

AUSTRALIA PACIFIC TRAINING COALITION
STAGE 3 (APTC3)

STRATEGIC REVIEW

Executive Summary

March 2021

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A Review of APTC3 was undertaken in two stages. Firstly, the preparation of a discussion paper based on detailed Terms of Reference (TOR) and supported by an intensive consultation phase from August to October 2020. This informed partner discussions between DFAT and APTC (note in this Report a reference to APTC also infers the Managing Contractor for the APTC investment, TAFE Queensland). From late January – February 2021, a strategic review report, based on more targeted TOR, was prepared.

In the first stage, the team consisted of: Fantasha Lockington (Pacific Lead – Fiji), Lesieli Taviri (Pacific Lead – PNG), Kate Hayes (Australia Lead), Bob Paton (TVET Specialist), Denise Stevens (TVET Specialist) and Stuart Kinsella (MEL Specialist and VFM lead) with VFM specialist support provided by economist Peter Mook. For this Final Strategic Review Report the team consisted of Kate Hayes, Bob Paton, Denise Stevens, Stuart Kinsella with MEL/research support from Jenny Geppert (MEL Specialist).

Acknowledgements: The team would like to acknowledge the support of the APTC team, Board and Associates in providing information and access – this has been invaluable, and we acknowledge at times a heavy load against a backdrop of COVID 19 and all the implications for a team scattered through repatriation to home countries; and the lock downs of those. Similarly, the access to and support of the DFAT team in Canberra and Suva has been so appreciated and has been invaluable in progressing a number of consultations (especially with Post). Thanks too, to the teams at the High Commissions who gave the Review an understanding of the Government of Australia’s perspective in each country and were generous and open regarding their engagement with APTC.

More broadly the team acknowledge and honour the time, generosity and reflections of the people consulted (**Annex B**). Most sought anonymity for their views and unless permission has been

Version number	Date	Description	Author
1	09 November 2020	Discussion Paper to DFAT, APTC, APTC Board and TAFE Queensland – detailed TOR	Stage One Review Team
2	10 March 2021	Strategic Review Final Report	Final Review Team

Disclaimer

This report was commissioned through the Pacific Education and Skills section of the Pacific Partnerships & Human Development Branch, Department of Foreign Affairs and Trade. The views in the report are those of the authors and do not necessarily reflect the views of the Australian aid program or of any other organisation or person.

Acronyms and Abbreviations

ADB	Asian Development Bank
AIFFP	Australian Infrastructure Financing Facility for the Pacific
APTC	Australia Pacific Training Coalition (noting in this Report a reference to APTC also infers the managing contractor for the APTC investment, TAFE Queensland)
APTC3	Australia Pacific Training Coalition Stage 3
CCS	Course Commencement Survey
COVID-19	Novel Corona Virus Disease 2019
DFAT	Department of Foreign Affairs and Trade
DHERST	Department of Higher Education, Research and Technology (PNG)
EOPO	End-of-Program Outcome/s
FHEC	Fiji Higher Education Commission
FNU	Fiji National University
GTS	Graduate Tracer Survey
MELF	Monitoring, Evaluation and Learning Framework
MOU	Memorandum of Understanding
MTR	Mid-Term Review
OTP	Office of the Pacific
PLF	Pacific Labour Facility (part of the Pacific Labour Scheme)
PLS	Pacific Labour Scheme
PNG	Papua New Guinea
POMTECH	Port Moresby Technical Institute
RTO	Registered Training Organisation
SPC	The Pacific Community
PacREF	Pacific Regional Education Framework
TAFE Qld	TAFE Queensland
The Institute	Institute for Human Security and Social Change, La Trobe University (APTC Associate)
TSSP	TVET Systems Strengthening Platform
TVET	Technical and Vocational Education and Training
USP	University of South Pacific
VfM	Value for Money
WBG	World Bank Group

Executive Summary

A formal independent mid-term review (MTR) of APTC3 was originally planned for 2021, but due to the COVID-19 pandemic it was called forward and repurposed as a Strategic Review (the 'Review'). The Review considers whether the positioning and direction of APTC3 is still relevant and delivering value for money in the context of Australia's Pacific Step-up and new development policy framework, *Partnerships for Recovery*.

The Review responds to three broad questions:

1. What role might APTC play in supporting economic recovery in Pacific Island Countries, and in Australia, over the next 5 years?
2. To what extent has APTC responded to and progressed the Australian Government's priorities for its Pacific Step-up, including addressing Australia's labour mobility needs, and the labour mobility needs of Pacific Island Countries?
3. To what extent do the results achieved to date and the ways of working represent a value-for-money trajectory from both a Pacific and Australian perspective?

Overall, the Review finds that as per Pacific Step-up, Australia is deepening its contribution and value in the Pacific through the Australian Pacific Training Coalition (APTC), and APTC is giving real expression to the Pacific-Australia partnership both at regional and national levels. In the context of the COVID-19 pandemic and its impact on the Pacific, and noting Australia's *Partnerships for Recovery* policy framework, it is vital that this partnership is optimally positioned to serve socio economic recovery. **The Review finds there is scope to better corral resources (focus, people and budget) to this recovery agenda.**

In designing APTC3, the Department of Foreign Affairs and Trade (DFAT) intended three strategic shifts (transitions). The design set an ambitious transition agenda, originally charted over 12 years. **The first strategic shift** was based on a finding that ongoing enclave delivery of training as a standalone college was not scalable, sustainable or value for money, and that the practice of providing scholarships for up to 75 per cent of enrolments had led to a supply driven model. DFAT sought to leverage APTC's established reputation for quality training and Australia's reputation more broadly, for quality TVET systems in order to reposition/embed APTC within and serving a demand driven quality Pacific TVET system. Through APTC3, APTC is contributing to **TVET sector strengthening** through partnering and to **TVET systems reform** through mobilising and/or engaging in coalitions and is the means to effectively contribute to a quality Pacific TVET system. The Review affirms APTC's emergent approach based on partnering principles as very well received in the region and delivering early results. **This approach is positioning APTC to make the most meaningful and scalable contribution to the development of a quality TVET system in the Pacific and (through this) optimise its contribution to socio-economic recovery.**

The **second strategic shift**, gradual co-investment, is perhaps more aptly framed as an enabling strategy. It recognises that the emphasis placed on scholarships in previous phases is inconsistent with a demand driven system. Demand can be measured by the extent of co-investment, that is, the willingness to contribute to TVET by those who benefit from it – individuals, employers and governments. It is intended that the principle of co-investment be understood primarily as investment in Pacific TVET, not as investment in APTC per se. **The Review considers this intent (i.e., investment in the system beyond just APTC) has become lost in translation. The focus of effort and activity has instead been on co-investment in APTC, which distracts from a focus on contributing to a demand responsive TVET system, which would in turn make co-investment more compelling.**

And finally, to the **third strategic shift**. APTC3 was designed with a renewed emphasis on **Labour Mobility** to both increase the value for money proposition and meet the objectives of Australia's Pacific Step-up and the objectives of a growing number of Pacific Countries. Facilitating inclusive and effective labour mobility in the context of COVID-19 is to facilitate shared economic recovery and is

an excellent expression of mutual benefit, a core principle of effective partnerships. **The Review considers this strategic shift needs prioritising, a reallocation of resourcing and also a broader non-traditional redefinition of what it means for APTC to contribute to Pacific labour mobility outcomes.** The measure could be more than just APTC graduates who take up labour mobility opportunities and also must account for those labour mobility participants who undertake any one of a range of APTC designed/supported preparedness training and/or reintegration support processes. This combination contributes to building an inclusive, mutually beneficial Pacific Labour Scheme. Ideally, APTC would, over time, work with and through national providers to support scale and sustainability.

The Review process, together with the impacts of COVID-19, have put APTC's transition/response to the APTC3 design under the spotlight. In just over two years the transition foundations have been developed and implementation is underway. Now, **fairly or otherwise, the impacts of COVID-19 call for agility and speed, and a tightening of strategy and execution.** Further, a revised Monitoring and Evaluation Framework and supporting systems that can capture the cost and impact of the interventions being made (and aligned to Pacific priorities and DFAT country and regional-level COVID Response Plans) is critical. This will inform reporting and communication products that support strategic and judicious decision making. This is important always but particularly critical at a time when the ground keeps moving. COVID-19 and its impacts on the labour markets and economies of the Pacific will be reverberating for many years yet and for Australia to make a more meaningful contribution through APTC a number of priority actions are recommended.

Summary of key findings and recommendations

What role might APTC play in supporting economic recovery in Pacific Island Countries, and in Australia, over the next 5 years?

Number	Key Finding	Recommendation
1.	<ul style="list-style-type: none"> • TVET and skills development more broadly is a key instrument for supporting passage through the COVID-19 crisis and the emergent socio-economic recovery. • When benchmarked against WBG and ADB frameworks for TVET support to socio-economic recovery, APTC's interventions since COVID-19 are well aligned. 	<ul style="list-style-type: none"> • All efforts by APTC both in their supporting TVET strengthening/TVET systems reform role, and in their training role, must be corralled to an unequivocal and shared purpose: <i>skills for inclusive recovery and employment.</i>
2	<ul style="list-style-type: none"> • APTC's ability to respond to the COVID-19 pandemic through reskilling workers from affected industries and skilling new workers for emerging priorities has largely been driven by fee-for-service opportunities, not through a restructured operating budget. • This was reflected to the Review as being driven by an annual contractual target to <i>deliver Australian qualifications to around 1200 graduates.</i> • Australia's unique offering is its expertise in quality TVET systems – not Australian qualifications per se. Overstating this, risks diminishing the value and currency 	<ul style="list-style-type: none"> • Reframe/reinterpret the contractual target on the basis that it captures a composite of all delivery options (i.e., full qualifications, short courses, skill sets and micro credentials); and stipulate the number of graduates based on equivalence i.e. an agreed equivalent of X full-time student hours. • Promote the value of Australian qualifications for identified labour mobility opportunities and emerging growth sectors but challenge the narrative that Australian qualifications are inherently valuable. Australia's TVET quality systems expertise is the core offering. Promote and support <i>quality TVET to agreed standards</i> with TVET partners.

Number	Key Finding	Recommendation
	of contributing to a sustainable and quality Pacific TVET.	
3	<ul style="list-style-type: none"> At a Pacific TVET systems level there continues to be a mismatch between the supply and demand for skills. At the individual provider level there has been little evidence until recently, that APTC's training profile has been genuinely 'demand-responsive'. In the initial response to COVID-19, APTC quickly shifted some training delivery to remote learning and adopted a greater use of technology and learner support. 	<ul style="list-style-type: none"> Accelerate the reforms (mandate, systems, processes) within APTC and partners that reinforce the industry demand orientation of TVET provision. Monitor and publish APTC employment data by qualification and by pre-course employment status Develop a three-year roadmap to adopting further innovations in remote learning and technology supported training delivery (avoid reverting to the traditional classroom model). Consider technology supported access for people living with disabilities.
4.	<ul style="list-style-type: none"> The strategic shifts of the APTC3 design are still very relevant but have not yet led to a comprehensive reassignment of budget or staff resources to support implementation. APTC has developed some good strategies and frameworks to guide the strategic shifts, but they do not easily form a coherent whole. Nor is there a clear prioritization tool for charting focus/effort. TVET strengthening/TVET systems reform is foundational through which training, and labour mobility initiatives can be implemented with and through interested partners. 	<ul style="list-style-type: none"> Integrate and mainstream the strategic shifts in budget and structure – and cohere the strategies and frameworks cognisant of their interconnectivity. Develop discernment criteria that apply across all operations that rigorously drive a focus of effort, contain budget and support an aggregate narrative. <ul style="list-style-type: none"> Develop a subset of criteria to determine which fee-for-service activities best serve socio-economic recovery Increasingly integrate TVET strengthening as a modality less as a separate stream of work and view and deploy the TVET Sector Strengthening Platform (TSSP) as the motor of change.
5	<ul style="list-style-type: none"> APTC is building capacity at the national level by working with and through TVET, government and industry partners, and at the system level by engaging in coalitions for reform. This twin-track approach is emergent and delivering results. It is not well documented. 	<ul style="list-style-type: none"> Foster this approach and build better mechanisms for defining, tracking and communicating results, including clearly linking APTC country plans to Pacific and Australian policy objectives especially PacREF, national TVET priorities, Partnerships for Recovery, and Pacific Step-up. APTC and DFAT build more engaged and effective partnerships at Post to support the recovery agenda.
6.	<ul style="list-style-type: none"> Strategic decision making is currently not supported well by reporting and communication products. 	<ul style="list-style-type: none"> Revise the Monitoring and Evaluation Framework and refine supporting systems to inform reporting and key communication products that can support strategic and judicious decision making.

To what extent has APTC responded to and progressed the Australian Government's priorities for its Pacific Step-up, including addressing Australia's labour mobility needs, and the labour mobility needs of PICs?

Number	Key Finding	Recommendation
7.	<ul style="list-style-type: none"> Since its 2007 inception there is limited evidence of APTC graduate labour mobility outcomes. The APTC contract reflects a range of training support for labour mobility work would most likely be 'fee-for-service' and so APTC did not factor this into the operating budget. This has stymied coordination efforts with the PLF. 	<ul style="list-style-type: none"> Redirect core budget and resources to support this strategic priority. Frame labour mobility targets that accommodate a range of contributions to 'Pacific labour mobility outcomes', including APTC's range of preparedness training for labour mobility participants. Deepen partnership with the Pacific Labour Facility. Anticipate/shape PLF Roadmap initiatives for semi-skilled opportunities and adjust training profile.
8.	<ul style="list-style-type: none"> APTC has a stated mandate to renew its emphasis on labour mobility and enhance labour mobility outcomes. APTC has responded to this mandate and developed a labour mobility (away) training track; developed a range of supporting preparedness training and promoted labour mobility within and across the Pacific. COVID-19 impacts demand an amplified response. The APTC design principle of non-competition with local TVET providers has meant a focus on higher order certificates and diplomas – the transition to TVET strengthening opens up an opportunity for APTC to support interested TVET partners/governments address the disproportionate impacts of COVID-19 on youth employment through carefully supported youth labour mobility initiatives. 	<ul style="list-style-type: none"> Supply and demand are inextricably linked and APTC can contribute to shaping the Australian demand for semi-skilled workers through its TAFE Queensland and Board networks (in concert with PLF process). Take advantage of closed borders and trace and track graduates eligible for Temporary Skills Shortage Visas and support links with employers – and/or consider transferring Pacific TSS interests to the PLF who have the sector/employer mechanisms. Work with and through interested TVET partners to support development and delivery of: <ul style="list-style-type: none"> employability skills packages; work readiness standards and work readiness training at scale to support the Pacific Labour Scheme; Certificate I and II opportunities to facilitate youth labour mobility in agriculture; and youth re-integration and employment opportunities along the agriculture supply chain including by leveraging links with Australia's PHAMA Plus and PACER Plus investments.

To what extent do the results achieved to date and the ways of working represent a value-for-money (VfM) trajectory from both a Pacific and Australian perspective?

Number	Key Finding	Recommendation
9.	<ul style="list-style-type: none"> Overall, the results achieved to date in APTC3 and ways of working represent 'Fair' to 'Good' value for money (on a 5-point scale) from a Pacific and an Australian perspective, and there is evidence of a positive and improving VfM trajectory since the last VfM assessment completed in 2014. 	<ul style="list-style-type: none"> VfM would be improved by facilitating stronger labour mobility outcomes, accelerating reforms to reduce both the footprint and cost of training, reducing the dependence on bursaries, and increasing access to training for women and people living with a disability, especially by innovating in supported remote learning and technology options.
10.	<ul style="list-style-type: none"> APTC's value for money framework has potential as a new and credible approach 	<ul style="list-style-type: none"> Develop and finalise the VfM framework, including co-creating performance criteria and

Number	• Key Finding	• Recommendation
	to making a more wholistic assessment of value for money.	<p>agreeing the weightings with DFAT and key stakeholders.</p> <ul style="list-style-type: none"> • Complete the benefits model as a priority so a true cost-benefit analysis can be undertaken. • Review and revise the performance criteria for the 4 E's, both in terms of overall content and quantum (there are potentially too many criteria) and weighting particularly for 'Effectiveness'. • Add labour mobility as a core and discrete criterion in the VfM framework under 'Effectiveness'.