operational support, as normal under any development contract or partnership. This support includes financial management and reporting, procurement and contracting, grant administration and management, logistics and travel, human resource management, risk management, knowledge management and program design services.

These administration and operational staff would be required whether it was the PGF or a different model of delivery. The PGF's shared services model (also referred to as a facility) is designed to achieve better efficiency and reduce operational costs across programs. The consolidation of staff under the PGF model provides expertise and knowledge to ensure programs are strategically aligned and achieve sustained development impact.’

17. QTAG's discussion and the suggestions that follow are based upon a review of the overall structure and take into consideration:

- a. The Governance Partnership's Theory of Action and the Theory of Change;
- b. The experience and lessons of the last two years;
- c. How the workstreams have evolved and where they are today;
- d. The updated way of working from January 2018;
- e. The wishes of the GoPNG to have better engagement in the Governance Partnership;
- f. The size of the span of control over the workstreams and the MSU;
- g. The QTAG view that KAL, GESI, and MEL were critical development interventions that needed more visibility and leadership outside of the MSU;
- h. The QTAG view that the MSU should be focused on delivering high-quality corporate support;
- i. The opportunity to potentially demonstrate greater VfM when looked at not just through the economic lens; and
- j. The recommendations in this review.

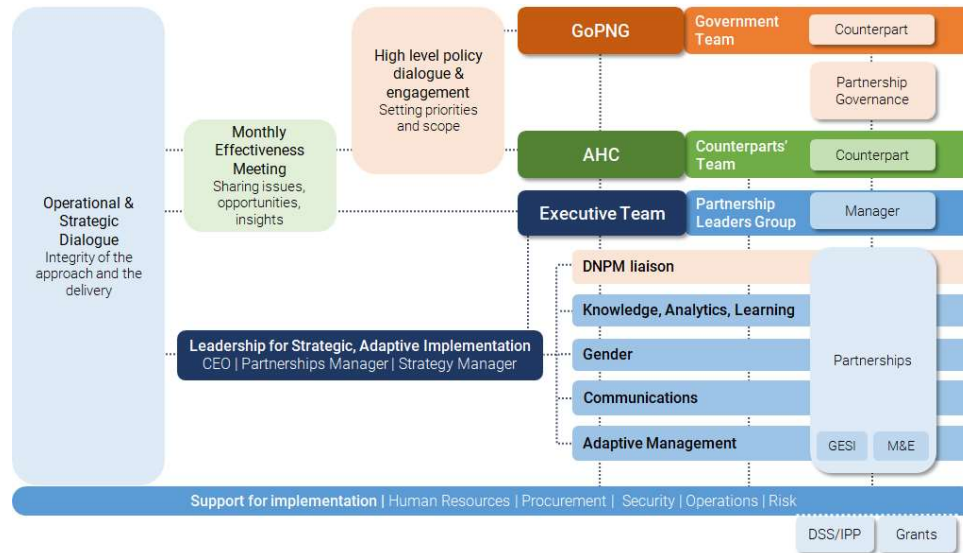
18. QTAG has not undertaken an organisational review as such and therefore this commentary is provided to guide Abt PNG and DFAT around three main issues:

- a. The appropriate span of control at the top of the facility;
- b. The key cross-cutting issues at the heart of the organisational structure: KAL, gender, and MEL are not ancillary services, but core functions that go to the programmatic DNA of the facility as a whole; and
- c. The MSU manager's ability to concentrate on providing quality inputs, systems, processes, and other resources to the rest of the facility.

19. The January 2018 restructure can accommodate these principles. However, the review team was not convinced that these principles would automatically be emphasised by the

new structure. So the conceptual outline in Figure 6 can be seen as a complement to the revised structure, to illustrate the points that follow.

Figure 6: Proposed conceptual revision



20. There are in QTAG's opinion three primary program functions that Abt PNG needs to fulfil:
 - a. Management, control, learning, accountability, and oversight of the six workstreams, through improved adherence to MEL systems;
 - b. Provision of advice, QA, and facility standards setting, monitoring, reflecting and learning, best development practice; design, knowledge management, facility reports – as core business to and across the partnerships and for the facility itself; and
 - c. VfM provision of staff, resources, and corporate and shared services for the above two functions.
21. The principles behind the management of the facility are:
 - a. At the highest level, the Governance Partnership is a facility effectively delivering a number of development programs. It was contracted at this scale for two reasons: (1) to bring synergies in the development workstreams; and (2) greater efficiencies in its way of working.
 - b. The Governance Partnership is an investment of significant size and scope and needs an adaptive management structure and resources that are appropriate at the overarching facility level. Success at this level will be measured through Abt PNG's ability to demonstrate that the facility is extremely well managed, specifically through demonstrating how well the workstreams are analysing, learning, and adapting as they go. It is also a question of accountability for strong MEL processes, where solutions may be informed by good development practice but are purposefully found within the country context through active engagement and learning.
 - c. The development outcomes will be visible in the workstreams. The facility's prime role is to provide appropriate, timely, independent, quality, and VfM resources, strategic, policy, and operational support to those workstreams, and uncompromising monitoring and reporting on their performance.

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- d. MEL needs to take place, as originally designed, at workstream, facility and context level. Partnership-level M&E is essential for management control and the ability to bring greater synergies and efficiencies to the Governance Partnership. A critical role for MEL at the facility level is to ensure that the QA systems are in place and are working.
22. As the new structure settles, the QTAG recommends that Abt PNG closely monitors the structure's performance to ensure that it achieves its objectives.
23. In the QTAG's view there are some weaknesses around the components of the MSU structure where relatively minor organisational changes could enhance the delivery of the workstreams and the effectiveness of the facility as a whole:
- a. Elevate the KAL, MEL, and gender and inclusion functions out of the MSU under a senior manager at the executive level (see paragraph 20 for a description of roles and responsibilities) with authority, status, and a clear budget that recognises the importance of these functions at the heart of a truly adaptive program and not as optional extras or a silent partner; and
 - b. Clarify that the MSU's prime task is responsibility for corporate services functions, including financial management and reporting, recruitment, procurement and contracting, some grant management and administration, risk management, security, travel, and logistics.
24. If this approach was accepted, then the above senior manager's role could be:
- a. Responsible for ensuring that the Governance Partnership is supported with best practice advice on KAL, MEL, GESI, design, strategy and policy development, and adaptive management. This role will ensure:
 - i. All key outputs (annual plans, budgets and six monthly reports) meet the Governance Partnership quality standards prior to being shared outside the Governance Partnership;
 - ii. Regular internal assessments of performance take place, encouraging learning and reflection on how to improve performance, not just on assessing performance;
 - iii. Regular forums are held for advisers on Governance Partnership direction and focus;
 - iv. Advisers, managers, and staff are given the opportunity to update their knowledge and skills to be effective development practitioners; and
 - v. The organisational structures, advisory and other technical assistance in these functions provide VfM.
25. Currently the CEO of the Governance Partnership is responsible for:
- a. Delivering an integrated, efficient and efficient Governance Partnership according to the contract and best development practice;
 - b. Effective communications with DFAT and other stakeholders;
 - c. The overall strategy, operations, and management of the Governance Partnership, including QA of Governance Partnership outputs;
 - d. Ensuring the workstreams are strategically aligned through greater MEL, achieve sustained development impact, and are well managed;
 - e. Achieving efficiency and reduced operational costs through the shared services provided by the MSU; and
 - f. Ensuring the workstreams are supported with best practice advice on KAL, MEL, GESI, design, strategy, and policy development.

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26. If the facility's workload, which is expanding, and the CEO's workload and span of control become a risk, Abt PNG and DFAT could consider creating another senior management position for a person to be responsible for the day-to-day management and oversight of the six workstream partnerships. Specifically, this person would ensure that:
- a. Cross-facility activities such as support for decentralisation are well coordinated and resourced;
 - b. The workstreams demonstrate adaptive management through their adherence to strong MEL processes focusing on the process of learning and adapting, such as through strategy testing;
 - c. GoPNG and DFAT needs for information, reporting, and communications on performance are met in a succinct and accessible form; and
 - d. The organisational structures, advisory, and other technical assistance in the workstreams provides VfM.
27. If established, this managerial position would not interfere in the relationship between the counsellor responsible for the workstream and the workstream directors. The DFAT Counsellors are not the Directors' managers in a contractual sense; Abt PNG are responsible for the delivery of the Governance Partnership. Contrary to advice from Abt PNG, the direct relationship between the counsellors and the workstream directors does not make the directors accountable to the counsellors for implementation of work plans and the achievement of expected outcomes. While there will be a very strong working relationship, including strategy and operational dialogue and engagement between the counsellor and the director, it is not a managerial role.
28. Under the new structure, the workstream directors are responsible for:
- a. Establishing efficient and effective structures within the workstreams, including increasing their own presence and that of their teams within their partner agencies;
 - b. The delivery of the agreed development outcomes, including strategy development, implementation, applying adaptive management principles, getting the balance right between flexibility and accountability through adherence to strong MEL processes, encouraging learning and adapting to those workstreams;
 - c. Effective maintenance of engagement, succinct communications and reporting to the workstream governance mechanism, DFAT and GoPNG partners; and
 - d. Achieving measures of coordination and efficiency aligned with DFAT's VfM standards at the workstream level, including maintaining appropriate workstream structures to monitor and manage VfM at this level.
29. Below the level of senior management (with the exception of PPF and PSLR, which need additional corporate management resources), Abt PNG should be reviewing both the number of corporate and management positions, the span of control within the partnerships, and the depth of the staffing – or rather the lack of depth. As noted above, this review was not resourced to undertake a detailed management review. However, taking DCP as an example there are eight funded advisers/managers below the director and most of these have only one or two locally engaged staff reporting to them. Abt PNG management agreed that a review was needed.
30. However, given that the new structure follows two years of uncertainty and change, care is needed when it comes to implementing further changes. The current positive momentum within the workstreams could easily be negated if a restructure was not handled well. This caution is not a reason not to proceed, however.
31. The QTAG supports the work currently being done to better locate costs to the workstreams, especially out of SO 1. As currently structured, this SO includes the

senior management costs for each workstream and the employee services costs. This gives a very misleading picture of the actual overhead or administrative/operational/corporate costs for the facility.

32. The principles could be:
 - a. Any direct costs in SO 1 (MSU) for the workstreams should be placed in those workstreams on a cost neutral basis in relation to the Management Fee;
 - b. Consideration could be given to the current SO 1 being separated into separate SOs or sections within an amended SO 1;
 - c. The costs of providing services workstream management and the cross-cutting inputs;
 - d. Core corporate services; and
 - e. Direct costs for the Institutional Partnerships Program (IPP), and any other non-partnership programmatic activity managed by the Governance Partnership.

Recommendations

- a. DFAT and Abt PNG facilitate a full organisational assessment by Jan 2019 that addresses:
 - i. At a facility level, the current and required capacity to support higher visibility and authority for KAL, MEL, and GoPNG Gender Equality and Social Inclusion Policy (GESI) and enhance efficiency of the MSU.
 - ii. Options for the re-structure of each workstream, the MSU and strategic/MEL functions that demonstrates VfM, including identifying current under-resourcing.
 - iii. Value, challenges, options and implications of relocating staff currently in Ravalian Haus to full or time presence within GoPNG partner agencies.
- b. SO 1 costs are allocated or attributed to each workstream or core activity on an activity-based costing model.

Communications, engagement, and relationships

33. Informants from all partners expressed concerns about the modes of engagement between partners and the quality of some relationships, where they exist, although recent improvements were noted in many cases. There were often historical reasons for any problems. However, in order to rebuild positive and productive relationships at different levels, a conscious effort is needed. This needs to be founded in respect for the centrality of the Australia–GoPNG relationship and recognition of the potential roles of staff within the Governance Partnership in informing this.
34. The degree to which GoPNG actors have been engaged in developing the program strategy has been variable but has improved of late. This is a lost opportunity to leverage the program and lessons from it to achieve greater change in policy spaces. It is also a lost opportunity to strengthen and deepen relationships between Australia and GoPNG in an evolving context.
35. There will always be variations in the style, form, frequency of communication, and engagement between stakeholders according to the specific individuals in relevant positions. However, the range of variation is too great across the Partnership for there to be a coherent approach overall.
36. For example, there is currently a very uneven situation around what information is shared with GoPNG departments. In some workstreams, budgets and sub-contract

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- service provider costs down to activity level are shared. In others, however, there is no participation in the budget process or the allocation of resources where there are choices. Increased transparency will improve engagement with GoPNG and accountability for the choices made and the outputs.
37. A clear, dynamic, and succinct set of engagement and communications principles between GoPNG, AHC, and Abt PNG for each partnership can address this.
 38. The need for mutual principles does not imply a one-size-fits-all approach. Rather, it recognises two elements:
 - a. First, that there are minimum standards which could and should apply across the board: for example, if there is not a baseline expectation around the level of strategic engagement that will be afforded to Abt PNG personnel, then it is difficult for them to pitch recruitment at the appropriate level and ensure VfM.
 - b. Second, it recognises that natural variation above that baseline is not problematic per se, but is likely to become problematic unless the expectations are expressly agreed and regularly reviewed. On more than one occasion, we heard one perspective on communications expectations from one of the parties that was *subjectively* reasonable, and a corresponding (but mismatched) expectation from another party that was also *subjectively* reasonable. In particular, they should be reviewed when a new person transitions to a given role.
 - c. Together, these principles form a clear, express reference point for objective review. It will provide a more constructive basis for QTAG recommendations in future if they can be referable to mutually agreed standards, rather than QTAG offering a further subjective opinion on what constitutes an optimal approach.
 39. These principles are related to but distinct from the articulation of roles and responsibilities. They should focus solely on the ‘touch points’:
 - a. Where do the respective roles and responsibilities interface?
 - b. What are the mutually agreed expectations around how that interaction is managed?
 40. Two principles can guide improved engagement:
 - a. DFAT is responsible for high-level policy dialogue with GoPNG; and
 - b. Abt PNG, in close consultation with DFAT, is responsible for operational dialogue to implement the Governance Partnership.
 41. Because of the events of 2016 and early 2017, it is understandable that DFAT will take time to build confidence in the ability of the individual workstreams to engage more fully with GoPNG, taking the lead at times on operations and implementation. Once the governance arrangements are in place for DCP and EGIG, day-to-day relationships will improve under that framework.
 42. The partnerships should be cognisant of relevant levels of engagement with GoPNG men and women and ensure the inclusion of women wherever this is possible, bearing in mind the lower numbers of women in senior positions.
 43. The partnerships should seek to raise gender issues and government gender policies as a matter of course within key meetings with GoPNG, reporting on gender equality as a KRA across all partnerships and reinforcing the message that gendered approaches can help achieve broader outcomes across the partnerships.
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Recommendations

- a. Partnerships establish mutual principles of communication between GoPNG, AHC, and Abt. These would be agreed and then monitored through the Partnership Governance Mechanisms and periodically by QTAG (QTAG can also support in the facilitation of a workshop to establish the principles). They would cover communications and decision-making protocols and expectations, including:
 - i. Frequency and form of communication;
 - ii. Position on funding modalities;
 - iii. Participation in decision-making processes;
 - iv. Thresholds for budget approvals; and
 - v. Reporting expectations (cf. MEL section).
- b. AHC to consider a request from the Secretary of DNPM to place a senior O-Based Program Manager in the department, with primary responsibility for facilitating the flow of relevant information and the coordination of the aid program.

5 Gender and inclusion principles

Review question(s)

To what extent is the Governance Partnership gaining traction in implementing gender equality approaches and considerations across all aspects of programming?

Background to the gender and inclusion principles

1. Gender is one of four KRA and efforts have been made to build capacity and visibility at the facility level as well as within individual partnerships,¹⁵ with varying levels of understanding, commitment, and success demonstrated by different teams. Here we cover the ways in which the facility has attempted to address gender in the design and implementation of the partnerships, including how it ensures capacity to do this.
2. There is recognition from all sides of past weaknesses in realising the gender KRA – a failure to translate good intentions and dedicated resources into programming processes, whether mainstreaming or distinct elements. There is good understanding of the key reasons behind these, some of which have already changed. Recent initiatives instituted internally across the facility have articulated and highlighted the challenges of realising the gender KRA, notably the gender stocktake, which was ongoing at the time of our review.
3. A nascent Gender and Social Inclusion CoP brings together nine staff with explicitly gender-related roles and/or significant knowledge and experience on gender and social inclusion. These staff have an appropriate conceptual understanding of gender as relational and intersectional and a desire to situate gender within broader partnership theories of change, for example articulating how addressing gender contributes to economic growth or social outcomes, in addition to seeking gender equity in itself. However, conceptual understanding across staff within the partnerships is more limited around both gender and social inclusion, with the former often conceived as a need to ensure inclusion of women (including specific activities aimed at them) and the latter defined narrowly as ensuring that the needs of people living with disabilities are met. This discourages attention to lines of exclusion around ethnic/linguistic identity, geography, livelihood and/or class, and sexual orientation, as well as to intersectionality with gender.
4. Staff in the CoP are well aware of the need to integrate gender both across partnerships' core work and across institutional processes but have faced challenges in navigating the complexities of improving quality within both organisational and programming processes. However, recent changes in the way that capacity on gender is dispersed across the partnerships seem to have improved the ability of gender advisers to support analysis and adaptation of program activities as well as engaging with the AHC on gender. These include the creation of a Senior Program Manager role, able to program around gender and designation of responsibility on gender to the CEO, thus ensuring a voice to champion gender at senior management level.
5. With gender as a KRA, it is reasonable to expect all staff to demonstrate a knowledge and commitment to gender equality and be held accountable for gender-related

¹⁵ As such, gender-related observations and recommendations can also be found across different sections of this report.

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- outcomes in areas of their work. The same expectations should hold for LTA's placed within GoPNG institutions. However, in general the mind-set on gender across the partnerships is limited, with many viewing it quite narrowly and others considering it largely irrelevant to their programming areas or specific job descriptions. This leads to many opportunities for gender impact being squandered.
6. Within the staff body there were concerns raised around recruitment, retention, and remuneration, as well as broader support needs for women in the workforce. Recent restructuring had elevated a woman to a senior management position but, in general, there was a feeling that not enough women were in decision-making roles. There was also discomfort around perceived differences in the terms and conditions for women staff, with some instances cited where female candidates were not shown flexibility to accommodate family circumstances (for example, in timeframes for relocation) and also suspicions of pay disparities for locally hired staff whose salaries were less transparent than for international hires.
 7. Further, given the extremely high gender equality and levels of FSV across the country, a need was identified to support female staff both in terms of flexibility in work when needed and in seeking the services they may require externally, including through advice on accessing services and allowance of time and resources to do so confidentially and safely. A working culture that demonstrates commitment to addressing gendered needs would provide a stronger foundation for effective gender programming.
 8. In general, the partnerships are not specific enough around how gender relates to achievement of their core objectives. In some cases, attention to gender is implied or assumed rather than being explicitly demonstrated. In others, gender is not considered to be a central concern, for example EGIG, which has neither a mainstreamed approach nor distinct components addressing gender. The importance of gender equality as central to development processes in Papua New Guinea is not universally recognised or commonly articulated. Gender remains seen as a thing apart. A recent decision to integrate gender across performance frameworks rather than keeping it primarily within a gender-specific framework is a positive step in addressing this; however, more is needed to reinforce the centrality of gender within the overall theory of change.
 9. Members of the CoP engage well in external CoPs, which are primarily coordinated by PWSPD. They gain support and momentum from this. However, it was noted that they have learned from these external engagements more than they have contributed, reflecting the fact that the partnerships have not yet generated significant evidence, learning, or reflection on gender that could contribute to wider discussions on gender and inclusion principles in Papua New Guinea. Further, the working model for PWSPD assumes that larger operational entities will adopt effective pilot approaches and take them to scale. Yet this does not appear to be the case here.
 10. The Gender CoP is well aware of the broader policy environment in Papua New Guinea around the GoPNG GESI Policy and other gender-relevant policies. However, its members do not feel that there are sufficient avenues to engage with or inform this policy space externally or in terms of shaping how the partnerships contribute to realising it.
 11. In general, however, different stakeholders noticed a positive difference in the functioning of the facility in relation to gender in early 2018. Several measures were put in place, including staff/mandate restructuring and relationship building between Abt and AHC. Recently increased interest and commitment to gender at senior leadership level has also bolstered confidence, but the Gender CoP members and key staff do not yet have an established place within key processes at facility or partnership level, rather

being drawn on for advice as required, which leads to inconsistent attention to gender and social inclusion.

Recommendations

- a. The workstreams include gender analysis and gender advisory capacity within strategy testing, PEA, and program design processes.
- b. The Governance Partnership finalise gender indicators across the PAFs in a way that reflects both the gender KRA and the centrality of gendered approaches in achieving other KRA.
- c. The GoPNG Department of Personnel Management's Gender and Inclusion Team brief program staff and LTAs about the GoPNG GESI Policy, how it is meant to be implemented, and opportunities for the advisers to support implementation within their partnerships or host agencies.
- d. Increasing the emphasis on research and documentation of lessons learned and emerging evidence of what works in addressing gender inequality and seeking broader developmental change through gendered approaches. All workstreams to build gender research into their work and to demonstrate use of emerging evidence around gender (from within the partnerships and externally) in challenging assumptions in program design and adapting program activities accordingly.
- e. The communities of practice (CoPs) disseminate emerging external evidence and advise particularly on pilot approaches demonstrated by the Pacific Women Shaping Development (PWSPD) Program that could be adopted at scale through the partnerships. They should also disseminate emerging evidence from within the facility through PWSPD. The relationship between the partnerships and PWSPD should be more deliberate and strategic.
- f. Institutionalise accountability for gender within HR processes both for regular staff and LTA positions, including:
 - i. Assessment of knowledge around gender and development and/or gender in the workplace during recruitment processes and inclusion of gender dimensions within all job descriptions.
 - ii. Deliberate actions to attract female candidates in under-represented areas, including reassessment of job descriptions, advertising and application processes, and interview structures (including ensuring there is a gender balance on interviewing panels).
 - iii. Instituting a mechanism for staff to raise concerns and debates around gender within the workplace, including the different needs of men and women in performing their work and instances of potential discrimination. Commitment to addressing gender equality concerns raised within the workplace and to providing staff with avenues to seek services to address issues they face outside the workplace (particularly family and sexual violence (FSV)).

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- iv. Staff performance frameworks should, as appropriate, include a requirement to demonstrate commitment to gender equality in ways of working and in contribution to realising the gender KRA through programming.¹⁶
 - v. Improving transparency around key gender data within the facility, including sharing and discussing analysis of the gender balance across different staffing levels and partnerships, gender across pay bands, gender balance in training participation, and other opportunities.
 - g. Develop and communicate a broader, shared definition of gender and inclusion, incorporating gender and disabilities but also geographical, ethnic, class/livelihood, sexual orientation, age, and other identity differences as well as analysing these as intersectional. This should be reflected in overarching theories of change and in the KRA itself (which could be revised if needed). Communications products being produced by all partnerships should ensure that the importance of gender equality is articulated in line with this common understanding. The communications team should work on articulating the centrality of gender equality for development outcomes in Papua New Guinea.

¹⁶ This could include commitments to: attend sessions to reflect on the gender KRA; participate in activities to promote gender equality within the facility; systematically reflect gender analysis in programming or seek advisory services from gender advisers; include activities directly addressing gender and articulate how these contribute to broader program objectives; adapt broader activities to demonstrate that they take into account gender-related barriers and opportunities (such as barriers to women's participation); specifically measure gender-related outcomes across partnership activities.

6 Knowledge, Analytics and Learning

Review question(s)

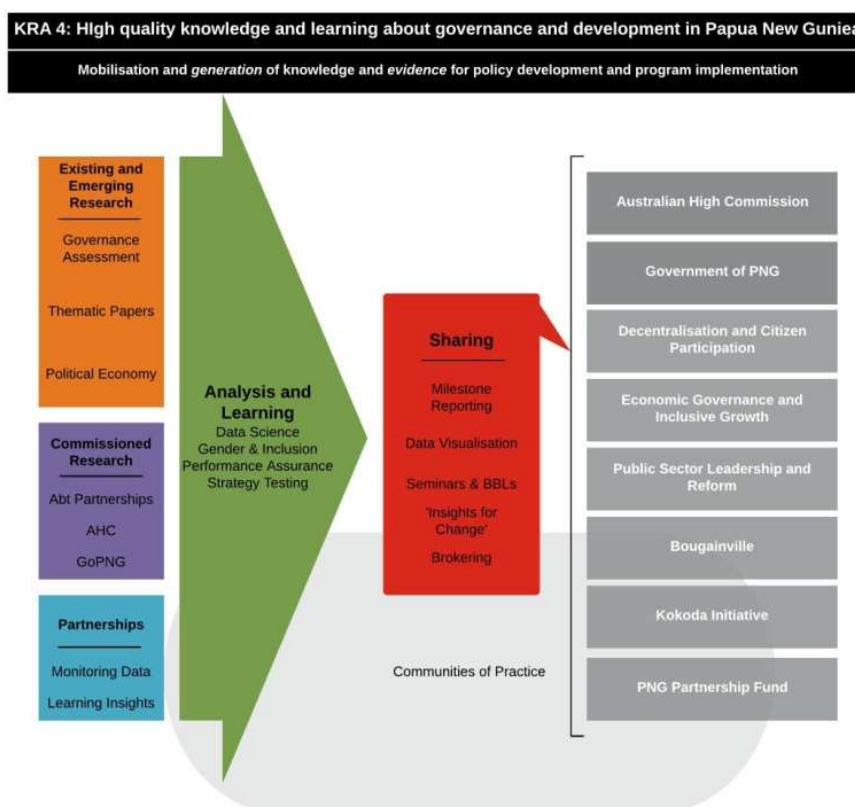
1. To what extent is the MSU, in particular the MEL resources and KAL resources, being accessed and used by the workstreams and enabling their effectiveness?
2. To what extent does each of the workstreams have sufficient capability to effectively implement MEL and KAL for the Partnership? To what extent does the integration of MEL and KAL responsibilities into each of the workstreams support overarching facility-level MEL and KAL? Where is the evidence of MEL and KAL being applied?
3. To what extent is the facility enabling greater coherence across the workstreams, including identifying current linkages, and any opportunities for further linkages that will enhance effectiveness and efficiency toward the target outcomes?

Background

1. The KAL platform is a new approach in aid delivery for DFAT. As a foundation of this substantial and complex aid programming mechanism, KAL is designed and resourced to undergird the original ambition of the design. At its best, KAL will be the crucible for reflection, evidence gathering, and generation of ideas that emerge from a whole-of-Partnership perspective. It is an intended enabler for effective implementation of the Theory of Action and the Theory of Change. It also potentially provides a function to enable integration between workstreams. The opportunity for KAL to add value is therefore substantial.
2. The Governance Partnership as a whole operates at the intersection, on the one hand, of Papua New Guinean political, social, environmental, and cultural economy and, on the other, of Australian Government public diplomacy and aid programming. The KAL platform is operating in a similarly complex system of knowledge actors and makers, potential knowledge users, knowledge systems (indigenous, non-indigenous, and academic), and contested knowledge politics. The KAL function plays a role in interpreting both complex systems.
3. Core KAL platform functions are encapsulated in Figure 7.¹⁷

¹⁷ KAL (2018) *QTAG Response* – April 2018 (PowerPoint Presentation).

Figure 7: KAL platform function and stakeholders (April 2018)

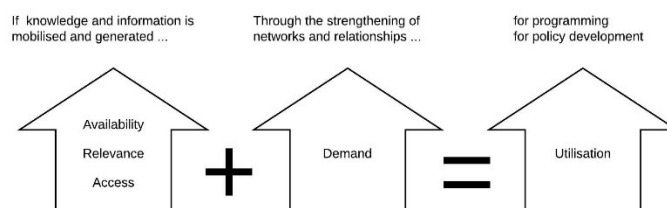


4. A document has been drafted to set the approach and strategy to implement KAL in support of the Papua New Guinea–Australia Governance Partnership. As yet not endorsed by the AHC, the Strategy sets out the following Theory of Change (Figure 8):

‘The first path is to increase the availability, relevance and access to knowledge and information. The second path is to build networks and relationships within the knowledge sector in PNG to increase demand for the application of knowledge and information to development challenges. With both these paths ultimately leading to an increased utilisation of knowledge and information for program implementation, decision-making, and policy development across PNG.’¹⁸

¹⁸ Abt PNG Management Services (2018) *Draft Knowledge Analytics and Learning Strategy*, 22 April 2018.

Figure 8: KAL Theory of Change



5. Furthermore, KAL is in the process of establishing a Research Committee¹⁹ to ‘*oversee and guide all research activities by providing quality assurance to ensure all research activities are undertaken with due-diligence, research ethics, mitigation of research risks and application of the best fit research methods, tools and techniques.*’
6. KAL is a platform service provider that supports the Governance Partnership (AHC and GoPNG) and the workstreams, providing the following services:

Table 4: KAL services to the Governance Partnership

Knowledge platform	Data science	MEL
<ul style="list-style-type: none"> - Research and analysis - Knowledge brokering - Knowledge sharing - Gender and inclusion principles 	<ul style="list-style-type: none"> - Analysis of structured and unstructured data and provision of insights to the partnerships, AHC, and GoPNG agencies - Data analytics and visualisation - Implementation of databases and dashboards - Data modelling and surveys 	<ul style="list-style-type: none"> - PAF - Strategy testing

KAL, gender and inclusion, and MEL resources

7. The KAL Platform team is currently comprised of the following allocated positions:
 - i. 1 x Director, KAL
 - ii. 2 x Executive assistants
 - iii. 3 x Data scientists
 - iv. 1 x Program Manager, working with 1 x Case Study Analyst, 1 x Business Analyst and 1 x Research Assistant
 - v. 1 x Manager, MIS [*currently vacant*]
 - vi. 1 x Gender and Inclusion Specialist

¹⁹ Abt PNG Management Services (2018) *Draft Knowledge Analytics and Learning Strategy*, 22 April 2018.

- vii. 1 x MEL Manager and CoP Leader, working with 1 X MEL Adviser [vacant], 1 x Report Writer, 1 x QA Adviser [Short-Term Adviser (STA)]
8. In addition, the partnership with the Latrobe University Institute for Security and Social Change reinforces knowledge brokering. Latrobe University brings access to their partnership with the Governance and Social Development Research Centre's Applied Knowledge Services, based at the University of Birmingham.
9. The current MEL capability of the individual partnerships is varied, while progressively consolidating. MEL positions located in workstreams are listed in Table 5:

Table 5: KAL resources by partnership

Workstream	MEL resources
EGIG	1 x MEL Adviser, 1 x MEL officer [<i>proposed, in process of recruitment</i>]
DCP	1 x MEL Adviser, 1 x MEL Officer
Leadership and Governance Precinct	1 x MEL Adviser
PPF	1 x MEL Adviser [<i>proposed, in process of recruitment</i>], 1 x MEL Program Officer
KIP	MEL Adviser STA
Bougainville Program	MEL Adviser STA; 1 x MEL Adviser [<i>proposed</i>]
Deployee Support Services	Will have an increased role for MEL with the new IPP design and is recruiting a MEL adviser

10. DFAT M&E guidance notes that '*the budget for M&E normally represents 4 – 7% of total budget*'.²⁰ The current budget for MEL in the Governance Partnership is reported at 4%,²¹ which does not include allocated budget for a pipeline of evaluations.
11. Considering the complexity of the work encompassed by the Governance Partnership, the functions of KAL and MEL appear to be under-resourced.

KAL in practice

12. Following an uncertain start and with some reported lack of clarity about its actual role and purpose, the KAL resource appears to be strengthening its role as a knowledge broker, i.e. facilitating and providing access to knowledge generation services, potentially for the AHC, DFAT more broadly, the Governance Partnership, and GoPNG. It is definitely being well used by most of the workstreams.
13. KAL team members report that they are working on entry points for greater access to support GoPNG knowledge makers and users. Further, it appears that the dynamic has shifted: whereas at the outset KAL supply was to an extent driving demand, they are now servicing genuine demand within the Governance Partnerships. They anticipate

²⁰ DFAT (2018) Aid Programming Guide Workbook Reference 9.1 'Minimum sufficient' M&E requirements at design stage.

²¹ Per. comm. with MEL Manager.

that demand will increase further as the KAL role consolidates and colleagues and counterparts in the individual partnerships better understand their role.

14. Having an approved, fit-for-purpose and good quality KAL strategy, which can navigate the important role that KAL has the potential to play in maximising effectiveness in implementation, and that describes a clear engagement strategy for bringing together knowledge makers and users, ensuring that supply is about demand and that products are useful and used, is vital. Knowledge users need to know how to access and use KAL. GoPNG and other knowledge makers need to know how they can work with KAL to match with knowledge users. There is some way to go before this is fully realised. As a new way of working it is important that the KAL approach is supported to realise its potential.
15. In the context of the KAL strategy, the KAL function needs to be careful not to undermine the role of GoPNG in completing data collection and analysis. All such work should be located within the appropriate GoPNG department or entity with a capacity building approach in place for that entity to carry out the activities. KAL's engagement with, and working within, GoPNG knowledge-making institutions will need to be carefully structured to take account of this. Any KAL-GoPNG-wider Papua New Guinea knowledge-making partnerships and capacity development arrangements will be stronger through the definition of an explicit exit plan as part of agreed workplans.
16. Considering the complex knowledge-making space in which KAL is functioning, the KAL Strategy and the work of KAL would benefit from a governance mechanism that supports effective engagement and decision making with the many knowledge sector actors, and the purpose of knowledge brokering and use. A governance mechanism structured around collaborative governance²² could be appropriate for KAL.

Knowledge products

17. The KAL team provided an extensive list and examples of knowledge products sourced or generated to date in response to their tasking note process. A brief review of the knowledge products indicates that they are likely to be of sufficient quality, and thus of value to the various workstreams that issued the tasking notes. The extent to which these products have been provided to and then used by the AHC is not clear. Examples from that list include:
 - i. For DCP: Youth Research, District Asset Mapping, District Status Updates, Private Sector Engagement – Corporate Social Responsibility; Digital District Profiles and Digital Church Partnership Program Profiles, Methods for Monitoring and Evaluating Local Government Performance.
 - ii. For EGIG: Strategy Support – Evidence to Nudge, Media Mapping and Analysis, Fruit and Vegetables Cost Analysis, Reinvigorating the PNG Equities Market, the Digital Opportunity for PNG Digital Government, Digital Strategy, and the National Economic and Fiscal Commission (NEFC) Dashboard.
 - iii. For Public Sector Leadership Reform: Gender and Inclusion Principles and LCF Review targeting the PILAG and University of Papua New Guinea (UPNG); Draft design of the Precinct Tracer Study (awaiting approval by

²² Eldrige, K. *et al.* (2018) 'A collaborative governance approach to improving tertiary education in Papua New Guinea', *Asia Pacific Journal of Education*, 38: 1, pp. 78-90.

AHC), International Examples of Good Practice in Leadership Discussion Paper.

- iv. For Deployee Staff Services: Deployee Staff Services Survey.
 - v. For GoPNG: DPLGA Organisational Assessment Capacity Tool.
 - vi. For AHC: Mapping of all AHC programs in Papua New Guinea by province, Mapping of all AHC programs by sector, District profiles for target districts.
 - vii. KAL initiatives: Strongim Pipol, Strongim Nesen Review, Annual Assessment Governance Report, Digital Identification Acceptance in PNG, Benefits of Asia-Pacific Economic Cooperation (APEC) to rural Papua New Guinea.
18. Since late 2017, KAL has also hosted a series of seminars and ‘brown bag lunches’, and knowledge is shared through the LaTrobe-curated ‘Insights for Change’ newsletter.
19. Many key informants reported that knowledge products are useful and being used in the workstreams.
20. While there is good evidence that KAL is consolidating its role, it is important that the platform remains a knowledge facilitator / broker and does not inadvertently create an unsustainable parallel system, replacing or substituting for key actors in the country’s own knowledge-making system. Alternatively, there may be a role for the KAL Data Science team to undertake work, but consideration should always be given to where that work may be best institutionalised with GoPNG, e.g. district surveys and analysis may be located within DPLGA, NEFC, or DNPM. KAL work-planning needs to work toward a mutually supportive relationship with the NRI, National Statistics Office, data collection, analysis and management roles in DPLGA and NEFC, and the Institute of National Affairs.

Knowledge sharing

21. Ready access to knowledge produced and collated from other sources is fundamental for the success of KAL. Knowledge users need to know where to find knowledge, while knowledge makers need to know where use of their work can be maximised. At this stage, there is no visible knowledge repository where KAL and partner knowledge products are moderated, catalogued and accessible. Such a repository could, but does not have to, be housed within the facility. The facility could support the strengthening of an existing repository in a Papua New Guinean institution, such as the NRI, where relevant ‘grey’ and academic literature can be housed.
22. More widely, as a new and untested way of working for DFAT, the value of KAL needs to be continuously monitored and evaluated, capturing lessons for other DFAT designs and investments. As part of this, KAL would learn a lot by surveying knowledge product commissioners, wherever they are located, on the use and usefulness of knowledge products.
23. Overall, with a clear, agreed strategy and better-supported mandate, the platform KAL function could be better fulfilling its role in contributing to greater coherence across the workstreams.

Recommendations

- a. KAL be strengthened by expediting the completion and endorsement of a strong, fit-for-purpose KAL strategy, which includes a knowledge partner engagement strategy and an appropriate M&E framework for KAL.
- b. The KAL Strategy be endorsed through a governance mechanism that enables the various knowledge actors to work collaboratively.
- c. In the near term, the Governance Partnership website be approved, to establish a catalogued and moderated knowledge repository as a component, which would in the medium and longer term be integrated with the National Research Institute (NRI) (or the most appropriate local institution) with the goal of enabling them to better host such a function.

7 Monitoring, Evaluation and Learning

Review question(s)

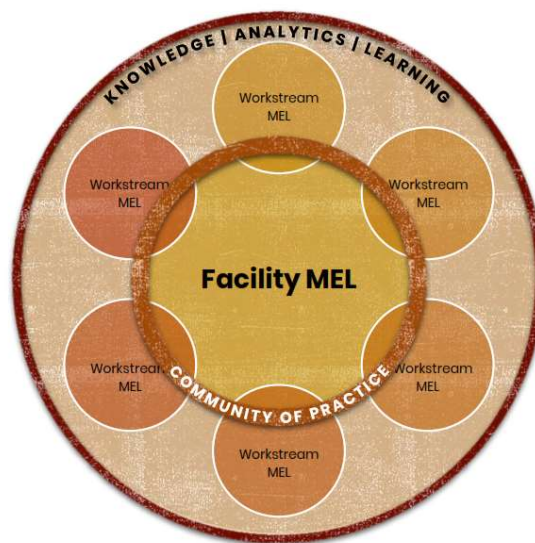
1. To what extent is the MSU, in particular the MEL resources and KAL resources, being accessed and used by the workstreams and enabling their effectiveness?
2. To what extent does each of the workstreams have sufficient capability to effectively implement MEL and KAL for the Partnership? To what extent does the integration of MEL responsibilities into each of the workstreams support overarching facility-level MEL and KAL? Where is the evidence of MEL and KAL being applied?
3. To what extent is the facility enabling greater coherence across the workstreams, including identifying current linkages, and any opportunities for further linkages that will enhance effectiveness and efficiency toward the target outcomes?

1. The facility is a complex system. The MEL that sits within it requires strategic-level M&E knowledge and skills, as well as complexity awareness in the design of an effective MEL system. These are not necessarily common capabilities, yet several of the MEL system designers and managers embedded with Abt PNG do have the necessary experience and skills. Having excellent MEL practitioners on board is a great start.
2. In complex systems, conventional M&E approaches are insufficient. They demand a commitment to routine system analysis (such as PEA) and, where appropriate, problem-driven, iterative, and adaptive approaches to the design of solutions and interventions. These ways of working require flexible and responsive approaches to M&E, enabling early determination of what is working, or not, and to refine or change direction.
3. This section sets out our observations of MEL in practice based on key informant interviews with the KAL team, other key informants, and a review of the following documents:
 - i. The Governance Partnership Operations Manual²³ sets out a brief, preliminary description of the overall intended approach to MEL, based on DFAT's own M&E Standards. The Manual states that the MEL Manager will develop a MEL Implementation Plan *'to describe the conceptual and practical applications of MEL principles throughout the Facility.'*
 - ii. At the time of this review, the MEL Implementation Plan is being drafted. Based on interviews, we expect that the plan will provide an integrated and coherent view of the MEL system's architecture, in line with DFAT M&E Standards and Aid Programming guidance and detailing:
 - a. how the various components fit together;
 - b. how information and data will be collected and used in reports and to support learning;

²³ Abt Associates (2017) Papua New Guinea Governance Facility, Operations Manual Version 2.0, July 2017 pp. 136–140.

- c. a pipeline of evaluations across the workstreams for answering a range of evaluation questions;
 - d. how common quality standards and language will be applied;
 - e. how learning opportunities will be facilitated and evaluative thinking will become a routine way of working; and
 - f. what approaches will work best for each, quite unique workstream.
- iii. Although the MEL Implementation Plan is not yet finalised and PAFs are in draft, there are already many strong M&E system practices in place. Some of these have been redesigned, as clearer strategies emerge from workstreams. We address these further below.
- iv. The reallocation and operationalisation of MEL resources to workstreams is a work in progress, with some recruitment underway. Continuing to provide coordination, quality standards, sharing of technical knowledge, and co-learning through the MEL CoP will be an important role for the MEL Manager. The relationships are outlined in Figure 9.

Figure 9: Relationship between workstream and facility MEL



- v. An effective CoP will provide a more joined-up and coherent approach to MEL across the Governance Partnership, while supporting the different M&E approaches that need to be applied in each workstream. Informants spoke positively about the CoP, which in itself provides an opportunity for learning and reflection, and integration across workstreams.

M&E frameworks and PAFs

4. Several of the more tightly programmed workstreams (particularly Bougainville and the KIP) have their own M&E frameworks and implementation approaches that suit their comparatively fixed designs. In both cases, however, there is limited discussion that addresses the users and usability of M&E information, the clear definition of

monitoring or evaluation questions, and assumptions underpinning their theories of change. Nor is there a clear pipeline of evaluations identified.

5. The EGIG, DCP, and PSLR workstreams, which have overall strategies that are emergent and potentially complex, have high-level PAFs and already apply flexible monitoring approaches, such as strategy testing and outcomes mapping.
6. The PPF has an overall MEL Framework²⁴ that provides some direction to grantees about reporting and limited aspects of MEL. The status of this MEL framework is not clear. In practice for PPF, MEL is being designed and delivered in various styles by grantees, with insufficient consistency or application of quality standards so far and no overarching MEL. All the varied MEL approaches across workstreams need to be integrated into the overall MEL architecture.
7. Draft PAFs are in the process of being refined. However, as workstream strategies are refined and advanced, next draft PAFs would benefit from clearer, more realistic and feasible end-of-facility outcome statements and deeper analysis of assumptions. Assumptions can be regularly analysed, including through strategy testing, to understand the potential to make progress. Particularly wicked assumptions can be tested through targeted research.
8. The effective integration of gender and inclusion principles through the MEFs and PAFs has been minimal. A specific Gender PAF had been developed but was considered inadequate and now, similar to MEL, gender and inclusion resources are being allocated across workstreams. Gender and inclusion activities and outcomes are thus being integrated into workstream designs, MEFs, and PAFs.
9. Overall, the MEFs and PAFs for the various workstreams have been developed for different purposes, at different times, by different M&E practitioners, with varying degrees of collaboration with different sets of stakeholders, applying different preferred approaches.
10. The result is an overall inconsistent set of frameworks that use different M&E language and definitions. However, this inconsistency may not be critical or determinant – what really matters is that the stakeholders involved in implementing the various frameworks understand the use of the framework and are implementing it effectively, and that the users of the information collected are getting the information they need.
11. Over time, and this is a significant task as many stakeholders are invested in their own frameworks, it would be useful for the MEL Manager to guide individual MEFs and PAFs toward consistent definitions, approaches, and layouts so that the overall architecture is coherent. This coherence should be grounded in the DFAT Aid Programming Guide, including the Glossary, DFAT's Program Logic Explanatory Note, and the DFAT M&E Standards.

M&E approaches

12. There are many useful and well-regarded emerging M&E approaches being applied and tested across the workstreams. They need to be continuously reviewed by the CoP to

²⁴ Papua New Guinea Partnerships Fund (2018) *PPF Handbook Part 2: Monitoring, Evaluation and Reporting Framework, Version 1*, March 2018.

ensure that they are indeed fit for purpose and that the MEL team have the right skills to apply them. Examples of approaches are:

- a. Strategy testing: an appropriate method for supporting iterative, adaptive approaches to design and programming of interventions. This process is based in Participatory Action Research and has been partially applied in the DCP and EGIG workstreams, with plans in place for the PSLR Partnership. In DCP and EGIG, the process was considered by informants to be useful in refining strategies but it is not yet institutionalised. Strategy testing does not need to be a grand affair. Rather, it could and should be considered a routine way of working, with workstream MEL and other officers skilled to facilitate. It would be valuable to understand and nuance the different ways it could be applied at different scales, i.e. whole-of-facility scale vs. workstream scale vs. sub-program scale vs. district-level problem-solving scale.
- b. Outcomes mapping: a methodology for planning, monitoring, and evaluating development initiatives that will be applied in district status updates. Complementary to strategy testing, it is an appropriate alternative method for working in iterative, adaptive programming. While there are good prospects for outcomes mapping, its usefulness is not yet visible.
- c. Theories of change: these are evolving and increasingly robust and useful for EGIG, DCP, and PSLR. They have been refined for DCP and EGIG through strategy testing, apparently with greater appreciation and buy-in as a result of these processes, while the PSLR works with a rolling design. The theories of change for KIP and Bougainville are simpler in nature.
- d. Precinct tracer study: currently being designed in two phases. During Phase 1, a tracer study approach will be developed and tested with a small sample of Precinct graduates over 22 months, while during Phase 2 that approach will be applied over time with a wider sample of graduates, selected from across courses. The intention is that longitudinal data collected through the tracer studies will inform a set of evaluation questions, including a Precinct impact and effectiveness evaluation in several years.²⁵
- e. QUICK PAF: a tactical, innovative, effective, and efficient approach designed by the MEL Manager, for having a participatory evaluative dialogue and comparative assessment about program progress, consistent with DFAT AQC criteria. This approach contributes to both evaluation and learning. It is definitely worth continuing on a regular basis.

Evaluation

13. Understanding the comparatively early stage of facility programming for some workstreams, and with PAFs still in draft and MEFs focused more on monitoring than evaluation, there is as yet no visible overall pipeline of evaluations identified. The proposed Precinct tracer study, a longitudinal evaluation method, is not yet approved by the AHC, while the AHC is proceeding with an evaluation of the Precinct, which largely focuses on effectiveness. It is anticipated that the MEL Implementation Plan

²⁵ Phase 1 Precinct tracer study data may not be available in time for the planned June 2018 Precinct Evaluation.

will posit a pipeline of evaluations that will add value to AHC, GoPNG, and facility learning.

Reporting

14. The review covers reporting in this Chapter and the individual workstream discussions.
15. The Governance Partnership has a Long-Term Development Strategy and a two-volume 2017/18 Annual Plan. Both have extensive schedules with activities, outputs, and outcomes. Neither has been officially endorsed by DFAT. Most workstream reporting (except for the Bougainville Program, KIP, PPF, and PSLR) is in the form of a narrative of activities and outputs within workstream reports that are then consolidated into the overall six-monthly report.
16. At a senior management level, the Governance Partnership is monitored through a large spreadsheet, known as ‘the Blue Spreadsheet’, which captures all the projects, inputs, and advisers of the workstreams and the programs and sub-programs. While useful for financial management, it is of limited value in monitoring progress toward development impact.
17. One consequence is that most of the workstreams are not reporting in the traditional manner against activities and outputs, let alone outcomes, for which it is early days. There are exceptions, however, including many of the grantees in the various grants programs where the reporting at the activity and output level is extensive.
18. This situation is being remedied with the development of the workstream PAFs and 2018/19 annual plans. In the future these will be used as the basis for reporting.
19. Monthly activity reports are compiled in a spreadsheet by each workstream and presented to and discussed with AHC at monthly meetings, with discussion minuted.
20. Financial progress by workstream is monitored by the MSU. Every two months Abt PNG and DFAT have a Budget Forum to go through the spending and forecasts on a line-by-line basis. This process was established as a result of poor forecasting during the first year of the program. It is valued by both parties, but it is only as good as the information that the MSU receives. There are still instances where future commitments are not being recorded or overstated. This has happened where workstreams do not have the program staff to track commitments or grantees, as well as where service providers are slow invoicing.
21. Outcome/Activity reports are currently prepared by the KAL team on a bi-monthly and six-monthly cumulative basis. This is onerous, and as yet they do not fully meet AHC information needs.
22. Now that new Governance Partnership structural arrangements are in place, there is an opportunity to further negotiate reporting frequency and format for activities and outputs. Reporting is extensive, lengthy, and in some cases found not to be useful by those who receive the products. There is significant potential to reduce reporting frequency and improve usefulness, relevance, efficiency, and appropriateness of format (e.g. fact sheets, brief case studies, etc.).
23. Activity reporting for accountability and compliance could be separated from analytical and evidence-based outcomes reporting.

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24. The KAL team collects data to inform the AHC PAF in a timely fashion. However, the AHC PAF will likely be revised in the near future, potentially with a focus beyond output data.
 25. There is an additional opportunity to present relevant data in formats that can be readily accessed and used by GoPNG departments, to meet their own reporting needs. At this stage, reporting for GoPNG needs is not visible in the formal documentation. For example, as the impending new MTDP is in place, a specific report could be prepared to collate relevant data that is under the purview of the Governance Partnership. Work in this area is likely to emerge as the EGIG and DCP workstreams escalate the scale of their activity.

Learning

26. Processes to support learning in KAL and MEL are emergent. Examples of good practice in learning were reported, such as the application of the QUICK PAF, which achieved learning within teams through dialogue around the assessment process. The KAL team advised the following:²⁶
 - vi. Learning from programming (MEL) has occurred mainly through advisers' reporting informing milestone reporting and being shared through brown bag lunches. More informally, it has happened through contextual updates to inform strategy testing within the DCP and EGIG partnerships.
 - vii. Learning for programming through KAL activities includes:
 - i. The Governance and Social Development Research Centre's report on 'Methods for monitoring and evaluating local government performance', which was utilised to guide the DCP approach to the monitoring mechanism for subnational activities and in particular Kina+Kina.
 - ii. Annual governance assessments providing a way to interrogate program selection, revisit relationships with economic growth (the focus of MTDP3), and build leadership capacity.
 - iii. A review of *Strongim Pipol Strongim Nesen*, which has been applied to inform the design of the social accountability program in citizen participation.
27. Successful implementation of the facility Theory of Action and Theory of Change depends upon learning as a critical component of adaptive management. Beyond the early strategy testing and QUICK processes, there is as yet little evidence of embedded or planned reflection cycles or processes that bring the right people together at the right times for routine or particular reflexive discussions. Such discussions would require capable facilitators who can effectively guide such discussions.
28. In the MEL Implementation Plan we would expect to see a schedule of reflection workshops and designated, capable resources available to support these discussions, whether scheduled or emergent. There also needs to be willingness on the part of all

²⁶ KAL, *QTAG Response* (PowerPoint Presentation), April 2018.

parties to contribute to such discussions, and to thinking evaluatively, in a constructive manner.

29. Overall across the Governance Partnership the MEL function has made a sound start, with many solid and useful practices in place, but has some way to go to achieve full coherent implementation. This is to be expected considering the complexity of the programming.

Recommendations

- a. The MEL Implementation Plan and the component set of PAFs and MEFs be finalised as soon as possible. A light review and refinement of these documents should be performed annually.
- b. Consistent MEL language and terms need to be applied and integrated through all MEFs and PAFs, and the MEL Implementation Plan, with the MEL CoP taking the lead in supporting common language usage.
- c. Activity reporting for accountability and compliance be separated from analytical and evidence-based outcome reporting. Agree on standard activity and outcome reporting frequency and format, including potential use of fact sheets and case studies.
- d. Appropriate reporting formats and content be negotiated for each primary audience (AHC and GoPNG), as well as supporting relevant data to be collected to inform GoPNG's own reporting requirements (e.g. for MTDPs).
- e. Gender and inclusion principles be better integrated in MEL, at both whole-of-facility and workstream levels, through regular dialogues between both the MEL and internal and wider Gender and Inclusion CoPs, including PWSPD, with a particular focus on examples of what is working and why in practice, and in MEL for gender and inclusion.

8 Value for money

Review question(s)

1. To what extent is the Governance Partnership achieving VfM? To what extent is consideration of VfM being integrated into management and programming decision-making?
2. To what extent are existing systems fit for purpose, being applied, and doing what they are needed to do? Can they be considered 'lean and efficient'? Are these systems supporting cost-effectiveness?

Background

1. VfM is a central consideration for DFAT, as is highlighted in the Contract of Service, particularly clause 16, Schedule 2 of the Deed of Standing Offer. The Contract of Service requires VfM be viewed as a continuous management process, demonstrating clear value in all activities. This includes demonstrating that administrative costs are minimised and that management processes are designed to maximise cost-effectiveness. It also demands that funds are allocated based on evidence of results to ensure the greatest possible impact.
2. In subsequent contract amendments, VfM is also a criterion for extending, expanding, limiting, or cancelling the contract.
3. The Governance Partnership uses a VfM Excel Workbook aligned with DFAT's eight VfM principles organised under the four 'Es': Economy, Efficiency, Effectiveness, and Ethics.²⁷ The VfM Workbook is the responsibility of the Finance Team within the MSU and data is collected and tracked on a monthly basis. It informs management decision-making at the MSU level in terms of operational and management decisions, but it does not appear to be comprehensively integrated into decision-making at the programming partnership level of the facility.
4. A VfM framework must seek to assess the cost-effectiveness of activities, outputs, and results in order to understand whether value is being achieved. The current framework does well in identifying important economy savings, particularly one-off economies, but it does not yet address the breadth of VfM considerations with sufficient rigour to be able to make a full assessment.
5. The Excel workbook focusses narrowly on economy criteria and does not provide a picture of the facility as a whole. For example, 'economy' refers to six indicators including savings from the Ravalian Haus fit-out and fleet management integration, which are one-off cost savings. While these are important, they need to be balanced with VfM reporting at the programming level in relation to the performance of partnerships and their impact.
6. At a minimum, VfM should be interpreted using DFAT's VfM proportionality principle – that the means of assessing VfM be proportional to the scope and complexity of the investment being evaluated. Given the size of the Governance Partnership, DFAT

²⁷ Cost consciousness; encouraging competition; evidence-based decision-making; proportionality; performance and risk management; results focus; experimentation and innovation; and accountability and transparency.

should expect a VfM framework to enable them to make this crucial assessment. Having the responsibilities housed solely in the Finance Team, and delivered through an Excel-based monthly VfM workbook, does not adequately address the efficiency and effectiveness of the portfolio of programs within the Governance Partnership. Now that the Governance Partnership is through its initial set-up phase, greater effort needs to be made to link costs with the value of results.

Efficiency – VfM benefits of the shared services model

7. Efficiency is expected to be demonstrated through a lean and efficient administrative support function. It analyses data on program staff costs versus administrative staff costs in order to make this assessment. Questions of ‘evidence-based decision-making’ are not adequately addressed. For example, it lists the preparation of policy briefs on ‘Working and Thinking Politically in PNG’ but not whether these have been used by program partnerships.
8. The ‘Proportionality’ section of the VfM Workbook, which seeks to highlight how organisational systems are proportional to the need to manage results and/or deliver better outcomes, lists the Governance Partnership's shared services model as one area in which efficiencies are being realised, by bringing together administrative functions from the Health and HIV Implementation Services Provider (HHISP) to one operating platform. For example, the Governance Partnership's use of existing HHISP staff on grantee financial assurance checks has reduced the need to recruit further staff on the Governance Partnership.²⁸
9. However, it is not clear whether this shared services model has resulted in the delivery of better operational outcomes. The Internal Assurance Report of 27 October 2017 highlights issues with using HHISP staff on financial assurance checks. In one instance, recommendations and concerns raised by HHISP staff in relation to early Governance Partnership grant audits were dismissed due to ‘probity’ issues pertaining to using HHISP audit staff on these audits. If there were probity issues with using this shared services business model on financial assurance checks, then this should not have been highlighted as an efficiency gain, as their work was not used and cannot be said to have delivered better outcomes. Greater effort should be made to ensure that indicators such as this one are accurate.

Ethics

10. The ‘Ethics’ component of the VfM Workbook addresses accountability and transparency factors. It is noted as an aside that ethics does not mention equity as a VfM principle, as it does for example in the UK Department for International Development (DFID) VfM framework, and that it is therefore not possible to understand whether development assistance is achieving VfM in its impact for women and girls. Clause 8.4 of the VfM Workbook cites ‘% of grants subject to due diligence’ as one relevant indicator to measure this principle.

²⁸ Value for Money Workbook, 17 April 2018, V2, tab 4.2.

11. As part of this due diligence, the Governance Partnership is required to have financial management procedures that are compliant with the relevant financial management, fraud controls, and accountability requirements of DFAT. This includes processes that enable all funds to be tracked, justified, reported on, and (where required) audited.²⁹
12. Based on the Internal Assurance Report of 27 October 2017, questions arise around the due diligence and internal reporting on grant closure audits.
13. For example, grant closure audits were not completed for 90% of the sample contracts reviewed internally, meaning that actual expenditure of Commonwealth funds was unknown and balance of grant funds not confirmed. It appears that the Governance Partnership grants auditor did not accept these audit reports from the HHISP staff based on conflicting opinions and issues around probity. This issue needs to be addressed so that an accurate analysis can be done on the percentage of grants subject to due diligence, so that unavailability of contested audits does not skew the result – both in terms of risk management and VfM analysis.

Recommendations

- a. The Partnership move responsibility for VfM reporting to KAL, to track both sides of the VfM equation, with key economy and efficiency data provided by the Finance Team on a monthly basis (in the current VfM monthly workbook).
- b. Provide KAL with the resources, through QTAG or otherwise, to develop a robust VfM framework that makes use of existing evidence such as the six-monthly QUICKS.
- c. Elevate VfM analysis to a more prominent role in regular strategic discussions of the Executive Team and Partnership Leaders Group (at least six monthly).
- d. Seek QTAG support in the design and/or refinement of a more sophisticated, and impact-oriented, VfM framework to present a clear and robust performance story, incorporating explicit, program-specific VfM criteria (incorporating and building on the ‘Four Es’) and standards (levels of performance) to provide a transparent basis for making judgements about performance and VfM. Any QTAG support would facilitate the shaping of the framework, *not* the ownership or direction of the analysis that then populates it.

²⁹ PNG Governance Facility Deed of Standing Offer 72404, Schedule 2, clause 10.1(d).

Individual workstreams (partnerships)

Below we address the remaining individual workstreams. We begin with our deep dive into the DCP program. This was selected as the workstream to examine in closer detail, both to support the development of its own programming and also to illuminate reflections on the facility as a whole.

The subsequent chapters are a ‘light touch’ stocktake addressing similar focus questions, as agreed in the Review Plan. Workstream-specific questions are explored where, in the course of the review, we noticed obvious areas that merit some attention in the short term.

9 Deep dive – Decentralisation and citizen participation

Review question³⁰

To what extent is the foundation to the DCP workstream appropriate, relevant, and potentially effective? To what extent is the Governance Partnership Theory of Change and wider strategy fit for purpose for the context in which DCP operates?

Introduction

1. We reached a consensus with AHC and Abt PNG that the deep dive should focus on the Partnership's prospects in relation to its outcome statements. With a relatively slow start in developing a program tailored specifically to refreshed objectives for Australia's decentralisation support, a focus on outcome achievement would yield relatively little value. Instead, then, the focus is on whether the Theory of Change and wider strategy is fit for purpose for the context in which DCP operates.
2. The analysis builds on discussions with a range of stakeholders and commentators and draws on international experience with decentralisation and civic participation. Only one field visit was conducted – to West New Britain. That is to some extent an atypically well-developed province. But the range of discussions with other players, operating across the levels of government, increases our confidence that we have captured a range of salient issues. The DCP can consider these as it finalises its strategic thinking.
3. The focus of this section is on those issues. We do not attempt to provide a comprehensive description of the decentralisation agenda in Papua New Guinea.
4. The first section deals with the decentralisation context, touching briefly on its position in the national political debate about power sharing and service delivery. The intent is to highlight the range of options open to DCP in terms of focus and partnerships.
5. We then review the DCP response, moving from the origins of the project to the Theory of Change and on to current programming. We pay particular attention to the opportunities for district and provincial work, suggest some new ways of working and examine the strengths of the very promising Social Accountability Strategy. We conclude with a summary of the recommendations.

Decentralisation context

6. As in many countries with a diverse population, Papua New Guinea's leaders have viewed decentralisation as one of the keys to developing a unified nation-state.³¹ By ceding responsibility and control to levels of government closer to home, with which citizens feel a stronger sense of association, there is scope to reduce pressure for more

³⁰ Note that these questions reflect revision and streamlining of original questions proposed in the Annual Review Plan, following further discussion with AHC in the interim.

³¹ Fukuyama, F. (2007) *Governance reform in Papua New Guinea*.

extreme forms of autonomy or even outright independence. Decentralisation also seems to offer the prospect of better service delivery. This is achieved by circumventing often cumbersome centralised decision-making processes and bringing government closer to the people.

7. It is unsurprising, therefore, that the structure and degree of decentralisation has been the subject of political contestation since independence, with at least three attempts prior to the current one. The GoPNG and donors have invested heavily in finding ways to make decentralisation work.
8. At the time of this review, high-level policy was again in a state of some flux. Policy-makers have to address two main considerations:
 - a. How to improve service delivery; and
 - b. How to distribute power in a way that satisfies the conflicting needs of a range of stakeholders.
9. At the time of this mission a Cabinet Paper was under discussion. A central element of the Paper is likely to be ‘gradative’ decentralisation. This will allow autonomy in provinces to progress according to their capacity. However, final agreement on how to settle on this approach is not yet confirmed. The uncertainty provides challenges to GoPNG and DCP, just as it has to other donor projects over the years.
10. Recognising that there is already extensive literature and thinking on decentralisation in Papua New Guinea, the key considerations for DCP’s response are:
 - a. There are three tiers: provinces, districts and local-level governments (LLGs).
 - b. The 20 (excluding the National Capital District and the Autonomous Region of Bougainville) provinces are central to the delivery of core services, receiving functional grants, internal revenues, and development funding to do so. In terms of service delivery (as opposed to election boundaries), districts are essentially deconcentrated units, with the district staff reporting to provincial officers.
 - c. Provinces and LLGs can collect revenue, whereas districts cannot (they can embark on commercial ventures but few do so). There is significant variation in the reliance on GoPNG finances between the provinces.
 - d. Each province has a governor who chairs the provincial council, sits in the National Parliament, and to whom a provincial administrator reports.
 - e. The boundaries of the 87 districts are contiguous with the electoral boundaries for MPs. The districts only took on real significance in terms of control of the resources that can be used to deliver services with the advent of the DSIP (more in the next section).
 - f. There are over 600 LLGs; almost all lack the capacity to deliver services but do have locally important roles in dispute resolution.
11. There are various sources of government funding allocated to provincial government in service delivery. In summary, they are:
 - a. Locally generated revenues, a distribution from the GoPNG of GST derived in the province;

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- b. Function grants for core services calculated on a ‘cost of services’ model by the national Economic Fiscal Commission;
 - c. Recurrent budget funding and the payment of public servant salaries; and
 - d. National government agencies working in the health, education, transport, law and justice, and agriculture sectors, which receive their funding through the national budget.
12. Note that this does not include the funding that flows to churches to deliver services. In West New Britain, just under half the primary schools are run by churches – they are important players (albeit not as significant as the local bishop presumed, who thought they delivered 90% of primary education services).
13. Three provinces are currently developing service delivery improvement plans (distinct from the existing provincial plans) as part of the National Executive Council’s decentralisation initiative. These three provinces are at the forefront of moves for greater autonomy and are the likely initial target of the ‘gradative’ strategy (though sources in government are adamant that the policy is not just a means to assuage their demands).
14. A program is being rolled out to reform core government functions in the provinces, and the provincial administrator in West New Britain was positive about the prospects for change. In addition, the World Bank, with support from DFAT, has prepared a subnational policy paper for the Department of Finance that is expected to provide a pathway to public financial management (PFM) reform at provincial level.
15. The contests around decentralisation are definitely not all about a competition between provinces and districts. However, there have been shifts over time in the relative level of resourcing, driven by national-level politics. There is a sense at present that the pendulum has swung toward the provinces.
16. This shift is partly a result of the increased importance of the votes held by governors in the current parliamentary arithmetic, while the autonomy agenda probably also plays a part. Equally, however, the pendulum may swing back. DSIP resources – the focus of a lot of DCP’s work in the last two years – remain important.
17. However, perhaps the most critical take-away from this short analysis is the plurality of actors involved in service delivery and the variety of funding flows. There are choices to be made in targeting DCP’s resources.
18. The DCP Partnership has enormous potential to impact on gender equality and inclusion, defined broadly, through shifting patterns and norms of political and social participation and in changing the basis for service provision toward greater response to needs expressed by citizens. However, GESI is not prominent enough in the structure of the partnership’s work or in discourse around decentralisation. The question of ‘which citizens’ needs to be more present throughout, and DCP activities at all levels must be built on localised analysis of gender and social exclusion through an intersectional lens.
19. At the national level, a number of ministries and departments have a role in supervising or supporting decentralised levels of government:
- a. DPLGA
 - b. Department for Community Development, Family and Religion

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- c. Department of Treasury
 - d. Department of Finance
 - e. DNPM
 - f. NEFC
20. In addition, the line ministries – particularly health and education – plan and, to an extent, control the recurrent inputs into those services. DPLGA leads on developing national policy for decentralisation. The department is the home of PLLSMA, the principal tool by which government monitors delivery and seeks coordination of the agencies involved. The department is also leading on the trial of the Service Delivery Partnerships, an important attempt to coordinate delivery between the tiers of government.

DSIP

21. The following observations draw heavily on the West New Britain field trip, supplemented by consultations with three other DCP district advisers and the district-level staff with whom they work. It should be noted that, although West New Britain has a consistent history of being well governed, these observations are consistent with the views we heard from other districts and numerous other commentators. They would also be familiar to anyone who has observed the experience of several African countries – notably Kenya, Zambia, and Malawi – with similar constituency development funds (CDFs).
22. The central agency with prime responsibility for DSIP is DNPM. The department has developed a set of rules for how the funds can be used, in particular through prescribed sectoral allocations. The accounting officer is the provincial administrator. At district level, the fund is formally administered by a district development committee. In practice, however, decisions on how the funds are used lie with the MP and his political officers. There is a notional commitment that each district will receive PGK 10 million per year. In the previous financial year, only PGK 2 million was made available.
23. We consulted with over a dozen district and provincial officials in West New Britain. The views on how the funds had been used by the previous MP were overwhelmingly negative. Among the main complaints were:
- a. If there had been a relevant District Development Plan, no-one thought it had been followed in the allocation of funds.
 - b. There had been a distinct lack of transparency in decision-making: the rule that DDC minutes should be published had never been applied. The provincial administrator is currently taking forward proceedings against the MP for misuse of funds.
 - c. The political officers attached to the MP are dominant, with spending decisions heavily influenced by an assessment of vote-winning potential. In a context where physical infrastructure is seen as the best indicator of development, there is a heavy bias toward buildings, with little consideration given to the recurrent costs of those buildings or indeed the rest of service delivery.

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- d. The Provincial Health Administrator viewed the effect as net negative because expectations had been raised that they would operate facilities for which they had no budget and which did not fit their plan. Many other officers, though not quite as forthright, were also concerned about how to use buildings they had not asked for.
 - e. Compliance with the basic principles of design and contracting that would deliver good-quality infrastructure had largely been absent. Even if the investment decision had been right, the product would usually be substandard and often overpriced.
24. These kinds of outcomes are not surprising given the mixed motivations behind the origins of DSIP. Bringing services closer to the people was undoubtedly part of the rationale. At the same time, there is a fair consensus that a political bargain between the government of the time and open MPs was a prime factor. The MP's support was to be secured through access to funds with which they could deliver to the important interest groups in their constituencies and so secure their own position. This is patronage politics in a fairly raw form.
25. There are a number of close parallels with the Kenyan experiment with CDFs, which were also operated by MPs. The high level of local discretion over how funds were used (in an otherwise very centralised system) seemed to offer the possibility of mobilising communities to engage with decision-makers. This led to an expectation that they would gain direct benefits. For CSOs, the very direct link between the actions of the MP and visible development raised a real prospect of enforcing accountability. And, indeed, there have been a number of examples of individual communities succeeding in getting funds used to their benefit³² (although that kind of success often also runs the risk that lobbying by one powerful group can disadvantage another less powerful community).
26. Advocacy and media pressure did eventually bring about some changes to the rules governing the fund, but compliance remained patchy at best. Perhaps the biggest gain was that MPs were held to account, with some losing their seats partly due to CDF performance. But that also had unintended consequences – it embedded the notion that the job of MPs was to implement rather than to legislate and scrutinise. Moreover, some MPs simply decided their chances of a second term were so slim that it made more sense to exploit personal opportunities while the going was good. In sum, the original ambitions for better delivery and increased accountability were only partially met.
27. There are many similarities between the Kenyan and Papua New Guinea experience. In Papua New Guinea, voters see 'distributing funds from the state' as their MPs' main task.³³ MPs have thus taken on an executive function, but one in which accountability is limited: the threat of a parliamentary vote of no confidence in the government of the day reduces the appetite for scrutiny of how MPs use their DSIP funds. While, come election time, some voters may be influenced by visible infrastructure, the real determinant of electoral success is not performance but rather the ability to harness clan loyalties.
28. There is one distinct difference with Kenya and that is that the capacity of organised CSOs in Papua New Guinea, notwithstanding some notable exceptions (in particular

³² Dai (for DFID) (2016) *Drivers of Accountability. Stories of Change* (available from author).

³³ Standish, B. (2013) 'Governance is political in Papua New Guinea', *Institute of Business Studies Journal of Business and Research*, vol. 6, pp. 1-19.

organisations nurtured through the Violence against Women and Girls campaign), is generally lower. Kenya had donor support for many years to develop an ecosystem of organisations skilled in tracking funds and exposing wrongdoing.

29. In West New Britain, there is some optimism that the recently elected MP will do things differently. The MP has an interest in economic growth, and is certainly less likely to burden officials with a legacy of unusable infrastructure. The requirement for a five-year district development plan could also drive better coordination; in Talasea, officers and the public were consulted in developing the plan. The former felt their inputs might influence investment decisions.
30. There remain a number of potential pitfalls. The resultant plan is intended to be an organising vision for a range of investments from government and the private sector. Nonetheless, a budget of PGK 470 million against a likely income of PGK 50 million calls into question the realism of the plan and the degree to which the MP or the District Development Authority can be held accountable for its execution. That could be an important deficiency if widely repeated. A long-term observer of decentralisation made the important point that plans were not usually the problem; rather, it was the weakness of monitoring and the absence of accountability on which attempts to reform failed.
31. Sustained improvements in the performance of subnational governments usually stem from two sources:³⁴ (1) effective supervision from a higher tier of government; and (2) pressure from well-organised and empowered citizens and their representatives in CSOs (and they can be more effective in coalition with private sector actors). Creating those conditions in Papua New Guinea will be a difficult and medium- to long-term challenge.
32. Some commentators spoke of the slow expansion rate of a tax-paying middle class, which would seem to make the challenge of advancing the principles of transparency and accountability even tougher. In fact, provinces tripled their spending from internally generated revenue between 2005 and 2014, constituting PGK 463 million of PGK 1.14 billion of spend³⁵ – just over a third. Clearly much of that increase came from tax and royalties on natural resources exploitation, which is not an ideal basis for the development of a social contract.³⁶ The fact that provincial revenue streams are at least in part generated in the province makes them, in principle, more promising than DSIP in accountability terms. That could easily be viewed as a gift from the centre.
33. The subsequent section on provincial and district-level work considers possible responses and the appropriate level of investment in making the DSIP work more effectively than other options.

³⁴ See for instance the case studies in Tendler J. (2009) *Good Governance in the Tropics*; and Grant, U. (2002) *Local Government Decision Making: Citizen Participation and local government accountability. A literature review*. University of Birmingham.

³⁵ National Economic and Fiscal Commission (2014) *Game changer: Provincial Expenditure Review with trend analysis from 2010–2014*.

³⁶ See for instance www.taxjustice.net/topics/inequality-democracy/aid-tax-state-building/

The DCP program and the decentralisation agenda

Program history and context

34. The main body of this report discusses the challenges involved in setting up a large and complex ‘facility’. Another feature inherent in the original design was the stress on a deep understanding of context. This entails addressing locally relevant problems and managing adaptively, rather than delivering so-called ‘best-practice’ solutions. This different way of doing development in a complex and fluid context was based on lessons of past programs and emerging international thinking. In Papua New Guinea, we suggest that it is the decentralisation agenda where this approach has most potential.
35. The Governance Partnership team responded with a set of analytical papers.³⁷ These lay out the nature of the development problem and set out a set of programming principles around accountability, coalitions, flexibility, and opportunism, taking a strategic approach to capacity building. The team also proposed a number of foundational activities that were needed to operationalise the new approaches, including strategy testing.
36. The vision is still far from being fully operationalised. There are a number of reasons for this:
 - a. The migration of previous programs, leaving DCP with six sub-programs. This absorbed energy in the practicalities. Not all of these have governance objectives at their core.
 - b. The relationships and engagement with GoPNG have been patchy, for reasons discussed in the main body of the review.
 - c. The evolving and fluid nature of the GoPNG policy context has added to the challenge of developing a comprehensive strategy that incorporates these principles.
 - a. There has been caution about the degree to which decision-making responsibility should be ceded from the AHC to the service provider. In the context of weak program performance and the increasing focus on the strategic nature of the Australia–Papua New Guinea relationship, that caution is understandable. And given that implementation is at an early stage this has not yet been a significant hindrance. However, some service provider documentation speaks of an almost equal three-party partnership in making high-level decisions and strategy development. In light of the caution from AHC, some of the aspirations are unrealistic.
37. This does not render an adaptive approach irrelevant or completely out of reach. The DCP leadership are well aware that in many parts of the program those original principles still make lot of sense. Their application will need a carefully calibrated agreement with the AHC about the space for Abt PNG to act in an agile manner to take advantage of emerging opportunities. Those agreements should be developed within the structure of an agreement with GoPNG about the governance of the partnership. This is discussed later in this section.

³⁷ Abt Associates (2016) *The PNG Governance Facility. A partnership for prosperity: supporting big changes in PNG*.

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38. The *principal* elements of the DCP with the current budget allocations are summarised in the table below.

Table 6: Current DCP budget allocations

NB. This table is based on the DCP portfolio summary but for ease of interpretation we have re-posted a number of components.

Component		Funds committed (AUD)	Pipeline projects (AUD)
Core decentralisation reforms			
1.	Functional responsibilities, service delivery frameworks & gradative decentralisation (includes 240K for 18/19)	1,517,252	818,494
2.	Fiscal decentralisation, subnational revenue and taxation	905,108	-
3.	Support to GoPNG state-citizen engagement mandates	210,000	-
4.	Flexible Policy Support: STA Panel, Service Providers, Other means	500,000	-
5.	Priority District Partnerships	4,415,550	169,900
6.	Performance-Based Incentive Fund: K+K design	120,000	3,040,000
7.	Regional and Provincial Support	30,000	633,400
8.	Community development and social accountability	-	1,020,000
	Sub-total	7,697,910	5,681,794
Service delivery programs			
11.	Church partnership	7,700,000	-
12.	Vulnerable Youth Strategy	142,780	-
13.	Youth Development Grants	1,535,920	-
14.	Building Resilience in Treaty Villages	1,240,000	-
15.	Media for Development Initiative	790,000	-
	Sub-total	3,565,920	
Other			
16.	Support to PNG Electoral Commission	774,736	-
17.	Miscellaneous (Maritime support, TI)	436,123	-
18.	Nation-building initiatives	6,067,520	-
19.	M&E, learning, comms	801,266	-
	Sub-total	8,079,645	-

39. Of the firmly committed funds, the ratio between core decentralisation and those elements with a more immediate service delivery function (lines 10–14 above) was

approximately 2:3. Of the core decentralisation elements, around 57% has been committed to the priority district partnerships, a mixture of the costs of the advisers and the funds they control. The work on national level policy – lines 1–4 above – constitutes the rest of the existing commitments in that aspect of the program. Moving forward, the program to incentivise performance in service delivery and the allocation to social accountability initiatives start to take up a significant proportion of the core decentralisation budget.

40. A Partnership Arrangement on Improved Decentralisation and Service Delivery has now been signed by three Papua New Guinean ministers and the Australian High Commissioner. The absence of such an agreement previously had been indicative of the weakness of the early engagement between the Governance Partnership and the key actors in government at national level. It is essential that this platform is used to develop a shared analysis of the issues between all three parties – AHC, DCP, and GoPNG. From there, there is scope for consensus on the shape of the program to develop.

The DCP Theory of change and emerging strategy

41. The following excerpt from the DCP PAF illustrates the desire to apply the principles of politically informed, adaptive management:

‘DCP’s Theory of Change proposes that improving decentralised governance for PNG citizens will not be solved by a focus on technical systems improvement or a community development approach alone. It requires a combination of informed citizen engagement and demand, local problem-solving capabilities and support and incentives that engage with and bolster evolving policy opportunities.’³⁸

42. The program is moving toward a coherent strategy that enables it to make good on those principles. The overall objective of improved services and increased economic opportunities speaks to all the DCP components: both those more closely associated with governance and those that support direct intervention to improve service delivery. We were told by a number of commentators that the concept of good governance had limited resonance with the wider population. Linking all interventions to a higher-level goal provides a clear vision and opens up a range of potential interventions in a way that a narrower focus on governance would not.
43. The partnership has developed a Theory of Change³⁹ that envisages impact being derived from complementary interventions at three levels: national, district/province, and citizen. With an emphasis on local-level problem solving, strengthening downwards accountability through citizen voice provides the linkages between the levels. The Kina+Kina intervention will be the main avenue for engaging with incentives. The concepts of ‘citizens’, ‘communities’, and ‘the people’ need to be further disaggregated in discussing the Theory of Change to ensure better understanding of how different groups are represented and ensure that GESI objectives are met through DCP activities.
44. A strategy testing exercise was conducted by DCP in February 2018. The documentation available to the review team reveals some interesting observations. However, it does not constitute a particularly deep process, in particular one that scrutinises whether the assumptions are holding and whether a change in strategy is

³⁸ PGF Decentralisation and Citizen Participation Performance Assessment Framework, 31 October 2017, p. 2.

³⁹ Ibid, p. 5.

needed. Assumptions are stated in the PAF table – but the layout of that table tends to obscure the extent to which they link different levels of the results chain. Attention to gender and social inclusion principles during the strategy testing process is not explicit enough.

45. There is also a sense from the frequency and the documentation that the strategy testing process is conducted largely to serve M&E/accountability purposes:

‘These data sources will be integrated and form the basis for DCP’s annual strategy test process, which are aligned with DFAT quality assurance reporting timelines.’⁴⁰

46. Strategy testing should instead be the key process through which DCP operationalises adaptive management. For it to gain traction, strategy testing would have to become one of the main tools by which projects are managed, and the means by which managers review and re-direct their interventions. Applying the process to discrete or geographically bounded interventions, rather than a whole program, delivers analysis at a level where modifications are possible. The assumptions that link the elements in a results chain are often specific to the intervention. Testing the assumptions at that level will often yield an analysis on which action can actually be taken.
47. There is also a sense that strategy tests are set-piece events that need the support of skilled staff (for example, through the KAL component). The participation of specialist staff, particularly gender and social inclusion advisers, can ensure that strategy tests address core elements, although the greatest potential of the process lies when those at the sharp end of delivery can apply it and bring in the relevant stakeholders under scrutiny. These staff need to have the capacity to ensure that key concepts such as gender are addressed during strategy testing, with accompaniment by gender specialists essential in the meantime.

National-level work and achieving policy coordination

48. DCP has had LTAs posted to the DPLGA for several years. The current adviser has been instrumental in developing the cabinet paper that was under consideration at the time of this mission. The national-level work has to continue – there will remain significant challenges in coordinating the implementation of policy. As noted above, for performance at subnational level to improve, pressure and support is needed from above and below.
49. For these reasons, we support the plan to retain a high-level expert on a long-term contract in DPLGA. That person should be able to coordinate short inputs as required. At the time of the mission, there was some discussion in GoPNG of the need for a review of the intergovernmental financing laws. If this remains the case, expertise on constitutional law and intergovernmental financing may be required.
50. At present, the DCP strategy is integrating two interlinked avenues for better coordination:
- a. Service delivery partnership agreements (SDPAs). DPLGA intends to pilot this process in a number of provinces. The agreements will seek to achieve added impact by linking the resources of provinces with those in the DSIP, ‘crowding-in’ the private sector where possible. In a context of shared responsibility for

⁴⁰ Ibid, p.5.

service delivery and development outcomes, the program needs a common vision that the complex range of actors buy in to. That vision will in turn help guide the equitable distribution of resources and the development of minimum standards for performance so that ‘outcomes that are measurable’⁴¹ are achieved.

- b. PLLSMA. Monitoring at the national level is DPLGA’s primary function, and it has recently had a new staffing structure approved for PLLSMA. There is a clear potential for the data produced to support the SDPAs. PLLSMA could play a wider role in coordinating the efforts of service delivery agencies at different levels of government. At a national level, DCP has a key role in supporting that extended role for PLLSMA.
- 51. The focus on DPLGA and PLLSMA is justified. Equally, there are other agencies and mechanisms with a role in the coordination of subnational government, including the Central Agencies Coordinating Committee, through PM&NEC, supporting the National Executive Council and NEFC.
 - 52. NEFC had a deep role developing the Review of Intergovernmental Financial Arrangements. It is the appropriate body to assist DPLGA and others in reviewing it, supporting new PFM arrangements to provinces and districts, and researching outcomes with PLLSMA.
 - 53. The interests of these agencies intersect with those of provincial governors and MPs. While none is likely to take over the role of PLLSMA, it is still important that DCP supports DPLGA, PLLSMA, and NEFC to monitor the political economy of reform and tracks what is working, and at national level just as much as with other interventions.
 - 54. Much of the support DCP can offer is in the form of organisational development and capacity building. For such interventions to offer VfM, they have to be targeted at the right organisation, in terms of power and influence, and alignment with the objectives of reform. If those conditions are not met, substantial resources can be absorbed in increasing capacity but little changes in how business is actually conducted.
 - 55. The SDPAs are essentially an attempt to plan and coordinate better. Such reforms are definitely necessary for improved delivery. Moreover, the three provinces in question may be among the best placed to approach reform in this way. They already have some of the characteristics of well-governed entities. Nevertheless, even in these provinces, better capacity and planning may not be sufficient conditions, especially in an intensely political context, to deliver actual institutional change. The initiative will also have to be closely monitored.

Districts and provinces – The current strategy and future direction

The focus on the DSIP

- 56. An early decision was taken to post advisers to six districts. The driving force was the expectation that PGK 10 million would flow to districts annually through the DSIP. This represented a significant opportunity to help achieve VfM and improve services. As explained above, however, much of that money has not materialised in the district DSIP accounts in the timespan of the DCP. The withdrawal of the advisers from the

⁴¹ DPLGA Discussion note: decentralisation, service delivery and development outcomes.

DPLGA left a gap that was filled through a quick and strong commitment to maintain a presence in six districts, to support the decentralisation agenda. This did not entirely assuage the DPLGA's concerns, however: the department would still like to see the advisers reporting to it and having a work station in that office. But it has set the stage for a program of action at district level from which we can learn lessons.

57. The program through the advisers has allocated an AUD 600,000/year budget. In principle, the advisers have a degree of leeway in how this is used. In practice, the greater part of the expenditure has been on training district-level staff. Our discussions with district staff indicate that the training was appreciated and their knowledge and skills had developed. The training raised awareness of gender and social inclusion issue and about violence against women and girls. That said, there was more limited evidence of change in how the district authorities conducted their business.
58. So, why the predominance of training? As well as being appreciated by the recipients, it is a safe intervention – the chances of funds being misused are relatively low. There is little risk of cost overruns or white elephants to maintain. It seems that a set of norms and expectations has built up about how reform is implemented, and training of civil servants is centre stage. There is nothing wrong with training, but diminishing marginal returns will kick in when there is such a supply of training chasing a demand. Offered a wider set of options as part of a planned reform program, district leaders might make different choices.
59. The training has been partly, though certainly not exclusively, aimed at achieving greater effectiveness in the use of the DSIP funds. In general, the district advisers have found it difficult to gain much traction on the DSIP – unsurprisingly, in light of the preceding analysis. We consider that a different approach could be considered, the main elements of which could be as follows:
 - i. Accept that change will be slow and incremental – the MPs are in fact being fairly rational in how they use the funds, given their understanding of public perceptions toward development, and their own objectives;
 - ii. Work with the MPs and their political staff to develop a more nuanced understanding of how to deliver public goods and win votes in the process. We heard that some MPs have been willing to sacrifice the opportunity to deliver visible infrastructure and spend their funds on recurrent expenditure when they are convinced that the benefits will be realised quickly (and within the electoral cycle) and can be attributed to their intervention;
 - iii. Reinforce positive behaviour by supporting the media in publicising success stories, also using forums in which MPs gather to share positive experiences;⁴²
 - iv. Use the insights of behavioural science to change public perceptions about what constitutes good performance by an MP in delivering development. There have been a number of advances in 'nudging' citizen behaviour in certain directions.

⁴² The DFID SPARC program in Nigeria used the state governor's forum to build momentum for specific reforms. State-level reform in Nigeria faces major challenges in patronage politics and rent-seeking behaviour. But even in that context governors like to present a positive public face and other governors are often more willing to adopt innovation piloted by their peers. See www.sparc-nigeria.com/RC/files/4.3-Networks-and-sharing-experience.htm

Much of this work has been carried out in developed countries.⁴³ But in the very different circumstances of Somaliland, Busara⁴⁴ are working with OPM using these techniques to change taxpayer behaviour. An in-depth analysis of existing opinions and behaviour has led to targeted messaging to support the development of a tax-paying culture.

60. DCP's experienced district advisers present a particular opportunity to take forward an entrepreneurial approach to reform. Their training in problem-solving approaches is a particular asset. Supported by a flexible funding mechanism, they could identify specific problems and opportunities that can mobilise a range of actors to come together to deliver tangible outcomes.⁴⁵ The economic growth arena may present particular opportunities in this regard.
61. In Talasea we heard of a possible example.⁴⁶ The erratic supply of electricity is a critical barrier to the development of SMEs in the area. The New Britain Oil Palm Corporation is generating electricity above its own needs from its biogas plant, however, and the company has a clear interest in selling the excess. It would also like to burnish its credentials as a good corporate citizen in a context where its dominance of the local economy is viewed with suspicion. However, the national power company shows little interest in letting this supply be sold into the grid (we were not able to ascertain whether there are good technical reasons for that lack of interest).
62. The new open MP views economic development as a priority and is from a business background himself (and both parties share another interest – in ensuring that the tax credit system enables profits from the palm oil business to be invested locally). Other businesses in the area, small and large, have a stake in terms of finding a solution to the power outages. Public and private operators of hospitals and schools do likewise. In other words, there is a plausible basis for collective action by a broad-based coalition to find a solution to a clear problem.
63. The role of the district adviser would be to broker the relationships and stimulate action. For instance, they may support a technical analysis of the feasibility of feeding power into the grid and conditions for distribution and sale needed to benefit a wide range of customers. This would support the parties' analysis of the best routes to influence the electricity company using their differing strengths.
64. The brokering and analysis could be funded from the current district adviser's budget. There is also a case for using some of the Kina+Kina funding (see below), where a contribution to capital expenditure could unlock collective action and leverage funds from the DSIP in doing so. Such an intervention could deliver development outcomes that present MPs with an alternative route to electoral success. It would also begin to lock MPs into a different type of relationship with their constituents. That change would be cemented by ensuring the media knows and is able to publicise the successes where they happen – this will encourage MPs elsewhere to follow the example and help change the currency of debate with citizens.

⁴³ UK Cabinet Office. EAST: four simple ways to apply behavioural insights, 11 April 2014.

⁴⁴ www.busaracenter.org/

⁴⁵ The DFID/SIDA Pyoe Pin project in Myanmar has enjoyed considerable success in solving growth and service delivery problems through collective action on land, the garments industry, and the management of natural resources such as fisheries and forestry.

⁴⁶ It should be stressed that this approach would clearly require far more in-depth analysis than was possible in the time available – the example is presented merely to illustrate the concept.

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65. This would be a radical departure in terms of how DCP conducts its business. It would need the adoption of a clear set of rules and criteria for deciding on interventions. Much of the preceding discussion focuses explicitly on how to get relatively powerful people to engage on the basis that they are more likely to have sway. The criteria would also have to assess potential benefits to women and excluded groups and to examine whether the intervention can also advance their role in making the decisions that shape development.

The choices to be made about where to focus DCP's resources

66. While the focus on the districts and the DSIP is understandable, we consider that some shift in emphasis to provincial government makes sense. Some of the institutional rationale for a greater emphasis on provinces is provided in the decentralisation context section. Other reasons include the following:
- i. Districts will be included in the SDPAs but the signs are that provinces will be the fulcrums of these agreements. Working at both levels could enable advisers to get behind the process of defining and publicising mandates between the levels, which will be fundamental to enabling accountability to drive performance.
 - ii. Both EGIG and the World Bank are actively considering how the PFM reforms that are currently underway at national level could be rolled out to the provinces.
 - iii. It is not clear whether the considerable capacity of the district advisers can be fully exploited when they are restricted to a single district. Their available budget also seems out of proportion with the actual funds flowing through the DSIP.
 - iv. Working at provincial as well as at district level offers the chance to spread good practice from higher-performing districts to others across the province (in the ways discussed above).

DCP's plans to use social accountability to drive performance

67. DCP's draft Strategic Framework for Citizen Participation represents a major step forward. The central plank, social accountability,⁴⁷ could be the glue that binds together the three levels of engagement. The strategy is embedded in good practice developed in Papua New Guinea and elsewhere, as demonstrated by:
- i. Its focus on frontline services – improvements here count most to ordinary citizens and pressure here has the most effect. As this has the potential to improve services addressing FSV, it could also address one of the main gender issues across communities in Papua New Guinea. Services where the frontline provider has most discretion to respond, such as village courts, could be especially fertile territory;

⁴⁷ *Social accountability* can be defined as an approach toward building accountability that relies on civic engagement, i.e. in which it is ordinary citizens and/or CSOs who participate directly or indirectly in exacting accountability (World Bank, 2004).

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- ii. Its recognition that the results of collective action, stemming from social accountability, are important outcomes in themselves even if small in scale. The impact will be even greater when citizens work with government counterparts to identify a common set of issues and implement a local solution;
 - iii. The importance given to building trust across government and communities, and the absolute need to avoid fostering discontent between citizens, administrators, politicians, and service providers;
 - iv. The intention to build on the investments by the EGIG partnership in more transparent financial management to provide citizens with important information with which they can advance accountability; and
 - v. The recognition that churches can be advocates of better policy, but at the same time citizens need to be able to hold them accountable where they deliver services.
68. The proposal to support ‘joint patrols’ by district-level officers is exciting. By coordinating community pressure to perform through social accountability, with increased supervision and support, added value could be achieved. The suggestion to recruit district accountability advisers is also valuable. With access to flexible funding they could circumvent the need for formal grants, which can distort incentives at community level and often carry high transaction costs.⁴⁸
69. The challenge of influencing how DSIP funds are used will be steeper. DCP will need to analyse which groups in society can mobilise around what kinds of issues to instigate a productive engagement with the powerful actors at that level. In general, DCP will have to ensure the social accountability program is underpinned by PEA conducted at the appropriate level. Such analysis will be needed to inform the choice of provinces and districts on which to concentrate efforts; and within these, to select services and providers on which to support communities to conduct the analysis. Those choices have to be informed by a gender analysis. They also have to recognise that by choosing the evidence-based route to influencing how duty-bearers behave, citizens (in particular those with existing sources of power) sacrifice the chance to influence by other informal means. Commitment will only be sustained by targeting those providers from which a response is both possible and likely.
70. The framework addresses the potential of coalitions to achieve influence. But the range of interest groups it considers is quite narrow: essentially, they are groups that intrinsically lack power and influence. It is essential that DCP interventions aim to benefit excluded groups (but that may be alongside benefits for other groups). Moreover, wherever possible, they should seek to embed inclusion of excluded groups in decision-making. Those ends are more likely to be achieved by recognising where influence lies, and seeking to build wider coalitions of influence. Barriers to the participation of excluded groups should be analysed and addressed (e.g. where FSV deters the participation of women).

⁴⁸ The SAVI accountability program in Nigeria developed a different model of engagement with CSOs that took money off the table. It has been highly rated in a number of reviews. See for instance Booth, D. and Chambers V. (2014) *The SAVI program in Nigeria: Towards politically smart, locally-led development*. Overseas Development Institute.

Kina+Kina

71. The Kina+Kina intervention will be a flexible co-contribution mechanism. It will have combined governance and service delivery/economic opportunity objectives – it intends to change the balance of incentives in favour of coordinated planning and delivery. It will be aligned with DPLGA’s SDPAs. The Kina+Kina strategy and the definition of the ‘conditions’ is at an outline stage; the Governance Partnership contributions are likely to be in the range of PGK 100,000 to PGK 1 million.
72. The emphasis in the scoping mission TOR on developing criteria to access the program that assess performance quite broadly is appropriate. Experience from budget support programs shows that assessing the direction of travel in developing a robust financial management system is better at providing incentives for continuous improvements than a set of one-off conditions. Nevertheless, some minimum standards or safeguards will be needed to reduce fiduciary risk to an acceptable level.
73. Even with a careful design, risks will remain at a number of levels. Conditionality has mixed history in Papua New Guinea⁴⁹ and in development more widely. It will be important to monitor this closely, in particular whether the scale of funding is sufficient to shift incentives in practice.

The direct service delivery elements of the DCP partnership

74. This section covers in brief the following programs:
 - i. CPP
 - ii. Vulnerable Youth Strategy
 - iii. Youth Development Grants
 - iv. Building Resilience in Treaty Villages
 - v. Media for Development Initiative (MDI)
75. All these are relevant to the core aims of the decentralisation program. In particular, outcomes in citizen participation are being achieved in all. Their design, however, preceded the development of the DCP Theory of Change and they therefore do need to be viewed to a large extent in terms of their original objectives.

The Church Partnerships Program

76. The Churches Partnership Program (CPP) is in its third iteration which is due to end mid-2020. In this phase there has been greater emphasis on the strengthening of the Council of Churches to enable higher levels of cooperation between churches, as well as a focus on supporting churches to deepen their engagement with GoPNG on key issues.
77. CPP started in 2004 after an intense two-year planning phase among the seven PNG churches, the PNG churches secretariat, their Australian partners and AusAID. In each phase, CPP has made progress against its objectives. It is a successful program, with the

⁴⁹ Mooney, J. ‘Improving the effectiveness of AusAID’s support for decentralisation in PNG within AusAID’s Sub-National Strategy and the major sector activities’ (Final Draft), 26 June 2018.

churches working together. The capacity of the local churches is increasing to the point where there is demand for them to be more engaged in setting and managing the development agency. A progressive re-balancing of responsibilities between the churches and their partners is emerging and is under discussion. The transfer of CPP's management from DFAT to the current Governance partnership was successful. Overhead costs have been reduced by AUD 1 million.

78. There is currently only a year for the formal processes associated with CPP to be moulded into a fourth phase. QTAG is of the view that the third phase should be extended for two years. Our reasoning is that there is stability in the participants and a new design is not needed to bring in new stakeholders or focus on a new geographical area or new approach to development. There are established working relationships and trust between the churches and their individual partners, as well as among the churches. Partners are negotiating the development pathway with clarity. There needs to be a rebalancing of responsibilities for implementation between the PNG churches and their respective partners. QTAG believes this could all be progressed carefully if there were less uncertainty over the ending of Phase Three. Phase Four could then be written with the assistance of the Governance Partnership as a progressive or rolling design, coming out of Phase Three's achievements and lessons, the PNG churches capabilities and negotiated within the stakeholder group. The integrity of this process and the decision to proceed to CPP Phase 4 could be validated by the QTAG by way of an evaluation in early 2020.
79. Budget utilisation rates were slower than expected over the last year, apparently due to some of the Australia-based partners. Once a lot of the current capacity building is completed, more responsibility, including for funding, can be handed over to the Papuan side of the partnership. That should eventually reduce transaction costs. In the first instance, it may also slow down burn rates further as the Papua New Guinea end takes on new responsibilities.
80. As noted in relation to the social accountability framework, however, the distinction between the role of churches as deliverers of services and as enablers of citizen participation needs to be kept in view. The accountability of churches to citizens as service providers needs better articulation. As informants in West New Britain described to us, at present the prime monitoring tool for church services is priests. This is no doubt well intended, but their capacity to assess the quality of delivery must be variable. Churches would also benefit from greater supervision and more accountability to their clients.
81. The churches can clearly be a powerful medium for the transmission of information on rights to citizens. They are also arguably the most influential actor in civil society, with churches having occasionally been willing to take on high-profile causes, including the misuse of public resources. Churches have also raised important issues relating to the environment, peace, and elections. Moreover, they have made strides on gender, developing a theology that has enabled a collective position on gender equality.
82. However, given their dependence on government funding they cannot be viewed as observers with no stake in any issue. A key advocacy outcome we heard during interviews was to gain access to a larger part of the service delivery budget. This may well make some sense, but it could mask other priorities such as better coordination between providers. For the churches to realise their advocacy potential, they need to be realistic about such conflicts and choose their issues and their tactics carefully. In that context, a shift in emphasis by the Australian partners from a more standard capacity-building role to smart advocacy would be timely.

The youth programs

83. The two main partners – the Ginigoada Bisnis Foundation and City Mission – are making significant progress in terms of organisational development and graduating trainees. They have developed innovative ways of delivering training and have made positive moves in terms of embedding best practice in child protection within their programs.

MDI

84. There is a clear need for a targeted and effective use of the media within DCP. Citizens have a limited understanding of their rights to services, as well as of how they can exercise their legitimate claims to participate in decision-making processes. Access to information remains a priority.
85. MDI has recently undergone a redesign. Key elements include: nurturing a new generation of women journalists; a creative hub that will mentor young radio and TV script writers, including to address issues such as violence against women; and the strengthening of the partnership with the National Broadcasting Corporation.
86. This mission was unable to do justice to this new program. We believe as the wider decentralisation strategy unfolds, it would be useful to conduct a review of how efficient this new design is proving in supporting citizen participation and new ways of thinking about development.

Framing the smaller programs

87. In general, these programs are central to Australian aid in Papua New Guinea. There are elements that do not fit with complete ease within a governance program – some of the activities are principally community development initiatives. They can leverage some synergy with the core decentralisation programs, often in terms of using these to communicate rights to citizens through a range of mediums. However, they should not lose sight of the other benefits. The Governance Partnership team were more comfortable with the term ‘civic participation’ than ‘social accountability’ in the promotion of the parts of this program. That caution makes sense in many cases.

Assessment of performance

88. DFAT conducted an AQC of the DCP in April 2018. The table below shows the scoring from this exercise.

Table 7: DCP performance

	Relevance	Effectiveness	Efficiency	MEL	Sustainability	Gender	Risk	Innovation & Private Sector
DFAT AQC (April 18)	5	4	4	4	4	4	n/a	4

Recommendations

- a. The DCP media engagement seek to build momentum for reform by ensuring success stories are given a high level of publicity. There must be close links across DCP to identify potential successes early and record progress as it unfolds.
- b. Strategy testing processes already initiated in the Partnership (through KAL) be rolled out to discrete interventions and to strategies for districts and provinces. Strategy testing does not require high-level specialist skills or knowledge, and therefore we recommend that the Partnership train and support staff to apply this approach vertically through the workstream.
- c. DCP should consistently define what is meant by ‘citizens’, ‘communities’, and ‘the people’, disaggregating these to a greater extent to acknowledge that these are not homogenous but that complex and intersecting identities determine lines of exclusion. They should also articulate how all activities ensure that different groups within society are represented to ensure that voices are heard and needs met across genders and other intersectional identity groups.
- d. District advisers:
 - i. be supported and empowered to use their deep understanding of the local political context in which they work to adapt and inform their strategies, including using their budget in a flexible and entrepreneurial manner; and
 - ii. be trained to ensure that they fully grasp gender and social inclusion issues locally and understand ways in which their activities can impact on these.
- e. District advisers give less emphasis to the training of district officials. When supporting the development of the five-year district development plans they should try to ensure a greater degree of budget realism to improve the prospects of building accountability for implementation.
- f. The Kina+Kina program be licensed and proactively encouraged to be a truly adaptive program, exploring experimentation with incentives, subject to an iterative approach to ensure that it remains contextually targeted and adapted.
- g. Kina+Kina and other accountability interventions be tailored to local circumstances; choices of provinces and districts should also be made at least partly on an assessment of the underlying prospects for positive change.
- h. Where there is a clear will among district officials to improve frontline performance, the DCP be able to coordinate interventions to support citizen monitoring with ‘joint patrols’.
- i. Criteria that reduce fiduciary risk be introduced, based on continuous improvement in key areas rather than a predetermined set standard. This has the potential to build incentives into the system.
- j. A strategy to explain the intent of social accountability be developed in order to disarm the distrust that can develop around such an initiative. Frank discussions at all levels will be needed to make this work.
- k. Careful thought be given to whether forcing a wider accountability role on a number of sub-programs is appropriate, or whether these programs are better placed to play a role as vectors of important information on citizens’ rights and responsibilities.
- l. CPP Phase Three be extended by two years to enable a design for CPP Phase Four to be developed. The final decision to proceed to Phase Four to be made in mid-2021 after QTAG completes an evaluation of CPP Three in first quarter 2020.

10 Economic governance and inclusive growth

Review question(s)

1. What is being achieved under each workstream and how do those early achievements contribute to the Governance Partnership outcomes?
2. Are governance arrangements for each workstream appropriate and being effectively implemented?
3. To what extent are gender and inclusion principles being effectively implemented in each workstream?
4. To what extent are the workstreams implementing their own MEL and KAL and contributing to Governance Partnership MEL and KAL effectiveness?

Description of EGIG

1. Economic Governance and Inclusive Growth (EGIG) reflects the desire of both governments to continue the transition to a more contemporary economic relationship. It seeks to respond to key GoPNG priorities, as set out through the Alotau Accord II, the 100-Day Economic Stimulus Plan, and other key policy documents including the Mid-Year Economic and Fiscal Outlook, the Public Finance (Management) Act, the Public Expenditure and Financial Accountability Roadmap, the Medium-Term Revenue Strategy (in development), the Medium-Term Fiscal Strategy (in development), and the Medium Term Development Strategy (in development).
2. EGIG provides a mix of policy advice, short- and long-term technical assistance, grants, public–private partnerships, and vocational training. The program budget over four years is AUD 45.94 million, with AUD 11.55 million in 2017/18.
3. The following GoPNG priorities are being supported:
 - a. Macroeconomic stability: Supporting centre-of-government economic management, including strengthened budget and policy management;
 - b. Fiscal management: Strengthening revenue collection and expenditure of public resources through accountable and transparent means; and
 - c. Inclusive economic growth: Encouraging an improved enabling environment to foster economic growth and a diverse and resilient economy.
4. The Strengthening Macroeconomic Stability and Fiscal Management areas can broadly be defined as the ‘economic governance’ components of this workstream. Priorities include:
 - a. Revenue stabilisation (including sovereign wealth fund, revenue policy reform, and mineral and energy resource management); and
 - b. Financial management (including debt management, expenditure management, and budget operations).
5. Work to mobilise short-term technical assistance in support of revenue stabilisation, debt management, and budget operations is underway. Work with the Department of

Finance through both short- and long-term technical assistance is focused on expenditure management. Activities to support these areas are largely through technical assistance (including to the Treasury, Department of Finance, Immigration and Citizenship Service Authority, Customs, Inland Revenue Commission, Department of Lands and Physical Planning, and National Statistics Office). They also include other modalities such as the provision of grants, research support, capacity supplementation through direct line placements, cost-sharing, and public private partnership arrangements. This workstream will be complemented with targeted short-term training through the Pacific Leadership and Governance Precinct during 2018 to effectively build the skill base within economic agencies.

6. A primary and immediate focus of the workstream in these areas is on supporting the GoPNG to meet preconditions and ongoing obligations to secure budget support from the World Bank, the Asian Development Bank, and other multilateral partners.
7. Also included in this body of work is broader support to develop local capacity to engage in economic policy debate. This includes grant and technical assistance support to the NRI. Given the country's hosting of APEC, the Partnership is also supporting the establishment of the APEC Study Centre. To further support the hosting of APEC, the Partnership is also enabling the secondment of Papua New Guinean officials to the APEC Secretariat in Singapore.
8. Inclusive economic growth focuses on the medium- to long-term challenge of broadening the economic base and driving economic growth and job creation, especially in the agriculture, tourism, and energy sectors. The Partnership is supporting GoPNG's priorities to improve the business-enabling environment and promote SMEs in areas including strengthening financial services, providing financial literacy, fostering entrepreneurialism and innovation, and improving access to finance.

Design and governance

Design

9. The Theory of Change that informs the design of EGIG is depicted in Figure 10. This separates the functional aspects of economic governance – macroeconomic stability and fiscal management – from inclusive economic growth. The Long-Term Development Strategy⁵⁰ states:

‘Sustainable economic growth is rarely possible in the absence of macro-economic stability and effective fiscal management. Growth follows when the private sector invests and when the ‘rules of the game’ are fairly and consistently applied. Weak fiscal management leads to budget uncertainty and often to fraud, but it can also result in uneven revenue collection, with some firms being targeted and others not.’

10. This Theory of Change anticipates that building an inclusive economy requires women's economic empowerment, innovative approaches to trade and infrastructure, and an environment to encourage the proliferation of SMEs of all different types and across different sectors of the economy. It also requires a degree of localisation, empowering those people in the best position to plan the economic pathway for their region, as they envisage the most appropriate infrastructure and navigate the cultural

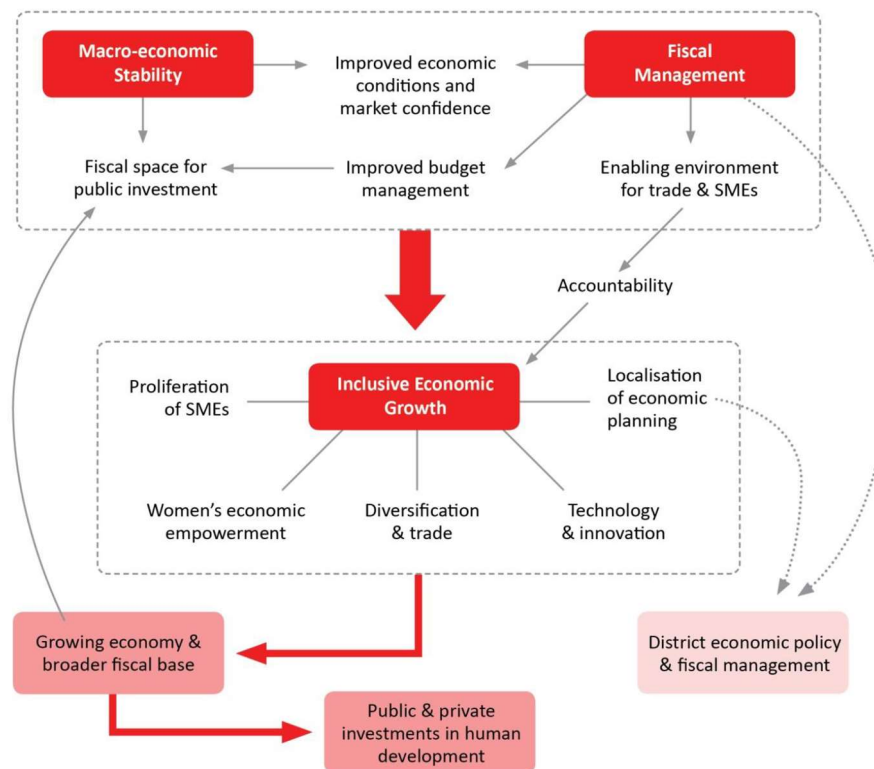
⁵⁰ PNG Governance Facility (2017) *Long-Term Development Strategy*.

aspects of economic transition. These aspects link to the DCP workstream of the Governance Partnership, which will need to be supported by the EGIG workstream to improve local PFM and design fiscal incentives, as well as including a range of economic actors in the planning process.

11. A significant issue for EGIG is the breadth of this agenda and the difficulty the workstream has in positioning itself in this large, expansive, and complex space – much of which is outside the direct control, or even indirect influence, of an aid program. This explains the suitability of flexible, adaptive programming mechanisms, such as PDIA, for this workstream. The EGIG PAF reflects this dynamic. It has highly ambitious and aspirational outcomes, most of which are beyond the control or even influence of Governance Partnership/EGIG resources. Examples include the following:
 - a. Policies that promote macroeconomic stability, human development, and inclusive growth;
 - b. Sustained levels of revenue mobilisation intended to ensure GoPNG delivers public functions and essential services; and
 - c. Public expenditure management, which guarantees operational efficiency, transparency, and accountability of public finances.
12. DFAT investment in this area, through the Governance Partnership, will only ever be to influence or contribute to some extent. The risk for DFAT and the Governance Partnership is that if measured against those outcomes there is a strong possibility that the program may be judged a failure.
13. EGIG would benefit from detailed PEA or another appropriate form of systems thinking to better understand the intricate and complex context in which changes are intended to be achieved.

Recommendation
<ol style="list-style-type: none">a. That EGIG re-write the EGIG PAF following the new Theory of Change with realistic and achievable outcomes.

Figure 10: EGIG Theory of Change



14. In February 2018, EGIG partially applied a strategy testing approach to revisit the Theory of Change with the intention of informing 2018/19 annual planning through iterative, adaptive approaches to design and programming of current and new interventions. Despite being limited in comparison with a ‘normal’ exercise, this strategy testing approach was considered useful by key stakeholders in clarifying the Theory of Change.

Governance

15. EGIG does not have a formal governance mechanism under the new Governance Partnership structure. DFAT and Abt PNG consider that a new mechanism would be duplicative and redundant, as the membership would largely compromise the core membership of the monthly Governance Partnership Talks held by the Chief Secretary and the High Commissioner. EGIG has instituted regular decision-making meetings (department specific) with departmental heads on a bilateral basis. Decisions from these meetings are reviewed at the monthly meeting.

Achievements

16. Governance Partnership-supported technical advisers worked with both the World Bank and the Asian Development Bank to contribute to draft policy reforms that aim to stabilise GoPNG’s financial position and implement important governance reforms.
17. At the national level, 33 agencies covering 95% of the budget are now transitioned and connected to the IFMS. EGIG assisted the government-led initiative by providing strategic, technical, and management advice and support.

18. There is now deeper engagement with the DoF to underpin critical reforms to GoPNG's PFM systems.
19. Technical assistance in the Internal Revenue Commission supported expanded revenue collection through new projects that targeted increasing voluntary compliance and strengthening revenue accounting.
20. Successful implementation of two SME and incubation hubs: Kumul Game Changers (KGC) and the WeCREATE Challenge. KGC was launched on 30 March 2016. The program attracted over 645 registered expressions of interest and 226 completed start-up business submissions. Forty successful entrepreneurs were selected, including five from other Pacific islands (including Fiji, Solomon Islands, Tonga, and Samoa). Applicants included creative solutions to address critical constraints and boost Papua New Guinea's economic base, in sectors such as agriculture, tourism, and health care

Assessment of performance

21. Abt PNG conducted its own assessment of the performance of EGIG as part of their QUICK process in February 2018. DFAT conducted an AQC in April 2018, without the benefit of the QUICK. The table below has the respective scoring from these exercises, plus the AQC from 2016 of the previous program.

Table 8: EGIG performance

	Relevance	Effectiveness	Efficiency	MEL	Sustainability	Gender	Risk	Innovation & Private Sector
DFAT AQC (April 2018)	5	4	5	5	4	?	4	n/a
EGIG QUICK scores averaged (February 2018)	4	4	4	3	4	3	4	4
DFAT AQCs on previous programs averaged (May 2016)	5	4	4	3	3	4	3	n/a

22. The EGIG Partnership under Abt's QUICK was assessed to be performing about the same compared to predecessor programs in their final year of implementation. However, DFAT recently assessed EGIG as performing the same or better than Abt's own assessment.

Implementation

Personnel

23. EGIG has the personnel profile detailed in the following table. (It is important to note that in some partner agencies other resources are influencing change through the Australian Government's IPP. The emerging design for the IPP suggests that, in its next iteration, it will be more coherently programmed, where possible in alignment with the Governance Partnership workstreams.)

24. Staffing of EGIG is shown below with adviser positions embedded in agencies listed by agency.

Table 9: EGIG staffing

	LTA	STA	Locally engaged Staff
Partnership Management	1		
Economic Governance	2		2
Inclusive Economic Growth	2	1	4
APEC Support	2		
NRI	2		
Asian Development Bank	1		
Internal Revenue Commission	3		
World Bank		2	
Department of Finance	6	2	

Table 10: Financial resources available to EGIG (Budget FY17/18)

Program	Approved at core meeting	Cleared for approval 12/03	Pipeline in process	Total	On hold	% EGIG approved*	% EGIG total
Macroeconomic Stability	3,205,781	24,626	1,888,764	5,119,171	692,150	34%	44%
Fiscal Management	4,932,013	-	136,330	5,068,343	95,950	52%	44%
Inclusive Economic Growth	1,313,818	53,930	-	1,367,748	2,607,400	14%	12%
Program CC	-	-	-	-	310,505	0%	0%
Total	9,451,612	78,556	2,025,094	11,555,262	3,706,005		

MEL

25. The EGIG Workstream operates in a largely complex system. While the overall strategies being applied are emergent, EGIG has a high-level PAF that acknowledges the fluid nature of programming, rather than a tightly structured M&E framework. Flexible monitoring approaches, such as strategy testing and outcomes mapping, are in the early stages of application.
26. The current PAF describes ambitious outcomes, which are outcomes for an economic governance system rather than an economic governance investment program. The new PAF will follow the revised Theory of Change with realistically described ‘outcome areas’ that have a direct relationship with the actual activities being implemented and the expected immediate and intermediate outcomes. Further, because EGIG is applying PDIA, the PAF – and the application and usefulness of all MEL approaches – will need to be revisited annually to ensure current relevance.

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27. Reporting for EGIG is largely activity related in the Six Monthly Report, with minimal visible analysis related to the Theory of Change. The 2018/19 annual work plan should elaborate the programs, activities, outputs, and desired outcomes. This should then be used to report against supported by appropriate analysis.
 28. The workstream has a MEL Adviser, and is in the process of recruiting a MEL Officer.

Gender and inclusion principles

29. EGIG initially had three sub-programs: Macroeconomic Stability; Fiscal Management; and Inclusive Growth, which had a more obvious focus on women's economic empowerment. While well intentioned, gender considerations seemed to be conceived as falling largely within the last category rather than seeing gendered aspects across all work.
30. Under Inclusive Growth, the women's economic empowerment workstream has stalled; it was noted that it had not been approved last year and therefore implementation was on hold. It is essential that the necessary baseline and research work for a women's economic empowerment component is completed in the coming year and the program established.
31. EGIG urgently needs to articulate the linkages between gender equality and economic growth, drawing on the fairly significant body of learning emergent in this area. The component on inclusive growth needs to be revived in an appropriate manner.
32. Alongside broader discussion around how to harness the skills and connections of LTAs, EGIG should support embedded technical advisers to analyse and monitor gender aspects within their respective hosting ministries/departments/organisations, and to promote key GoPNG policies, notably the Gender and Inclusion Policy, to improve both the functioning of these organisations (including from a gender equitable human resources perspective) and the policies they help formulate and implement.
33. With its significant number of embedded advisers, Abt PNG is currently missing the opportunity to ensure that they are gender-aware and able to understand and analyse current gender dynamics and scope for change. Abt PNG should ensure a thorough pre-post briefing on gender issues and regular reflections on how advisers can change perceptions and practices during their postings. As representatives of Australian Aid on the front line of change, these advisers should be cognisant of Australia's policy commitments around gender and how they can be reflected within public institutions. Reference to these commitments and the wider context of government in Papua New Guinea should be mentioned in position descriptions and accountability frameworks, in addition to the specific technical areas sought of individual advisers so that they view their technical inputs within a broader context of change.
34. There have been positive contributions supporting gender and inclusion outcomes since January, including:
 - a. funding for the Women's Contribution to PNG's economic analysis for presentation at the APEC Women in the Economy Forum;
 - b. supporting the development of the Business Coalition for Women;
 - c. sponsoring PNG Fashion Week, which works with women designers to develop skills and promote the fashion industry;

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- d. working to create an artisan handicraft work program to focus particularly on women to connect them with e-commerce and international markets;
 - e. brokering a twinning program with the Women's Business Resource Centre and The Difference Incubator (Melbourne) to upskill WBRC's programs and create better services for clients;
 - f. working with impact investors to bring investment capital to PNG, using a gender lens investing strategy; and assisting BPNG to implement their GESI strategy.

Recommendation
<ul style="list-style-type: none">a. That EGIG develops its gender and inclusion strategy to meet more fully Australia's policy objectives and supports GoPNG GESI Policy. Particular emphasis needs to be placed on integrating it into the EGIG Inclusive Growth Strategy.

11 Public sector leadership and reform

Review question(s)

The review questions for this part of the review concentrated on the efficiency of the Workstream. The broader review questions are part of the separate strategic review of the Precinct. Context is provided to improve understanding.

Workstream description

1. A key priority for the Papua New Guinea–Australia partnership is to support emerging and future leaders who will address and shape Papua New Guinea’s development future. The GoPNG’s *Vision 2050* recognises the importance of leadership in achieving the national vision established at Independence.
2. Through the Partnership, opportunities are created for Papua New Guineans and Australians to share experience and insight on improving governance and service delivery at national, provincial and district levels. The partnership also encourages values-based decision-making in the Papua New Guinea public service.
3. PSLR supports the flagship investment, the Pacific Leadership and Governance Precinct, as its main deliverable. The Precinct was designed to develop a motivated, capable, and ethical public service leadership striving to improve service delivery and generate inclusive economic growth.
4. The Precinct is led by the GoPNG, through the key implementation departments:
 - a. Department of Personnel Management (DPM); and
 - b. Department of Higher Education, Research, Science and Technology.
5. The two core implementation institutions are the:
 - a. UPNG’s School of Business and Public Policy (SBPP);
 - b. PILAG (formerly known as the Papua New Guinea Institute of Public Administration).
6. The secretaries of these two departments are co-chairs of the Precinct’s decision-making body, the Joint Steering Committee, alongside the Australian High Commission. Complementing this committee is an Executive Advisory Board comprised of eminent Papua New Guinea and regional Pacific individuals.
7. PSLR is underpinned by two foundational Papua New Guinean policies, which are central to the public sector reform agenda:
 - a. The National Public Service Ethics and Values-Based Executive Leadership and Management Capability Framework (known as the *Leadership Capability Framework*), which sets standards for a high-performing public sector leadership; and
 - b. The National Public Service GESI Policy, which promotes gender parity throughout the government system and greater opportunities and support for people with a disability.
8. The GoPNG recognises that PSLR provides support for their own pathways to improve ethical leadership in the Public Service, investing significant funding to support personnel costs, along with clear bureaucratic and political support.

9. When the Precinct's leadership program was being developed, extensive research and consultation took place on what constituted appropriate cultural approaches to delivering ethics and leadership courses in Papua New Guinea, especially in the public service. This work was incorporated in teaching methodologies and curricula.
10. The Precinct supports ethical and values-based public sector leadership, in line with the GoPNG ethical and values-based leadership capability framework. It is underpinned by a core commitment to the policy for Gender and Social Inclusion, including support for women in leadership.
11. Precinct support is outlined in a comprehensive design document completed in January 2016 under the former program title of Pacific Leadership and Governance Precinct.⁵¹ Since that time, there have been additional changes and progress over the past 18 months, including a change in the implementing contractor to Abt PNG and an expansion of the subnational focus. A new design and implementation brief is in the final stages of completion.
12. The draft design, although not approved by the governance bodies, neatly summaries the evolution of the program logic for the Precinct, which is drawn:

‘... from a unique Papua New Guinean approach to leadership, based on the Leadership Capability Framework. This, in-line with a critical element of effective leadership development, provides a clear definition about the type of leadership being sought, directly relevant to and developed for the PNG context. Further, underpinned by the GESI policy, the Precinct approach to change supports diversity and inclusion. The program approach reflects a commitment to leadership by men and women in PNG, recognising the need to address barriers to participation and leadership by women. As research suggests this is expected to both increase the pool of reform-minded leaders and create more shared and progressive values.’
13. The goal of the Precinct is *‘to support the Government of PNG grow a new generation of ethical public service leaders, both women and men, with the capability and motivation to collaborate, lead and manage the delivery of equitable and inclusive government services to all citizens of the country’*.
14. For the purposes of its internal management of the PSLR, Abt PNG has adopted the following six outcomes in Table 11.

Table 11: PSLR areas and outcomes

Area	Long-term outcomes
Pacific Leadership and Governance Precinct	<i>Strengthened leadership, ethical behaviours, governance, and core capabilities,⁵² within the public service in PNG at national, provincial, and district levels</i>
1. Precinct Leadership Program	Leadership and management practices reflect the principles of ethical behaviour and values-based leadership and management

⁵¹ Abt Associates, Pacific Leadership and Governance Precinct Update of Design Brief and Implementation, January 2016.

⁵² As outlined in the Ethics and Values-Based Leadership and Management Capability Framework, 2013 (see <http://pacificprecinct.org/about-us/leadership-framework/>).

2. PNGIPA institutional strengthening	High-quality, tailored vocational training for Papua New Guinea's public servants, with a renewed focus on ethics and values-based leadership
3. UPNG SBPP institutional strengthening	High-quality teaching, learning and research for students in economics and public policy
4. Leadership discussions, debate, and pathways	There is a strong enabling environment to embed ethical and values-based leadership culture within the public service and beyond
5. Supporting GoPNG's implementation of the Gender and Inclusion Policy in Precinct and beyond	Gender and inclusion values and principles are mainstreamed in the workplace and embraced in the design and delivery of public services at the district and community levels
6. Precinct Board Secretariat, Communications and Learning	Achieve VfM, learn from and communicate outputs and outcomes

15. PSLR is delivered through technical assistance, direct implementation and management of sub-contracts and grants. The Australian Government also supports the PSLR, and the Precinct directly, through an Institutional Partnership Program between the Australian Public Service Commission and PILAG. The key contractors for PSLR at the Precinct are:

Table 12: Key PSLR contractors managed by Abt PNG

Partner	Program	Activities	Contract duration and value
University of Queensland	Future Leaders Program Precinct Initiative Program	Future Leaders Program Public Events Bespoke Courses Seminar Series	18/01/2016 – 30/06/2019 AUD 7.2 million
Australia National University (ANU)	Precinct ANU–UPNG partnership	Faculty Strengthening Collaborative Research and Outreach Student and Faculty Exchange	01/09/2015 – 31/12/2018 AUD 9,033,685

16. The current annual budget for PSLR is AUD 13.2 million with AUD 10 million (programs 1–4) related closely to the Precinct and the two institutions. The other two components are support to GoPNG to implement its GESI Policy and the provision of secretariat services to PSLR and its governance.

Table 13: Precinct budget overview FY17/18

Program	Planned	Actual
Precinct Leadership	3,975,000	2,238,755

PILAG Institutional Strengthening	2,826,396	832,471
UPNG SBPP Institutional Strengthening	3,301,685	2,492,221
Leadership discussions, debate, and pathways	289,434	173,848
GoPNG GESI Policy implementation	1,346,274	448,948
Secretariat, Communications and Learning	1,398,150	526,806
Total	13,136,939	6,713,049

Governance

17. A high-level Precinct Executive Advisory Board comprised of eminent Papua New Guinean and Australian individuals provides strategic inclusive leadership and oversight to the Precinct. The Board's mandate has its basis in the 2014 Memorandum of Understanding between Papua New Guinea and Australia, which states:

‘A high level strategic oversight group will be created to oversee the strong and sustained political and financial commitment required to achieve quality outcomes that are needed from this effort. It will include senior representatives from the Government of Australia, the Government of PNG, UPNG, PNGIPA and the private sector.’

18. The Board held its inaugural meeting in December 2016, where it endorsed its charter. The charter was updated in May 2017. The Board meets twice yearly, and met in May and November 2017.

Table 14: Precinct governance arrangements

Institution/ Initiative	Committee	Function	Accountable to
Pacific Leadership and Governance Precinct	Precinct Executive Advisory Board	Strategic oversight and guidance	Precinct Joint Steering Committee
	Precinct Joint Steering Committee	Management oversight, facilitate collaboration and ensure coordination	GoPNG and Government of Australia
UPNG	Precinct Joint Steering Committee	Management oversight of UPNG/SBPP Precinct activities	UPNG Governing Council
PNG Institute of Public Administration	Precinct Joint Steering Committee	Management oversight of IPA's Precinct activities	IPA Governing Council

Achievements

19. Abt-PSLR across its six programs is implementing a range of well-regarded programs. Generally speaking, all stakeholders expressed themselves satisfied with the strengthening of the portfolio and the building of momentum. The exception is the institutional strengthening of PILAG, where progress has been slow.

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20. The workstream has supported public servants and students in a wide range of short and longer courses at both facilities. Since inception, almost 4,000 Papua New Guineans have directly benefitted from the Precinct, including over 2,100 from long-and short courses on public policy, leadership, and core public policy skills, and 1,870 attending public policy discussions. The wide range of degree programs, short courses and certificated courses covered topics such as women in leadership and decision making, ethical leadership for economic growth, GESI, project management, financial management, male advocacy training, financial inclusion, development, and climate change. Participation by women has been very high.
 21. The Future Leaders course targets outstanding mid-level public servants looking to build their fundamental leadership, governance, and public policy skills. The sixth cohort will start their course in late 2018.
 22. A significant development was the development by PILAG, through the APSC partnership and with delivery supported by Abt PSLR, of core public skills courses at the subnational level, as well as the Bougainville Senior Leaders Training, supported by the Bougainville Partnership.
 23. Strengthening discussions and debates facilitated including ‘Women in leadership across the Torres’, a panel discussion and networking event that brought together 30 women leaders from Papua New Guinea and Australia’s Aboriginal and Torres Strait Islander peoples, who shared knowledge on issues of common concern, including public perceptions of indigenous women, youth and digital technology, domestic violence, protecting cultural assets and indigenous knowledge, customary land issues, and urban disadvantage. An outcome of this events was further discussions and the development of a concept note for the Trans Torres Women’s Pact initiative.
 24. The achievements of the Precinct as the flagship PSLR investment will be part of an in-depth evaluation due to be conducted mid 2018.

Assessment of performance

25. This QTAG review concentrates on the efficiency and effectiveness of the support provided by Abt PNG for the partnership. The primary reason for this is that the development aspects of the Precinct, as supported by PSLR, will be the subject of an independent evaluation to be conducted by QTAG mid 2018.
26. The positive aspects of Abt PNG’s management of PSLR are taken from the Partner Performance Assessment and QTAG interviews. During our consultations, stakeholders were appreciative and complementary about the professionalism and the support that they received.
27. Early in 2017, Abt PNG conducted an internal review of the partnership’s progress. There were four high-level findings in the review, with 35 recommendations and 27 expected outcomes. The prime observation was that, ‘Performance of the [Workstream] has not met the expectations of DFAT. This is despite DFAT’s confidence in the Director and her team’. The findings were as follows:
 - a. The operational and management platform that underpins the Governance Partnership was inadequate;
 - b. Increased management capacity was needed inside the workstream;
 - c. A shared vision for the workstream/the Governance Partnership needed to be entrenched, as well as strong communications and branding; and

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- d. Ways of working for the workstream need to be agreed.
28. Many of the recommendations reflected issues across the former PGF at that time. Abt PNG acted on the PSLR-specific recommendations, albeit not as quickly as DFAT would have liked. However, since then some improvements have been made.
29. Stakeholders recognise the dedication, commitment, and hard work to respond to and meet emerging priorities, especially from the PSLR Director. Following the internal review additional staff were recruited, duplication of effort was reduced, reporting improved, and various back office processes were enhanced.
30. DPM and other key partners advised QTAG that they have excellent personal and effective working relationships with PSLR.
31. The workstream has enhanced the visibility and credibility of the Precinct brand and the relationship between the Papua New Guinean and Australian governments through excellent public diplomacy materials. In particular, the products (including the Precinct film) used to launch the PILAG Administration Building and the two associated buildings at UPNG, as well as the recent social media contribution to the April Education and Leadership Month, are to be commended.
32. DFAT and Abt PNG are addressing a number of key outstanding matters. These are noted here because of their significance and the delays in resolving them:
- a. The finalisation of the new version of the design;
 - b. The development and resourcing of the institutional strengthening of the IPA as it transitions to PILAG, a statutory tertiary education body;
 - c. Ongoing concerns about the staff levels and skillsets available to the director of the workstream to implement the program of activities; and
 - d. Weaknesses in the core Abt PNG MSU platform, particularly around capturing costs, forecasting, and recruiting staff with the needed skillsets.
33. The new design should be able to be finalised quickly and we were not advised of any major structural issues while in-country. Subsequent to the in-country mission, a question was raised regarding whether PSLR needs six programs. This was not discussed at any time with QTAG, and we did not get involved in the new design.
34. Implementing the new version of the design should be accompanied by a new way of working. This workstream is a set of six programs under design for PSLR. It has been observed that at times PSLR looks like a series of individual activities, disconnected and unstructured in a programmatic sense. Implementing the updated design and socialising it within the PSLR team, as well as the government partners, provides an opportunity to bring greater coherence to PSLR. If the other issues noted above are addressed then the PSLR Director will have more time to take the lead in this role.
35. PILAG is an important partner in delivering PSLR and GoPNG desired outcomes for its public servants. The CEO of PILAG has a clear vision for its development over the short to medium term. Extensive support is required by the Director to build the institutional framework, including enhancing the capacity of a new board, recruiting and enhancing the skills of staff, revising the curriculum, securing financial resources, and setting up effective management systems. PILAG is to be a quality tertiary institution having regard to the National Qualifications Framework, the Higher and Technical Education Strategic Implementation Plan (2017–2038), the road map to achieve the aims of the Higher and Technical Education Sector, and the twelve Standards for QA. Implementing the current Program 2 is a high priority. The legislation establishing PILAG was passed by Parliament in November 2017, and this program can now be mobilised.

36. The adequacy of the resources available to the Director of PSLR was identified as an issue in the 2017 Oliver Review. Some aspects have subsequently been addressed, particularly the engagement of a team leader. However, it seems that there are aspects of a lack of human resources and appropriate skills that inhibit sound forward programming, strategic advice on international best practice, financial management (particularly contract management and cash flow forecasting), and some aspects of Secretariat services. Abt PNG recognises that its current staffing structure is thin and that several positions require additional human resourcing over the long term. Specifically, PSLR agrees that the senior program managers all require two program managers and/or additional support staff in order to address the large workload, distribute tasks in an even manner, liaise effectively with partners, prevent staff burn-out, and have staff in reserve for when other team members take their annual leave. Accordingly, PSLR is proposing to expand significantly the size of its team for the next year and is providing details of this increase within the Annual Work Plan for 2018/19.
37. Abt PNG advises that it will continue to enhance its capacity in procurement and the selection and contracting of service providers. It recognises that much of the planned work in the new fiscal year will be implemented through sub-contractors and associated partner organisations. Abt PNG agreed that the proper vetting, analysis, background checks, and selection of the best, technically proficient partners is crucial both to overall effectiveness and to the attainment of best VfM. Abt PNG agrees that logistics planning should be done well in advance.
38. The total budget for 2017/18 is underspent. Significantly, many unit costs were overestimated. Abt PNG agrees that improvements in this area are needed. PSLR is tasking its senior program managers to engage in budget estimations, forecasting, and budget utilisation with renewed vigour, and that proper monthly budget analysis is a key performance indicator. The 2017/18 implementation budget of the University of Queensland was overestimated by 30%. PSLR is currently working with the university to reassess its budget estimate for the upcoming fiscal year and to hold additional program activities in reserve, so that more work can be allocated over the next 12 months in order to absorb potential areas of underspending.

Recommendations

- a. PSLR engage with DFAT to finalise the next iteration of the PSLR design as soon as possible.
- b. The PSLR Director, together with DFAT, take the lead in managing PSLR as a coherent program of mutually reinforcing activities, not siloed from the Precinct umbrella.
- c. The program consult the Director of the Pacific Institute of Leadership and Governance (PILAG), and DFAT, to develop and resource a medium-term plan for the institutional strengthening of the Institute of Public Administration (IPA) as it transitions to a statutory tertiary education body.
- d. DFAT and Abt PNG management ensure the program is resourced with the staff and skillsets needed to implement the program.
- e. Abt PNG ensure that the weaknesses in the core MSU platform services, particularly around capturing costs, forecasting, and recruiting staff with the needed skillsets, are addressed.

MEL

39. PSLR has a draft PAF and has an allocated MEL adviser. PSLR's MEL activities are generally to a high standard. Beyond the monitoring of participation statistics and activities, examples of MEL approaches being applied or in design include:
 - a. *The Precinct Tracer Study*: currently being designed in two phases. During Phase 1, a tracer study approach will be developed and tested with a small

sample of Precinct graduates over 22 months, while during Phase 2 that approach will be applied over time with a wider sample of graduates, selected from across courses. The intention is that longitudinal data collected through the tracer studies will inform a set of evaluation questions, including a Precinct impact and effectiveness evaluation in several years. This study will utilise electronic questionnaires and one-to-one interviews in order to measure the impact of courses that were delivered through the Precinct Leadership Program, PILAG, and UPNG / SBPP. This proposed study has been approved in principle by AHC, and is now awaiting the final approval of Terms of Reference.

- b. PSLR has proposed the use of SMS surveys to assess graduates' knowledge of the Leadership Capability Framework and Gender and Inclusion Principles.
- c. PSLR has proposed the use of action research to support a reflective process of progressive inquiry by the Papua New Guinea public service. This proposed approach will assess strengthened leadership, ethical behaviour, governance, and core capabilities within the public service at the national, provincial, and district levels.

Gender and inclusion principles

- 40. With regard to gender and inclusion effort, the PSLR team have reported some specific elements of the program that sought to address gender. They have:
 - a. actively ensured strong female participation on courses through creative solutions for selection processes, especially at subnational level;
 - b. progressed gender and inclusion principles implementation throughout the period, with successful recruitment of three of four key gender and inclusion positions;
 - c. supported DPM to implement the GoPNG GESI Policy and to develop the Gender and Inclusion M&E Framework and database;
 - d. facilitated gender and inclusion implementation through the Male Advocacy Network; and
 - e. assisted the Coalition of Women in Leadership to finalise their governance structure.
- 41. Specifically, support to the DPM on the GoPNG GESI Policy is a core activity area. Implementation of the GoPNG GESI Policy has had some successes but many areas have not yet seen progress. The Partnership should seek to engage more politically where necessary and root intervention in a PEA relating to the policy to enable key barriers to be addressed and opportunities to be seized.
- 42. Lessons from within this partnership should be shared with other partnerships in terms of engaging with the public service to promote gender and inclusion principles. A working group across the partnerships focused on harnessing different strands of direct engagement with GoPNG institutions to promote gender and inclusion principles, could leverage much greater impact from the staff and advisers who work closely with public service institutions.
- 43. Targeting of women for training and recognition of barriers to women's progression within the public service are addressed within the Partnership. Further, the crucial role of men as advocates for gender equality was recognised and support to the Male

Advocacy Network within the public service is a good effort to support this. However, there is scope for a greater coherence of these efforts to address gender within the public service drawn from, and reflected in, the overarching Theory of Change. As the program moves forward, deeper gender analysis should underpin the design and adaptation of all elements to ensure that gender-related aspects are addressed substantially within the fabric of the partnerships approach.

44. A deeper common understanding is needed across the Partnership, including AHC and GoPNG stakeholders, of the obstacles to women accessing positions of power and roles in public service as well as challenges to them performing these. Additionally, the barriers to formulation and uptake of key policies needs to be discussed in greater depth to understand where there is scope for change. For example, consideration of FSV as a criminal justice issue, rather than a social development issue, can deter support.

12 Kokoda initiative program

Review question(s)

1. What is being achieved under each workstream and how do those early achievements contribute to the Governance Partnership outcomes?
2. Are governance arrangements for each workstream appropriate and being effectively implemented?
3. To what extent are gender and inclusion principles being effectively implemented in each workstream?
4. To what extent are the workstreams implementing their own MEL and KAL and contributing to Governance Partnership MEL and KAL effectiveness?

Workstream description

1. First established in 2008, the Kokoda Initiative Program (KIP) now sits within the 2015 *PNG–Australia Joint Declaration on the Preservation of the Kokoda Track Region*.
2. The overall goal of Australia’s support under the Initiative is to assist the GoPNG in keeping the Kokoda Track open, safe, and well managed. There are three pillars of activity that correspond to the Kokoda Master Plan:

Pillar	Objective
The track	A safe and well-managed track whose special military values and historical integrity are protected
The people	Enhanced quality of life and income for landowners and communities of the Kokoda Track region
The environment	The sustainable use of the protected area

Design and governance

3. The operating context of the KIP has particular sensitivities and dynamics flowing from its historical significance, and creates particular challenges and opportunities.
4. The broad strokes of the KIP design are sound and clear. The delineation of the three pillars – the people, the track, and the environment – is crisp and easy to understand. Moreover, the nascent community-driven development (CDD) approach, drawing particularly on the diagnostic tool, aims to ground the programming in community ownership.
5. Resilient governance mechanisms are critical to ensure that funding flows in the intended directions. Governance shortfalls in the region-level mechanisms should not overshadow the internal governance strengths in many track communities that are a source of programming leverage.
6. The implications of disruption in the region, including track closures, are understandably a preoccupation of the Australian High Commission and the GoPNG.

At the same time, the political salience of these challenges and the priority given to the public diplomacy dimension should not overshadow the opportunities in the track region.

7. In particular, the nascent demand-side emphasis on CDD is key, in terms of harmonising community-derived aspirations with government-level priorities. Where successful, this can create visible ongoing benefits for communities that begin to diminish the attraction of short-term rent-seeking behaviours. In this sense, it is both a value-creating and a risk-mitigating approach. Below we address some areas where there may be scope for improving the effectiveness of implementation.
8. Despite the potential that lies in the design principles underlying the Partnership, the outcome of the Kokoda Track Authority (KTA) review and the robustness of modalities for funds dispersal has equal potential both to support the success of the KIP and to undermine it.
9. For the purposes of this light touch review of Kokoda, the central critique we have is of the CDD approach. This is not to criticise what *is* being done, nor to suggest there are not other areas worthy of analysis. It is rather because this has such significant potential, and such good foundation, that we are looking for aspects that could be optimised. This is detailed below under ‘Implementation’.

Achievements

10. There are a range of achievements to date from the KIP that are outlined in the July–December 2017 six-monthly report and the January/February 2018 bi-monthly report. Below is an indication of the types of activities successfully underway.

The track

11. Service agreement signed with Queensland Parks and Wildlife Service to build the capacity of KTA rangers, and to conserve and maintain track sites.
 - a. In March 2017, the KTA and the Queensland Parks and Wildlife Services partnered to deliver a number of ‘Kokoda Track Regeneration and Conservation Projects’. In November and December 2017, Queensland rangers deployed to support the KTA rangers and communities in key skills. A total of 58 men and 16 women from the local community joined the initiative for track maintenance and conservation along 4.8km of the track.

The people

12. CDD mission for potential initiatives:
 - In October 2017, KIP facilitated a series of consultations with 14 communities (a total of 273 women and 296 men) along the track to elicit ideas for business development and improvement. Men and women were consulted separately in each location, and the results were collated into a comprehensive record of the community perspectives. From this data, based on eligibility and feasibility criteria, the team identified 14 priority initiatives.
13. Integrated health patrols:
 - Teams formed of KIP personnel, local government health personnel, non-government organisations, and volunteers to administer the Supplementary

Immunisation Activity. There were a range of services, including administration of 1,500 vaccines to children under five, antenatal care for 200 women, and general consultations of 1,600 people.

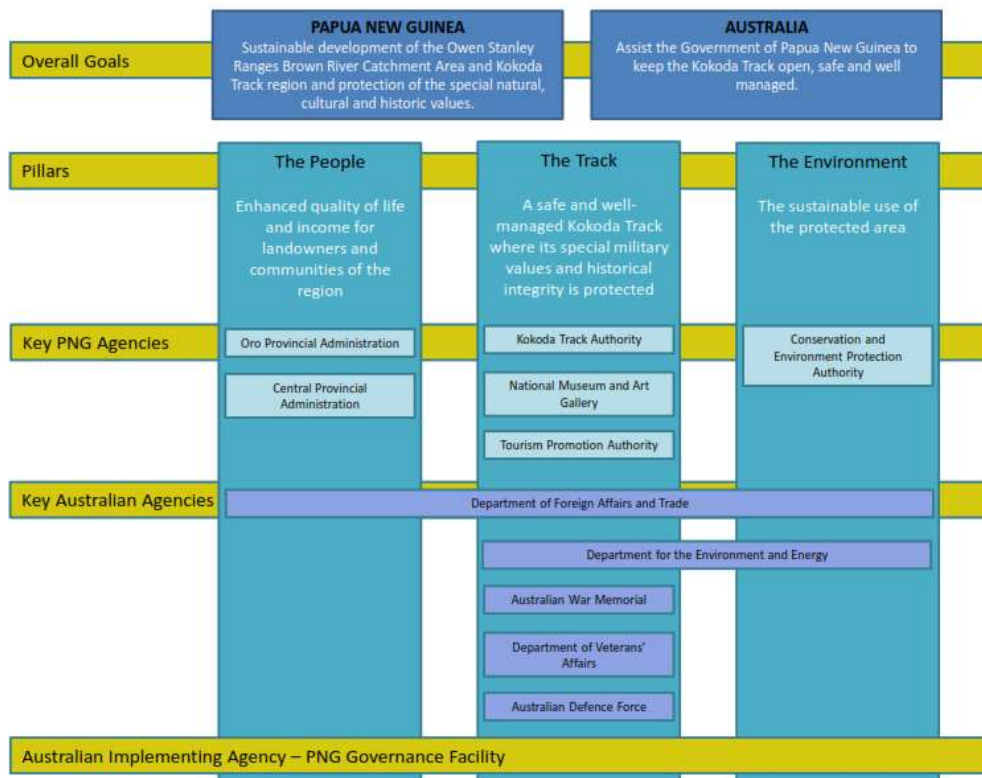
The environment

14. Gazettal of the Kokoda Track Interim Protection Zone
 - The Conservation and Environment Protection Authority commissioned a report that quality assured the final draft of the Protected Areas legislation. The KIP engaged Professor Richard Mackay, an international expert on environmental protection legislation. This ensures that the proposed legislation corresponds to international good practice and is fully protective of the natural, cultural, and biodiversity dimensions of the gazetted area.

MEL

15. The program logic for the KIP is outlined in the draft results framework.
16. The framework is rigorous and reflects good practice for a traditional logframe approach. Pursuant to the discussion below around the CDD approach, we would encourage a more flexible framework for that dimension of the program.
17. While overall the logic appears sound, a review of the details could lead to some improvements. In particular, some causal links are not clearly articulated and are not intuitive. For example, outputs are often expressed in relation to x being ‘implemented’, and in some cases we are sceptical whether the inputs and activities will necessarily cause x to be implemented without some more nuance to the logic.
18. This appears to be addressed in the drafting of the framework through assumptions. Here, there is sometimes circularity between assumptions and outputs. For example, with respect to Output 1.1.2.2. ‘KTA Develop and Implement Recurrent Track Maintenance and Conservation Plans’, the assumption is that, ‘The KTA implements the Track Maintenance and Conservation Plan in accordance with the activity plans and budgets (weather permitting)...’ Given that the step from agreed plan to implementation is invariably one of the hardest, it is insufficient for a Theory of Change to rely on the assumption that a plan will be implemented.

Figure 11: Structure of the KIP



Governance arrangements

19. The governance arrangements are outlined in the design document, but have not yet been reported against.

Implementation

20. The high-level report on implementation so far is well documented in the first six-monthly report and the January/February 2018 bi-monthly report.
21. Given the focused development outcomes of Pillar 2 ('The People'), we place our attention there and in particular on the CDD approach. Although this is a 'light touch' review, in a community-driven approach the 'high-level' analysis is in effect what happens *at the community level*. So even if what follows seems quite detailed, our view is that some tweaks at this level of detail may have wider ripple effects.
22. A central feature of the CDD approach is the diagnostic tool. In response to the Diagnostic Mission Report, we make the following observations and queries.
23. There is limited evidence of the manner in which trekker preferences have been integrated. While the communities are rightly the focus of consultations, trekker preferences are central to the sustainability and feasibility of business innovations along the track. General feedback from trekkers is clearly being integrated, particularly in relation to quality of amenities, but not necessarily the specifically economic dimensions of that feedback (e.g. assessments of willingness to pay for *x*).

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24. We would encourage the results of the community diagnostic tools to be market tested with trekkers themselves. There may be scope for more systematic research to be undertaken, not only in regard to identifying general preferences but also disaggregating between the stages of the trek (for example, are there particular services that are more marketable early on in the trek, and others later on?). This could be achieved through existing mechanisms such as the Trekking Industry Forum, and appropriately adapted consultation methods.
 25. This could also imply forums for cross-fertilisation of ideas between communities along the track, and forums for this purpose. It is worth noting that cross-fertilising initiatives along the track can be seen through two lenses. First, and most obviously, the rational aims – for example, improved business ideas and sharing of experiences, lessons learned, problem solving. Second, experiential aims – for example, fostering a sense of inter-community identity around the track itself that can, over time, support increasingly constructive engagement.
 26. The ‘lessons learned’ in the Diagnostic Mission Report are not foundational: they are focused on ‘absent’ dimensions (‘lack of...’, ‘limited...’, ‘low...’, ‘poor...’, ‘gaps...’). This is one step in the process of identifying lessons, but they are not the lessons themselves. It would be surprising if the need for those dimensions was not identified in previous initiatives, so the ‘lessons’ need to drive further to understand the underlying conditions for earlier ‘failures’, and in what *relevant* ways these conditions persist. It would be useful to identify more explicitly and test earlier assumptions. In this context, the strategy testing for this component of the pillar has the potential to inform the evolving design.
 27. The corollary of the focus on ‘absent’ dimensions in lessons learned is the limited attention given to existing strengths. It is somewhat unclear the extent to which this was addressed in the specific facilitation methodology, beyond the question ‘*What projects have you done in the past that was successful and why?*’ The interrogation of strengths can go more broadly and more deeply, particularly (if paradoxically) in struggling communities. This is not just about projects in the past that have succeeded but what is happening presently in the community – if a community is surviving, there must be underlying success factors that can be leveraged. Moreover, it can have an *experiential* effect of reinforcing the communities’ perception of themselves as unique drivers of economic growth, with an existing foundation that can be built on.
 28. In the notes from the meetings, it indicates that the agenda of discussions moved almost immediately to the question of business opportunities on the track. While at one level the questions for the consultations are designed to elicit locally owned ideas, they are nonetheless based on strong assumptions. We would encourage greater emphasis on exploring higher-level questions that can both underline the dignity of the community (who can easily have survey fatigue, particularly if they feel that consultations are *primarily* serving an exogenous imperative). It can also inform the data collection of facilitators, in particular in regard to questions that draw out the stories of the community, what is important to them as a community, and so on. At one level, the opening question of the consultation – ‘If you have extra money, how would you use it improve your life?’ – drives in some way at this, but it is heavily biased toward the commercial.
 29. One option that the implementers could consider is a more narrative-based data-collection method (for example, *Sensemaker*®) that involves self-signification. Tools such as this have two advantages: (1) they strongly mitigate against ‘interpretive bias’;

and (2) the framing questions are neutral and it is much more difficult to game the questions.

30. Finally, from a participatory methodology perspective, the next phase could be more grounded in an iterative, adaptive approach than the document envisages at present. In the way the report has been framed, there is a danger that the new initiatives are over-cooked from the outset, rather than allowing for a robust learning-oriented approach that starts very small and adapts iteratively even through the course of the trekking season. This could be tested through investment in embedded facilitators – *not* advisers – whose responsibility is not to propose but to provide a structured process for the iterative learning cycles of the new initiatives.

Workplan

31. The workplan for the KIP is still being drafted.

Partnerships with other actors and stakeholders

32. The ‘lessons learned’ section of the design document emphasises ‘communication and coordination’. While there is clear evidence of consultation with a range of key actors, there is less evidence of reflection on the different methodologies for these. This would include articulating the options, from the range of tool and methods that exist in international good practice, and the basis on which certain methods are selected over others. Many methods at the innovative end of stakeholder engagement in the west are in fact closer to traditional practices of non-western communities.

Integration with other workstreams

33. The KIP design document notes:
- ‘There is limited interaction between the Kokoda Initiative and other Australian development programs. This is because under the Initiative, Kokoda Track communities already receive a disproportionate amount of Australian assistance and other programs are focussed on delivering support in other locations across the country.’
34. We would challenge the logic of this position. Given the oft-quoted diversity of the Papua New Guinea context, one could argue that this justifies limited interaction between any initiatives in this space. If KIP and other ‘stand-alone’ partnerships are to be justified in falling under the broad rubric of the Governance Partnership, there needs to be more proactive interrogation of potential interactions.

Assessment of performance

35. DFAT conducted an AQC of the KIP in March 2018. The table below has the scoring from this exercise.

Table 15: KIP performance

	Relevance	Effectiveness	Efficiency	MEL	Sustainability	Gender	Risk	Innovation & Private Sector
DFAT AQC (Feb 2016)	4	3	4	2	3	3	4	n/a
Kokoda QUICK Scores averaged (Feb 2018)	5	5	5	5	4	4	5	4

Financial and risk management

36. Given the particularly political and symbolic nature of the KIP, risk management is acutely relevant to progress. The design document envisages that ‘a Risk Matrix will be formulated by Abt PNG and reviewed and approved by the Management Committee’. We are yet to see the risk matrix. The regular testing and updating of this risk matrix, integrating those updates into the programming (as applicable), at a minimum on a monthly basis, is important.

MEL

37. The design document envisages a well-rounded base for the program MEL (p. 12). While we have not yet seen the specific reporting against the results framework, the July–December 2017 six-monthly and January/February 2018 bi-monthly reports give clear indications of progress under each of the pillars at an output level. There is more limited evidence at present of a narrative around the trajectory toward intermediate outcomes.
38. There are some circular elements to the measures – for example, ‘[Governance Partnership] 6 month and annual reports’ are often cited as a data source, yet presumably that will be data supplied by the KIP itself, so we are interested in which data is collected to inform the contribution to those reports.
39. Finally, there is considerable reference to ‘Nil’ and ‘TBC’ in baselines. It would be instructive to have a clearer sense of what measures the KIP proposes to establish baselines where they are needed and not yet available.
40. Overall, we would suggest a peer review of the results framework. It is a comprehensive document, and so it is unsurprising there are details that can be improved. There may also be scope for simplifying in some aspects to reduce the resources required to report against it.

KAL

41. There are two questions here: one relates to the KAL system within the KIP and the second relates to the wider KAL system of the Governance Partnership.
42. For the KIP itself, beyond the M&E of the results framework, it is unclear whether there is a strategy around KAL. As the program progresses, this should be developed.

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43. In relation to the wider Governance Partnership KAL, there appears to be a perception from both AHC and Abt PNG that this partnership sits apart and there is a limited scope and rationale for investing in this. Nonetheless, there is obviously some degree of communication through the KAL system in the drafting of the 2017 July–December six-monthly report, where the mutually supporting relationship between EGIG and KIP is identified.

Gender and inclusion principles

44. In the KIP design document, it is proposed that there will be a strong focus on promoting GESI. As such, Abt PNG is committed to developing a strategy to ensure GESI outcomes are achieved and measured.
45. However, the detailed documentation is less rigorous. In particular, gender does not feature prominently in the results framework. The references that there are (Short-term Outcome 2.6.1, Output 2.5.1.1, and Measure Indicator 2.6.1) are focused on distinct gender and inclusion initiatives, which is good in as far as it goes. At the same time, however, more work could be done to integrate gender components and their contribution to outcomes that are not explicitly addressing a gender question.
46. Using a CDD approach to determine the service delivery and livelihood priorities of the beneficiaries of the KIP, alignment with gender and inclusion principles was one of the key criteria against which ideas were assessed. Of the six ‘first priority’ ideas, all were outlined as aligned with gender and inclusion principles, although only ‘*small business development (for women) for production and sale of souvenirs, artefacts and crafts*’ (Idea 4) explicitly includes gender and inclusion aspects in the short description of the proposed idea.
47. Gender must be more than a minimum standards check against gender and inclusion principles, and the KIP design, implementation, and monitoring need to address more explicitly gender and inclusion dimensions. For example, the diagnostic mission report appropriately disaggregates the participation of women (though not those with a disability), and it also notes that the consultations themselves separate groups into men and women.
48. However, the reporting does not flesh this out further. Which ideas were sourced from the women’s group? How were women’s ideas received in the wider group? To what extent did women perceive different challenges and opportunities to men? Did either group refer to the other group (positively or negatively) in their absence? This pertains to both the usefulness of the data for feeding into the next stage of the process, and also to the learning around gender.

Recommendations

- a. The program logic be peer reviewed, with a particular emphasis on the robustness of causal links and incorporating gender in a more nuanced manner, including qualitative assessments.
- b. Further community consultation designs be quality assured, with a specific criterion of evaluating the design against international good practice in facilitation methodologies.
- c. The KIP take an adaptive, iterative programming approach to the detailed design and implementation of the initiatives identified through the diagnostic process. The design should explicitly incorporate communication lines with other areas of the Governance Partnership where adaptive approaches are being applied (e.g. DCP).

13 Bougainville program

Review question(s)

1. What is being achieved under each workstream and how do those early achievements contribute to the Governance Partnership outcomes?
2. Are governance arrangements for each workstream appropriate and being effectively implemented?
3. To what extent are gender and inclusion principles being effectively implemented in each Workstream?
4. To what extent are the workstreams implementing their own MEL and KAL and contributing to Governance Partnership MEL and KAL effectiveness?

Workstream description

1. The Bougainville Program has emerged in a quite different context to the rest of the Governance Partnership. The peace and security agenda is paramount. Four parties have a stake in the governance arrangements: the Autonomous Government of Bougainville (ABG), and the governments of Australia, New Zealand, and Papua New Guinea. The partnership inherited a program strategy, which has since been modified, but which gave it the basis to progress quickly to implementation.
2. As per the design documentation approved by DFAT (December 2017), inclusive of the Bougainville Program MEL framework and project activity database, there are three discrete pillars to the program. Each pillar is focused on the attainment of a specific long-term outcome linked to the full or partial realisation of intermediate and short-term outcomes in the project period July 2016–June 2019.

Table 16: Bougainville Program Pillars

Pillar	Description
Autonomy and Effective Governance	With a combination of advisory support and staff development initiatives, the work in this pillar is focused on making the ABG a more accountable and effective autonomous government.
Economic Development	The twinned goal of advisory support and grants in this pillar is improving ABG efforts in tax and revenue collection and catalysing private sector and smallholder investment in agriculture commodity production.
Peace, Security and Community Cohesion	This pillar focuses on strengthening CDD. The pillar targets dispute and conflict resolution, youth development, and broad-based livelihood development through three grant schemes (the Bougainville Peace Building Program, the Bougainville Youth Initiative, and the Bougainville Community Grants Scheme).

3. Additionally, the program is implementing a portfolio of infrastructure projects. Some of these projects are ‘legacy’ in nature – i.e. rolled over from work approved prior to the establishment of the BP – while other projects have been initiated at the direct request of DFAT and serve to support its bilateral investments in Bougainville.

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4. The following observations are based on a light touch review – principally discussions with AHC staff and the Governance Partnership manager of this program, with triangulation of the principal findings against the AQC of November 2017. The team did not visit Bougainville nor did it have discussions with the relevant partners from ABG or GoPNG. The focus in this review has largely been on the lessons that the program might offer the rest of the Governance Partnership – these have to be interpreted within the special context in which the program operates.

Design and governance

Design

5. The Theory of Change that underpins the program's work proposes that: *if* core government, civil society, and private sector service delivery agencies have good organisational capacity; *then* they can form coalitions of reform actors (government, private sector, civil society, and academic) to improve service delivery and investment outcomes in support of *FINALLY* strengthening: autonomy and effective government, economic development, and peace, security, and community cohesion.
6. The Theory of Change acknowledges that decision-making and resource allocation in government is heavily influenced by complex social, economic, and political relations within and between:
 - a. Autonomous Region of Bougainville regional communities, levels of government, and private sector investors; and
 - b. the ABG and the GoPNG.

Governance

7. This is a dynamic context, likely to become more so in 2018 as preparations for the referendum on Bougainville's future status gather pace. In this context a workable governance arrangement has emerged that, as far as we were able to ascertain, addresses the needs of all four partners.
8. The Bougainville Program Steering Committee provides high-level strategic guidance, decides priorities, and makes overall resource allocations and decision-making across each pillar. The committee comprises a representative from GoPNG, the ABG, the Government of Australia, and the Government of New Zealand. The Government of Australia is the major donor to the Bougainville Program across each pillar, and the Government of New Zealand contributes approximately 20% to Pillars One and Two.
9. Technical working groups, which closely involve heads of department and the donor representatives, make programmatic decisions at the pillar level. Below this level are sub-committees for specific projects such as the Chocolate Festival.
10. This arrangement avoids a situation where plans are developed and then submitted to the donor for approval without government consideration or approval, or vice versa. Informants report a high degree of consensus driven by these mechanisms.

Assessment of performance

11. Abt PNG conducted its own assessment of the performance of the Bougainville Program as part of the QUICK process in February 2018. DFAT conducted an Aid Quality Check (AQC) in April 2018, without the benefit of the QUICK. The table below has the respective scoring from these exercises, plus the AQC from 2016 of the previous program.

Table 17: Bougainville Program performance

	Relevance	Effectiveness	Efficiency	MEL	Sustainability	Gender	Risk	Innovation & Private Sector
DFAT AQC (April 18)	4	5	4	4	3	4	n/a	n/a
Abt QUICK scores averaged (Feb 18)	5	5	5	5	4	4	5	n/a
DFAT AQCs on BGV (May 17)	5	4	4	3	4	4	n/a	n/a

Implementation

12. The Bougainville Program's human resources are:
- Director based in Port Moresby with significant time in the Autonomous Region of Bougainville (also manages KIP);
 - Team Leader Buka with nine staff for program facilitation & implementation;
 - Team Leader Arawa with 12 staff mainly for grants facilitation;
 - Operation Manager Buka with 20 staff for finance, operations and logistics;
 - M&E adviser (part time) with three support staff;
 - 17 x adviser positions, including 16 based in the Autonomous Region of Bougainville and one based in Port Moresby, and comprising 14 international and three national advisors;
 - Ad hoc* short-term advisers as required.

Financial resources

13. The consensus from QTAG's limited assessment, without consultation in Bougainville, but supported by the April 2018 AQC and Abt's own internal QUICK assessment, is that the program is working well and achieving results.
14. Pillar One implementation is underpinned by the use of organisational capacity assessments as the basis for planning in much of the program. This means that priorities are debated within an objective framework. The assessments have resulted in a two-year capacity development plan for each of the eight departments. The focus on specific capacity needs has facilitated a shift in how support is delivered toward project-based

inputs, reducing the reliance on LTAs. It should be stressed that the mission has not examined whether that shift is delivering better outcomes or whether it represents VfM. But it is likely to reduce dependency on external human resources.

15. The program inherited a number of infrastructure developments to manage that were not previously part of the Governance Partnership. Management of these has been resource intensive. Notwithstanding the challenges, these investments have delivered the kind of visible development that is highly valued, and in a context where coordination with service delivery planning is more likely (in contrast to the discussions about DSIP). Delivering these projects has built the credibility of the Bougainville Program, possibly bestowing a level of influence that would not otherwise have been possible.
16. These infrastructure projects will be completed shortly. There is debate about whether further physical infrastructure investments should be undertaken. There are clearly a range of risks in managing such projects. However, while such capital investments may seem to sit uncomfortably in a governance project the alternative of spending the resources on capacity building has to be evaluated carefully. It is well understood⁵³ that improved service delivery requires a combination of fit-for-purpose infrastructure, effective systems, and capable people. Diminishing marginal returns on training-type investments will inevitably arise in the context of a large and fixed budget.

Achievements

17. The Commodity Support Facility is the highlight of the Bougainville Program's economic development pillar. Cocoa plays a role in the livelihoods of around half the Bougainville population. The new international and national market links that have emerged will support investment in the sector. The program's influence was demonstrated in the support to the engagement between Bougainville's business association representatives and the ABG. This has led to a commitment to an ongoing dialogue that will help shape the ABG's economic reform agenda.
18. The peace-building pillar's Bougainville Peace Building Program has facilitated a number of reconciliation events. The forward-looking program is supporting the capacity for conflict analysis and mediation to build local conflict-resolution mechanisms. The program has made a large number of small grants to quasi-governmental organisations and church-based organisations for community and business development and peace-building activities. The degree of flexibility demonstrated in managing these grants has been widely welcomed. By engaging directly, the program has arguably achieved a greater degree of alignment with the priorities of the governance group. However, approximately 60 staff are engaged to manage these grants at the level of fiduciary risk that is acceptable to the donors. This is clearly a trade-off and one that is particularly relevant in considering how to mobilise communities for social accountability elsewhere in the Governance Partnership.

⁵³ GHD, *Law and Justice Sector Infrastructure Impact Evaluation 'To what extent has investment in L&J Infrastructure contributed toward improved service delivery for women, men, girls and boys of Papua New Guinea?'* (2013).

Financial and risk management

19. There are questions about the level of contribution to MSU costs that are essentially an overhead for the Bougainville Program. The AHC questions whether the program receives a level of service commensurate with the overhead cost allocated. MSU plans to re-allocate the cost across the Governance Partnership SOs in a way that reflects which partnerships actually draw on central resources, which will provide a basis to resolve this tension.

MEL

20. The Bougainville Program is a relatively tightly programmed workstream with its own M&E framework and implementation approach that are reported to suit the comparatively fixed design.
21. However, the M&E framework could be stronger; it does not discuss users of M&E information, define monitoring or evaluation questions, describe assumptions underpinning their theories of change, or set out a pipeline of evaluations.
22. The different planning and reporting requirements for the Governance Partnership and Bougainville Program have also introduced inefficiencies. The Governance Partnership requires reports from the Bougainville Program on a bi-monthly basis, while the governance group has specified quarterly reports in a different format. We believe that the reporting from the program in its frequency, format, and content offers lessons to the overall partnership. However, the existence of multiple reporting regimes should be re-negotiated.

Gender and inclusion principles

23. The Bougainville Program was able to articulate its approach to gender more specifically than other partnerships, and has invested in analysis to demonstrate the specific gender dynamics of different communities in Bougainville. Opportunities for working with young men to address gender equity issues have been identified and programmed.
24. Care should be taken to frame peace and security intervention within the UN Security Council Women, Peace, and Security resolutions. The roles of the governments of Australia and New Zealand in governing the partnership should be leveraged to raise attention to gender equity across the partnership.
25. Small grantees should be required and supported to report on gender equity impacts.
26. The Bougainville Program supports the implementation of Bougainville's own gender policy rather than the GoPNG GESI Policy, which primarily relates to the GoPNG public service (note that the ABG has its own public service). There seems to have been some tension around this but the team have sought to build understanding among the Governance Partnership team and broader Gender CoP regarding the specific policy environment of Bougainville. Some significant achievements have been made in this regard, including introducing a gender-sensitive recruitment process for senior officials.

The future

27. The Bougainville Program workstream has started to consider the post-referendum context in which it will have to operate. For instance, independence would result in a significant fiscal deficit, at least in the short term. The existing weak capacity of ABG in PFM exacerbates the potential impact of the shortfall.
28. The program's well-established governance arrangements will be a particular asset to scenario planning at strategic intervals, as the possible referendum approaches.

Recommendations

- a. The Bougainville Program prioritise the establishment of an IFMS.
- b. The program conduct robust scenario planning that leads to the development of alternative theories of change.

14 Papua New Guinea Partnerships Fund

Review question(s)

1. What is being achieved under each workstream and how do those early achievements contribute to the Governance Partnership outcomes?
2. Are governance arrangements for each workstream appropriate and being effectively implemented?
3. To what extent are gender and inclusion principles being effectively implemented in each workstream?
4. To what extent are the workstreams implementing their own MEL and KAL and contributing to Governance Partnership MEL and KAL effectiveness?

Workstream description

1. The Papua New Guinea Partnerships Fund (PPF) was set up to attract, identify, and incentivise high-performing government and non-government organisations (including consortia) to deliver longer-term projects that are competitive and look at VfM. There is a strong desire to expand the reach and coverage of interventions, initially in health and education, that have the potential to deliver results at scale. The PPF features a range of approaches to support human development projects. These are:
 - a. Innovative mechanisms that support a focus on achieving results;
 - b. Competitive funding, with the best proposals chosen for financing from a range of proposals designed to achieve results;
 - c. Partnerships, enabling the coalition of different entities, each with their own strengths and skills to contribute to achieving results; and
 - d. Large-scale interventions, facilitating extensive and substantive reach in service delivery with DFAT financing.
2. The PPF was established on 24 March 2017 under SO 8, amended to SO 12 and runs until April 2020 with options that mirror the head deed. The total contract value inclusive of GST is AUD 146 million (inclusive of GST), of which AUD 120 million is the grants component.
3. In 2017, 24 applications were received, with five approved that year and the Oil Search Foundation grant approved in 2018. As at 1 May 2018, six consortia have received grants to deliver services across the country (as shown in Table 18).

Table 18: PPF grants and consortia partners

Consortium lead	Name	Value
Catholic Church Health Services Inc.	Incorporated Sexual & Reproductive Health Integration Project (with Anglicare PNG Inc.; Australasian Society for HIV, Viral Hepatitis and Sexual Health Medicine); Burnett Institute; Igat Hope) in 17 provinces	AUD 12.6m

Consortium lead	Name	Value
Marie Stopes PNG	Partnering for improved sexual and reproductive health and maternal and child health outcomes (with Susu Mamas) in 14 provinces	AUD 18m
Oil Search Foundation Limited	Working through a Partnership Model to Improve Service Delivery of Frontline Health Services in Hela Province	AUD 7.5m
World Vision Australia	Increasing access to literacy and learning for children (with Child Fund; Library for All; Consultative Implementation and Monitoring Council; Australian Institute for Sustainable Communities at University of Canberra) implemented in Central Province, Madang Province and Morobe Province	AUD 14.1m
Save the Children PNG	Rapidly Improving Standards in Elementary (with Callan Services for Persons with Disabilities, and the Summer Institute of Linguistic) implemented in Autonomous Region of Bougainville, Eastern Highlands Province, and East Sepik Province	AUD 18m
CARE Australia	Pikinini Kisim Save (with Adventist Development Relief Agency, University of Goroka, Mt Hagen and Kimbe Catholic Dioceses, Sonoma Adventist college, Lutheran Education, Nazarene Education and Queensland University of Technology) implemented in Jiwaka, West New Britain, Western Highlands, and Simbu.	AUD 15m

Design and governance

Design

4. The PPF is designed as a mechanism for funding service delivery providers in Papua New Guinea in key sectors, initially education and health.
5. The Goal of the PPF is to improve the quality and expand coverage of basic services across the country.
6. To achieve this goal, an initial PPF strategy has been to invite government and non-government organisations to submit proposals to improve basic education or expand essential health care services. Proposals that support increases in the quality and coverage of both government and non-government services were encouraged.
7. There is no explicit Theory of Change published for PPF, other than the above. However, support in each sector is related to the respective GoPNG and DFAT sector strategies and plans, and derives an underlying Theory of Change from those sectors.
8. In the education sector, applicants to the PPF are required to address entrenched constraints to achieving quality learning outcomes. Considering the extensive decentralisation taking place in Papua New Guinea and the magnitude of responsibilities for educational services transferred to provinces and districts, an important emphasis for the PPF is on subnational financing and technical support.
9. Health grants are expected to deliver impact at scale against one or more of the following objectives, in targeted provinces:

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- a. Improved sexual and reproductive health for women, girls, and vulnerable groups (including HIV; family planning). This is to be achieved by increased testing and treatment for sexually transmitted infections and HIV (and TB), especially among adolescent and pregnant women; and reducing parent-to-child transmission of HIV.
 - b. Improved maternal health and child health (including immunisation) by reducing birth rates through contraception, antenatal care coverage, increasing demand for supervised deliveries and immunisation, and improving nutrition for newborns, infants, and children.

Governance

1. There is no overarching development agreement between GoPNG and DFAT documenting the governance arrangements for the PPF. This should not be a big task: simply documenting at the government to government level the current arrangements, which are sound.
2. The PPF has developed a comprehensive handbook to guide and support implementation. Recently, the PPF and DFAT produced a draft engagement description between the PPF Secretariat and DFAT called *Ways of Working, PNG Partnership Fund and the Australian High Commission*.
3. Both the PPF Handbook and the Ways of Working draft need significant enhancement to describe how and when PPF engages with GoPNG and aligns with GoPNG's own strategies. The goal, objectives, and core working arrangements need to be documented. The DNPM should be the key GoPNG counterpart.
4. Apart from the aforementioned gap, the PPF has a sound governance structure (see table 19 below) with a Steering Committee comprised of GoPNG, DFAT, and contractor representatives, who consider the applications received. The small Strategic Management Group makes the final grant decisions. The facility contractor provides Secretariat support for PPF.

Table 19: Governance mechanisms

	Health	Education
Steering Committee	DFAT Health Counsellor (Chair); Executive Manager, Public Health, Department of Health; Second Secretary, Operations, DFAT; and Interim Director. PPF, Abt Associates, and the PPF Health Specialist support the committee.	DFAT Education Counsellor (Chair); A/Deputy Secretary, Policy and Corporate Services, Department of Education; Second Secretary, Operations, DFAT. Interim Director, PPF, Abt Associates; the PPF Education Specialist supports the committee.
Senior Management Group	Secretary Department of National Planning and Monitoring, Australian High Commissioner; Country Manager Abt Associates. The sectoral departmental Secretary is also invited.	Secretary Department of National Planning and Monitoring, Australian High Commissioner; Country Manager Abt Associates

Implementation

5. The PPF Workstream is managed by Abt PNG through a small secretariat consisting of:
 - a. Director and Education Specialist (LTA)
 - b. Grants Manager – newly created position
 - c. Health Specialist (LTA 50% of time)
 - d. MEL Adviser [*proposed, in process of recruitment*] and MEL Program Officer
 - e. Grants Officer x 2 (LTP)
 - f. Contracts manager (LTA)
6. The contract reimbursable costs are AUD 3.94 million, excluding GST. Furthermore, the PPF receives management support from Abt PNG's MSU, which is funded under SO 1.
7. The PPF is not over-resourced and appears to us to operate efficiently. The new Grants Manager position is essential given the scope and depth of the six partners' organisations and activities. It may benefit from additional resources, given that the current Health Specialist also fills a role as DFAT's in-country Health Sector Adviser, where he is currently engaged on the design of a new health program. He currently has very limited time for PPF.
8. Given comments below (see the MEL section) about the need to improve outcome and output reporting, additional M&E assistance as has been proposed, with recruitment underway, will add value in terms of:
 - a. working with grantees to provide analysis on the achievement of outcomes; and
 - b. summarising grantee reports for the DFAT health and education sectors.

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9. The grants process is sound and well documented, with guidance notes, templates, handbooks, and advisory services available. There has been significant learning from Round 1, which is demonstrated in amended documentation and processes for the Round 1 Extension. The grant's process places emphasis on:
 - a. Identifying organisations with the capacity to manage implementation activities at scale;
 - b. Grants that have the potential to achieve critical results;
 - c. Projects and consortia with the potential to deliver a diverse array of services;
 - d. A competitive grant process with rapid market assessment, project design, and contracting; and
 - e. Significant real-time engagement with consortia to manage start-up risks, provide design, financial, management monitoring and reporting advice, ensuring compliance with grant agreements and encouraging sharing and peer learning among the consortia.
 10. Round 1 targeted service delivery in education and health with specific sectoral targets identified. The Steering Committee scores the applications on results focus (25%); Theory of Change and approach (25%); geographic targeting (15%); exit strategy and sustainability (10%); and organisational and management systems (25%). While it is acknowledged that the sectoral targets include heavy emphasis on maternal and child health, and girls, consideration should be given to including a specific criterion for gender equality.
 11. All five of the initial grantees have accomplished most of what was expected during the mobilisation phase, including managing the consortia, recruiting staff, establishing offices, signing of memoranda of understanding with relevant stakeholders, selecting sites/institutions, commencing the task of establishing baselines, consistent performance (implementation and expenditure) reporting, managing risk, and ensuring compliance.
 12. The PPF implementation team is working with DFAT to explore the phased introduction of results-focused financing as an alternative modality to business as usual. The call for market proposals, the scale of the grants, the consortia approach, the aim to achieve greater coherence and better coordination, and the focus on results provide a base for this approach to be cautiously progressed.
 13. The grantees and the projects need significant contractor inputs, clarification, and strengthening before and after agreements are signed. Critical to results-based financing are reliable baselines and systematic measurement of progress toward outcomes. This may take at least 12 months to consolidate.
 14. The PPF grants engage through the consortia with a wide range of partners. While there are only six grants, a huge reduction from over 500 in the previous program, geographical coverage is significant.
 15. The awarding of the grants has significant engagement with the GoPNG health and education departments. The Department of Education is actively involved in supporting implementation, while the Department of Health is less so, but Abt PNG is making efforts to strengthen this engagement.

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16. Currently there are no connections with other Governance Partnership workstreams. However, there is a significant potential to integrate and ‘join-up’ with DCP at provincial and district levels

Financial and risk management

17. Abt PNG has instituted strong financial management processes and oversight. There is a Financial Management Manual and templates for reporting, forecasting spending, etc. It provides extensive training in financial systems, monitoring, and workshops for shared learning among the grantees.
18. Spending is tracking below budget, across all grantees. This is not unexpected in the start-up phase given the issues that have arisen. The Grant Manager needs to ensure that it is properly resourced to monitor grantees’ spending forecasts and assess if they are realistic. Given the size of the PPF grants, individually and in total, across the board underspending against budget has the potential to cause Abt PNG embarrassment against one of its fee-based performance indicators.
19. Risks are being monitored from the award of a grant (i.e. *Where does the consortium need strengthening? Does it need support in recruitment and engaging the partners?*) through to implementation.
20. Abt PNG undertook extensive due diligence of prospective grantees and their identified sub-grantees. Taking into account DFAT’s expectations in addition to those of Abt PNG, due diligence included a pre-award assessment of the fiduciary, organisational, and child protection policies and processes of each entity that was approved by the Strategic Management Group.
21. The grant agreements include standard DFAT compliance requirements such as child protection, fraud, conflicts of interest, and other DFAT policies. They include key grant conditions, special conditions for that grant, standard grant conditions, activity proposal and budget, the M&E plan, the annual workplan, the annual budget and indicative budget, the risk management plan (to be revised each year), and the grant guidelines.
22. There has been one case of fraud and this is currently being investigated.
23. Grantee risks that have arisen in the first year include:
- a. Absence of counterpart funds for trainees’ costs in provinces.
 - b. Difficulty getting government departments and communities to engage.
 - c. Delays in agreeing memoranda of understanding with some provincial health authorities and provincial health offices because of unrest.
 - d. Interruptions in medical supplies, i.e. stockouts (most likely due to significant issues with national medical stores procurement).
 - e. In one consortium, a key partner’s organisational capacity was insufficient and this compromised implementation.
 - f. In another there is an ongoing financial sustainability risk with the work of a consortium lead, which is being managed.

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- g. Managing a large consortium has been time-consuming (detracting time from project implementation) for some grantees.
 - h. Attracting sufficient Department of Health staff time and attention is an ongoing risk. They have been informed and briefed in writing and verbally, but there remains a risk of insufficient engagement and future support for sustainability.
 - i. Integration of services is complex and can require health workers to develop new ways of working – especially across the previous divide of well-funded vertical HIV programs separate from less well-funded primary health care. Careful ongoing monitoring of the integration process will be required.
 - j. Safety and security of staff in Papua New Guinea and/or civil unrest.
24. The PPF monitors and discusses risks with grantees in the monthly meetings. Grantees are encouraged to update their risk management plans as and when new risks are identified or the status or treatment of existent risks change.

MEL

25. One specialist provides M&E support to the PPF. There is additional support available from the KAL team and a MEL adviser is in the process of being recruited. We consider that, given the size of the investment, the diverse nature of the grants and grantees, and the extensive MEL requirements, Abt PNG needs to consider increasing the MEL resources within the secretariat.
26. The PPF has an overall MEL Framework⁵⁴ that provides some direction to grantees about reporting and limited aspects of MEL. This was endorsed by the AHC in November 2017, with the most current version dated 1 March 2018. In practice for the PPF, MEL is being designed and delivered in various styles by the individual grantees with, to date, insufficient consistency or application of quality standards, nor overarching MEL.
27. The role of the PPF is to make sense of and review grantee operations for GoPNG and DFAT. In addition, the PPF is also responsible for the overall management of finances and staff associated with project oversight functions. The PPF reporting framework captures reporting on these tasks.
28. For the PPF (not grantees), the key MEL outputs are:
- a. A monthly progress update of the PPF activities, submitted to DFAT on the 30th day of the following month, with a by-exception process introduced for any significant development.
 - b. A monthly dashboard report intended for the sector counsellors and higher levels of AHC management. It contains a summary of grant milestones, status updates, identified risks, and grant fund expenditure. Note that we did not

⁵⁴ Papua New Guinea Partnerships Fund (2018) *PPF Handbook Part 2: Monitoring, Evaluation and Reporting Framework*. Version 1, March 2018.

receive any significant feedback indicating that this report is used or valued. Its continued production should therefore be reviewed.

- c. The health and education specialists and PPF team members will meet with the grantee project leads once a month to discuss progress in implementation. The summary of these meetings, shared and agreed to with the grantee representative, remain an internal PPF report. However, this information could be incorporated into a quarterly report that summarises grantees quarterly financial reports and provides a summary and overarching synthesis of project implementation based on technical staff reviews.
 - d. An annual report that consolidates the annual report of all annual PPF events.
 - e. An annual grantee forum to share project performance regarding outputs and outcomes. The audience for this event includes the National Department of Planning and Monitoring, the departments of Education and Health, academic institutions, grantees' teams, the Australian High Commission, and the PPF. We believe this meeting could be used as a forum for harmonising MEL approaches.
 - f. Fields visits by DFAT, GoPNG, and Abt PNG to provinces implementing health and education projects.
29. The above represents an extensive commitment that needs to be refined. Much of this is not being used or found to be fit for purpose.

Usefulness of reporting

30. Reports on the PPF go to the governments through three entry points:
- a. The counsellor responsible for the PPF as an investment receives the overall reports on the performance of the investment;
 - b. The DFAT health and education sector teams receive the Abt PNG and grantee reports for the development content; and
 - c. The DNPM receives the reports for the development activities.
31. The report on the PPF as an investment meets DFAT's needs.
32. The reporting on inputs and activities is extensive. In volume, however, the QTAG was told that it does not meet the DFAT education and health sector needs for brief summaries on what is happening. The Dashboard was not seen as a valuable tool. Abt PNG currently sends DFAT the grantees' annual reports, in full. In their first iteration these are 30 or so pages long. Recognising that most grants are not yet a year old, these reports need to be strengthened in the areas of outputs analysis leading to outcomes. Rather than just receiving full grantee reports, the DFAT sector team would prefer a summary analysis of the highlights for each grantee of the outputs and their contribution to the desired outcomes. QTAG recognises that the grants were quite new for the July–December 2017 reporting period and outputs were new and it was too early to expect outcomes.
33. Grantee reporting obligations are:

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- a. Monthly and quarterly financial reports;
 - b. Six-monthly and annual implementation reports; and
 - c. Participation in review and reflection workshops.
34. The content of all reports is set out in templates. For the six-monthly and annual reports the key headings are:
- a. Summary/Abstract
 - b. Annual progress report
 - c. Implementation progress
 - d. Results progress:
 - e. Compliance
 - f. Next steps
 - g. Sustainability and exit strategy
35. Grantee reporting is at an early stage. All grantees are reporting using the agreed annual plan activities, outputs, and outcomes. The reporting on inputs, activities, and outputs is mostly comprehensive, with high levels of achievement. Under the 'Annual Progress Report' heading, grantees are expected to report on the continued relevance and appropriateness of the Theory of Change for achieving program outcomes. Only some grantees have provided an analysis in their first annual report; however, this is not unexpected given the early stages of their programs.
36. There is a significant gap in requiring reporting and analysis of gender and inclusion interventions, outcomes, and lessons within the documentation. Disaggregated data reporting is not enough.

Gender and inclusion principles

37. PPF grant outcomes are deeply grounded in GESI in both the health and education sector activities. This provides a massive opportunity for grantees and the Secretariat to advance gender and inclusion programming through reporting and communicating successes, learning, and failures.
38. Gender, disability, and social inclusion are noted as features of the grant concept papers and design. But, from thereon, gender is largely absent in the documentation.
39. For example, in the PPF MEL Framework the word 'gender' appears only once and attention to it is then encouraged in reporting under the Compliance section, to *'highlight any significant ways in which gender, disability and social inclusion has been addressed.'* This is not sufficient.
40. The PPF is supporting some partners with recognised expertise in promoting gender equality and addressing the specific needs of women from different backgrounds, including Marie Stopes International and Care International. Some examples of innovative approaches were given, such as working with 'holy men' as partners to overcome barriers to using maternal health services. The six-monthly meetings between grantees provide a good opportunity for peer grantees to learn from each other around approaches to GESI in different Papua New Guinean communities and to draw lessons and good practice that could be used to inform and inspire other partnerships. These

gatherings should be harnessed as regular opportunities to foster discussions on strategies for gender equality with GoPNG counterparts.

41. The partnership should also ensure that gender equality impacts are captured in regular reporting, including evidence of what works in promoting gender equality, girls' education, women's empowerment, and responses to sexual and family health in order to build a repository of evidence for the country context.
42. The PPF could consider supporting grantees to build in formative research alongside the design for gender interventions, to demonstrate gender impacts and not simply assess these impacts after the fact during evaluations. An appropriate percentage of each budget could be set aside for evidence generation and dissemination of findings as a way to increase the discourse around what works for different communities in Papua New Guinea in addressing the gendered impacts of health and education. Technical advice on research methods should be offered by the partnership through KAL to ensure quality, consistency, and replicability where needed.

The awarding of the PPF contract

43. Abt PNG was awarded the contract to manage the PPF under SO 8 to the original Contract Deed (April 2016) in late March 2017.
44. The approval under Section 23 of the Commonwealth *Public Governance, Performance and Accountability Act* to spend public money was signed on 23 March. The Section 23 decision and the decision to issue SO 8 as a sole source tender was predicated on the basis that Abt PNG had won the contract early in 2016 and the procurement fee was reasonable. The minute under the heading 'Value for Money' noted that the fee was 'well below our current contracts portfolio average management fee of approximately 12%'.
45. At the time SO 8 was awarded, Abt PNG had been operational for eight months as a facility.
46. When SO 8 was issued, DFAT was under significant pressure to establish a grants scheme for two reasons: 1) the previous grants mechanisms had wound down; and 2) the new health and education sector designs were not ready. DFAT therefore needed quick access to a grants implementation mechanism.
47. Grant funds traditionally have a lower management fee than projects. Abt PNG reported to DFAT early in 2018 that the overall cost of grant administration within the Governance Partnership is less than 2% of grant value, without a full allocation of some overheads.
48. QTAG has assessed that a fee of 3–4% may be in the appropriate range.
49. However, we recognise that Abt PNG was taking on risks in managing these grants, including advance funding, responsibility for fraud, etc. The direct costs were fully reimbursable, while the PPF was not anticipated when the original contract was tendered. Increased corporate management/overhead costs would have been minimal, except perhaps for modifications to the internal FMIS.
50. When the PPF was offered to Abt PNG, DFAT attempted to negotiate a better procurement fee but was unsuccessful; Abt PNG resisted. We believe that that fee is on the high side of comparable grant mechanism fees.

Recommendations

- a. The following management enhancements be implemented:
 - i. Documenting governance mechanisms for PPF to reflect the April 2018 Ways of Working draft document.
 - ii. Updating the PPF handbook to illustrate more clearly the involvement, engagement and reporting to GoPNG in parallel with or through DFAT.
 - iii. Including a specific gender equality assessment criterion at 10% for the assessment of grants.
- b. That the PPF MEL Adviser ensure each grantee is implementing MEL to an agreed set of MEL quality standards, common formats, and consistent approaches, to a set of common agreed terms and definitions; specifically:
 - i. The frequency of reporting be reviewed by Abt PNG and AHC with a view to adopting quarterly and annual reports on the grantee's progress and bi-monthly finance reports.
 - ii. The Secretariat adds to the quarterly and six-monthly reports a concise analysis on each grant and its progress towards delivering on the development outcomes and key outputs. Grantees should be supported to provide an analysis at the outcome level.
- c. Engage a gender adviser to work with grantees to embed gender and inclusion principles and ensure greater prominence in their reporting.
- d. Seek opportunities to undertake appropriate scale research during the projects.
- e. DFAT and Abt PNG jointly review the procurement fee for SO 8 to establish if it provides VfM given the experience of the last year, the resources required to manage the fund, the advance funding requirements, management fees for comparator funds, and the risks assumed by Abt PNG.

Annex A List of key informants

Given Name	Surname	Position	Organisation	Sex
Government of Papua New Guinea				
Frank	Aisi	Deputy Secretary Policy	PM&NEC	M
Stanley	Arua	Coordinator Program Compliance	PM&NEC	M
Jan	Czuba	Secretary	DHERST	M
Ilma	Gani	Assistant Secretary	DNPM	F
Dickson	Guina	Secretary	DPLGA	M
Hakaua S	Harry	Secretary	DNPM	F
Dominic	Ira	Deputy Secretary	Department of Finance	M
Isaac	Lupari	Chief Secretary	PM&NEC	M
John	Maigu	Director General	PM&NEC	M
Terry Jack	Manab	Senior Policy Coordinating and Monitoring Officer Bilateral Affairs	PM&NEC	M
Cletus	Ngafficin	Director Compliance	PM&NEC	M
Ken	Ngangan	Secretary	Department of Finance	M
Stephen	Nukuim	Deputy Secretary Operations	Department of Finance	M
Stephen	Nukultu	Deputy Secretary	Department of Finance	M
Betty	Palaso	Commissioner General,	Internal Revenue Commission	F
Rose	Raka-Koyama	FAS (M&E Division)	DNPM	F
Vele	Ravugamini	Executive Manager, Executive Leadership Development Division	DPM	M
Taies	Sansan	Acting Secretary	DPM	F
Anna	Solomon	Secretary	Dept for Families, Religion and Community Development	F
Hohora	Suve	A/g Chairman / CEO	National Economic and Fiscal Commission	M
Jerry	Upase	Acting Secretary	Dept for Families, Religion and Community Development	M
John	Uware	First Assistant Secretary	Treasury	M
Australian Government Department of Foreign Affairs and Trade				
Chakriya	Bowman	Counsellor, Economics and Security	DFAT	F
Fiona	Crookford	First Secretary - Sub National Development	DFAT	F
Cameron	Darragh	First Secretary, Bougainville and Kokoda	DFAT	M
Benedict	David	Minister Counsellor, Economics and Security	DFAT	M
Stephen	Deklin	Second Secretary, Sub National Development	DFAT	M
Penny	Dennis	First Secretary, Education & Leadership	DFAT	F
Janelle	Denton	First Secretary, Education and Leadership	DFAT	F
Suzanne	Edgecombe	Counsellor, Education & Leadership	DFAT	F
Andrew	Egan	Minister Counsellor, Governance (SRO)	DFAT	M
John	Francis	Second Secretary, Program Strategy and Gender	DFAT	M
Chris	Gibson	Second Secretary, Sub National Development	DFAT	M
Junita	Goma	Program Manager, Sub National Development	DFAT	F
Julie	Hart	Second Secretary, Sub National Development	DFAT	F
Freddy	Hombuhanje	Program Manager - Sub National Development	DFAT	M
Jane	Ilam	Program Manager, Sub National Development	DFAT	F
Stella	Koaipura	Program Manager - Sub National Development	DFAT	F
Jenny	Max	A/g Program Manager - Program Strategy & Gender	DFAT	F
Nathan	McIntosh	Second Secretary, Sub National Development	DFAT	M
Alex	Oates	First Secretary, Sub National Development	DFAT	M
Brendan	Peace	Counsellor, Sub National Development	DFAT	M
Lucy	Rhydwen-Marett	Second Secretary, Program Strategy and Gender	DFAT	F
Nicola	Ross	Counsellor, Program Strategy and Gender	DFAT	F
Nicole	Smith	Second Secretary, Bougainville	DFAT	F
Leah	Tuka	Assistant Program Manager, Bougainville	DFAT	F
Meredith	Tutumang	Senior Program Manager, Health	DFAT	F
Karley	Walton	Second Secretary, Program Strategy and Gender	DFAT	F

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Hakaua S	Harry	Secretary	DNPM	F
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John	Maigu	Director General	PM&NEC	M
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Cletus	Ngafficin	Director Compliance	PM&NEC	M
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Stephen	Nukuim	Deputy Secretary Operations	Department of Finance	M
Stephen	Nukutu	Deputy Secretary	Department of Finance	M
Betty	Palaso	Commissioner General,	Internal Revenue Commission	F
Rose	Raka-Koyama	FAS (M&E Division)	DNPM	F
Vele	Ravugamini	Executive Manager, Executive Leadership Development Division	DPM	M
Taies	Sansan	Acting Secretary	DPM	F
Anna	Solomon	Secretary	Dept for Families, Religion and Community Development	F
Hohora	Suve	A/g Chairman / CEO	National Economic and Fiscal Commission	M
Jerry	Upase	Acting Secretary	Dept for Families, Religion and Community Development	M
John	Uware	First Assistant Secretary	Treasury	M
Australian Government Department of Foreign Affairs and Trade				
Chakriya	Bowman	Counsellor, Economics and Security	DFAT	F
Fiona	Crockford	First Secretary - Sub National Development	DFAT	F
Cameron	Darragh	First Secretary, Bougainville and Kokoda	DFAT	M
Benedict	David	Minister Counsellor, Economics and Security	DFAT	M
Stephen	Deklin	Second Secretary, Sub National Development	DFAT	M
Penny	Dennis	First Secretary, Education & Leadership	DFAT	F
Janelle	Denton	First Secretary, Education and Leadership	DFAT	F
Suzanne	Edgecombe	Counsellor, Education & Leadership	DFAT	F
Andrew	Egan	Minister Counsellor, Governance (SRO)	DFAT	M
John	Francis	Second Secretary, Program Strategy and Gender	DFAT	M
Chris	Gibson	Second Secretary, Sub National Development	DFAT	M
Junita	Goma	Program Manager, Sub National Development	DFAT	F
Julie	Hart	Second Secretary, Sub National Development	DFAT	F
Freddy	Hombuhanje	Program Manager - Sub National Development	DFAT	M
Jane	Ilam	Program Manager, Sub National Development	DFAT	F
Stella	Koalpura	Program Manager - Sub National Development	DFAT	F
Jenny	Max	A/g Program Manager - Program Strategy & Gender	DFAT	F
Nathan	McIntosh	Second Secretary, Sub National Development	DFAT	M
Alex	Oates	First Secretary, Sub National Development	DFAT	M
Brendan	Peace	Counsellor, Sub National Development	DFAT	M
Lucy	Rhydwen-Marett	Second Secretary, Program Strategy and Gender	DFAT	F
Nicola	Ross	Counsellor, Program Strategy and Gender	DFAT	F
Nicole	Smith	Second Secretary, Bougainville	DFAT	F
Leah	Tuka	Assistant Program Manager, Bougainville	DFAT	F
Meredith	Tutumang	Senior Program Manager, Health	DFAT	F
Karley	Walton	Second Secretary, Program Strategy and Gender	DFAT	F

Sub National Stakeholders - Talasea District, West New Britain Province and other Districts				
Rosleyn	Akua	Owner / Sponsor	MERI Self Haus	F
Mesulam	Ave	Deputy District Administrator,	Talasea District	M
Steven	Bego	A/g Justice Adviser	West New Britain Province/ Talasea District	M
Joe	Ben	MP Electoral Staff	Member for Talasea	M
Father	Gabriel	Bishop	Catholic Church, West New Britain	M
Victor	Golpak	DCHS	WNB Provincial Health Authority	M
Williamson	Hosea	Provincial Administrator,	West New Britain Province/ Talasea District	M
Zacharias	Jamota	District Administrator / CEO DDA	Sohe District	M
Mark	Kamjua	District Administrator / CEO DDA	Mul Beiyer Lumusa	M
Paul	Laore	District Education Adviser	West New Britain Province/ Talasea District	M
Theodora	Maea	Coordinator	WNB Community Development Forum	F
Barbra	Nake	Internal Auditor	WNB Provincial Health Authority	F
Joseph	Nale	Director, Public Health Service	WNB Provincial Health Authority	M
Josepha	Nambasai	Manager GESI	WNB Provincial Health Authority	F
Dennis	Parisam	Director Planning Information and Coordination]	WNB Provincial Health Authority	M
Steven	Raphael	Tax Credits and Community Projects Coordinator	New Britain Palm Oil Limited	M
Vincent	Tagere	Adviser Technical Services Unit	West New Britain Province/ Talasea District	M
Stanislaw Stevens	Tao	CEO	WNB Provincial Health Authority	M
Celine	Uma	Principal Adviser, Community Development	West New Britain Province/ Talasea District	F
Other Donor and Civil Society Stakeholders				
Paul	Barker	Executive Director	Institute of National Affairs	M
Julie	Bukikun	Assistant Res Rep Governance	UNDP	F
Andrew	Cooper	Senior Operations Officer	World Bank	M
David	Craig	Senior Governance Adviser	World Bank	M
Yuambari	Hailhuie	Researcher	Transparency International PNG	M
David	Hill	Country Director	Asian Development Bank	M
Arianne	Kassman	Executive Director	Transparency International PNG	F
Imelda C.	Ochavillo	Project Director/Chief of Party	World Vision	F
Gianluca	Rampolla Del Tindaro	Resident Coordinator	United Nations	M
Lawrence	Stephens	Chair	Transparency International PNG	M
Richelle	Tickle	Country Director	Pacific Women	F

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