



Australian Government  
AusAID

# Annual program performance report for Solomon Islands 2007–08

SEPTEMBER 2008

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## Abbreviations

AIDS	Acquired Immune Deficiency Syndrome
AusAID	Australian Agency for International Development
ADB	Asian Development Bank
CNURA	Coalition for National Unity and Rural Advancement
GDP	gross domestic product
HIV	human immunodeficiency virus
ICT	information and communications technology
MDG	Millennium Development Goal
NGO	non-government organisation
QAI	quality at implementation
RAMSI	Regional Assistance Mission to Solomon Islands
SIPF	Solomon Islands Police Force

## Summary

Australia's official development assistance to Solomon Islands continued through challenging circumstances in 2007–08. This assistance totalled AUD 229.8 million, primarily delivered through the Regional Assistance Mission to Solomon Islands (RAMSI). It also includes assistance to the RAMSI Participating Police Force by the Australian Federal Police, and AusAID's bilateral program, which complements RAMSI. Australia is the largest donor to Solomon Islands and the leading donor to RAMSI. In line with the Paris Declaration on Aid Effectiveness, Australia works closely with other donors, including New Zealand, the European Union, the United Nations agencies, the World Bank, the Asian Development Bank and regional organisations.






In 2007–08 Solomon Islands experienced two distinct periods in the political environment. Prior to December 2007 the aid program operated in a challenging political context, experiencing numerous events that undermined program implementation, with subsequent impacts on aid effectiveness. The strained relationship with the Sogavare Government affected aspects of the Australian Government's development program. However, in mid-December 2007 the Coalition for National Unity, Reconciliation and Rural Advancement, led by Dr Derek Sikua, took government and established a more positive environment for Australia's aid program.

While significant challenges remain, the new political context has been seen as an opportunity to improve development outcomes for Solomon Islanders. In January 2008 Prime Minister Sikua launched the new government's policy document for development, which focuses heavily on governance reform and political, social and economic stability as key objectives. Following a visit by Prime Minister Rudd, Australia committed additional funds to infrastructure and tsunami reconstruction and foreshadowed an additional AUD 10 million to meet other priorities of the Solomon Islands Government in 2008–09. Assistance provided through the AusAID bilateral program will be increasingly guided by the Solomon Islands Government's Medium Term Development Strategy and a Pacific Partnership for Development which is being negotiated during 2008. RAMSI and the Solomon Islands Government are also progressing a partnership framework to provide a shared strategic vision for the future implementation of RAMSI programs.

The Australian Government's program of development assistance to Solomon Islands varied in effectiveness during 2007–08. AusAID undertook an internal review of the bilateral program and committed to developing a new country strategy to ensure that the objectives of its assistance were defined more clearly and linked more closely to a performance framework. The effectiveness of Australian assistance contributed through RAMSI was highly contested in the RAMSI annual performance report and through a number of external reviews, including by the Pacific Islands Forum in 2007. The

importance of quality, especially in a difficult operating environment, is recognised by the Australian Government. All major initiatives in the program were peer reviewed, and 15 evaluations (such as independent reviews and mid-term reviews) took place in 2007–08.

#### RATINGS FOR AUSTRALIA'S BILATERAL PROGRAM AND RAMSI

Objective	Rating	Relative to previous rating
<b>Bilateral program</b>		
1. Help government better serve the Solomon Islands people	 (amber)	Unchanged
2. Help build strong and peaceful communities	 (amber)	Unchanged
<b>RAMSI</b>		
1. To contribute to a safer and more secure Solomon Islands	 (green)	Unchanged
2. To contribute to a better functioning government	 (green)	Unchanged
3. To contribute to greater prosperity for all Solomon Islanders	 (amber)	Declined

Note:  denotes the objective is on track to be fully achieved within the timeframe.  denotes the objective will be partly achieved within the timeframe.

The Australian Government's program of assistance shows a clear distinction in quality between AusAID's bilateral program and the whole-of-government and regional approach of RAMSI. In 2007–08 all RAMSI programs were rated as achieving satisfactory progress in their implementation, including in their progress towards their objectives. This contrasts with the AusAID bilateral program; the majority of its initiatives were performing at a less than satisfactory standard. As part of the annual performance reporting process each initiative is rated using a quality reporting system that contributes towards overall assessment. The bilateral program faces a particular weakness in monitoring and evaluation; all of its initiatives were rated either 'less than adequate' or 'poor quality'. While all initiatives' ratings in monitoring and evaluation were higher than in 2006–07, performance measurement remained weak in bilateral initiatives, which contrasts with the significant investments made in this area under the RAMSI annual performance reporting mechanism.

The Australian Government's efforts to ensure that project outcomes are sustainable also requires further attention as more than half of the initiatives were rated as 'less than adequate' in these terms, which is consistent with last year's ratings. The 2005–06 and 2006–07 RAMSI annual performance reports noted that the gains in RAMSI's performance were fragile, that sustaining them would require changes in public service capacity, leadership and independence. Furthermore, RAMSI-supported initiatives were unlikely to deliver future 'wins' as quickly as they had previously done. The results in this annual program performance report confirm this forecast. In addition, it is clear that the bilateral program can learn lessons from the RAMSI analysis.

## Country performance

Solomon Islands remains a post-conflict, fragile state. The country suffered a period of unrest from 1998 to 2003 known as ‘the tensions’ when violence, criminal lawlessness and economic stagnation led to a breakdown of government services and widespread suffering and insecurity for many Solomon Islanders. As a relatively young country, Solomon Islands struggles with many challenges. It has the highest levels of income poverty in the region, a very high population growth, a large and growing number of unemployed young men, an inability of government to deliver services beyond major urban centres, a heavy dependence on unsustainable logging, low returns to private investors and a high risk of further conflict. Political instability continues to add to these challenges. It is within this context that the Australian Government’s aid program operates.

### POLITICAL AND ECONOMIC OVERVIEW

In 2007–08 Solomon Islands experienced two distinct periods in the political environment. Prior to December 2007 the aid program operated in a challenging political context and experienced numerous events that undermined program implementation. This impacted on aid effectiveness. The strained relationship with the Sogavare Government affected aspects of Australian development programs. However, in mid-December 2007 the Coalition for National Unity, Reconciliation and Rural Advancement (CNURA), led by Dr Derek Sikua, took government through a motion of no confidence and the context changed.

CNURA has placed a strong emphasis on rural development and investment in achieving the United Nations Millennium Development Goals (MDGs). Particular emphasis will be placed on improved service delivery (water, sanitation, roads, health and education) and economic opportunities (land and forestry sector reform, and employment creation). The new government has indicated it intends to deliver early on promises for economic growth. It also plans to introduce ‘political integrity’ reforms aimed at fostering political stability. Prime Minister Sikua supports a tougher stance on corruption, however addressing corruption remains highly sensitive. CNURA has demonstrated ability to articulate its reform agenda, however capacity to implement this new policy direction remains low.

While security remains stable, this stability continues to be underpinned by RAMSI. Proactive management by the Solomon Islands Police Force (SIPF), backed by RAMSI’s Participating Police Force and the military contingent, ensured that the no-confidence vote and change of government in December 2007 did not give rise to violence on the streets. Violent crime in Honiara during 2007–08 remained much the same as in the previous twelve months. There was media speculation about the increases in violent

crime, however this was not supported by contestable data. In an attempt to address underlying causes of conflict, the new Solomon Islands Government has committed to an ambitious agenda of reconciliation ceremonies.

Since independence in 1978 living standards in Solomon Islands in terms of gross domestic product (GDP) per person, have trended downwards. The country's GDP per person is one of the lowest in the Pacific. Further, Solomon Islands' high population growth rate means real economic growth needs to be above 3 per cent a year to prevent a decline in GDP per person (Figure 1). GDP would need to grow in real terms by 5 per cent a year for the next 20 years to return GDP per person to pre-tension levels. The task of improving prosperity in Solomon Islands is even more difficult given that statistics on GDP per person do not reflect issues such as income distribution and equality. Since RAMSI's arrival the economy has grown by more than 5 per cent per year. Real GDP grew by more than 10 per cent in 2007 compared with 6.1 per cent in 2006. The 2007 budget was also fully funded, with no further borrowing required. Own-source tax revenue grew by 31 per cent in 2007 and is forecast to grow by a further 15 per cent in 2008. Solomon Islands recorded the strongest growth in the Pacific, however, this has been to a great extent fuelled by its soon to be depleted forestry sector.

Inflation increased to 10 per cent in December 2007 as a result of increased prices of oil and locally produced food but was within the target range of below 8 per cent for the bulk of 2007. This inflation rate is comparable with the 10.7 per cent when RAMSI first arrived in 2003.

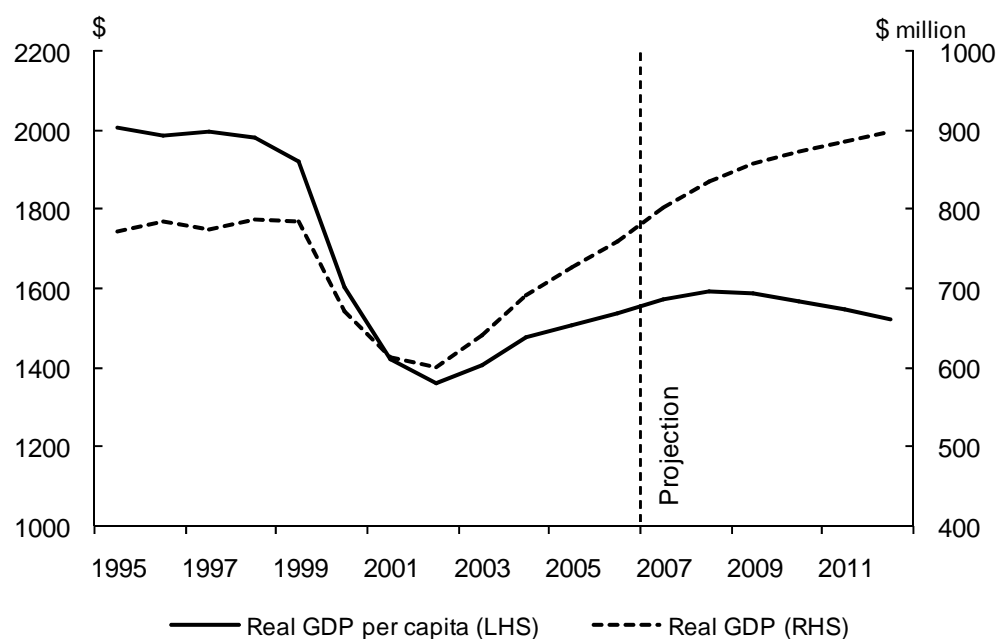


Unsustainable logging activity accounts for around 17 per cent of the economy and 70 per cent of export earnings. Its decline and expected eventual collapse will have a significant negative effect on the economy as there is no obvious replacement for the loss of exports and revenue. It is estimated that the continued undervaluing of round log exports by the Solomon Islands Government resulted in losses to government revenue of SBD115 million (approximately AUD 23.5 million) in 2007 alone. In April 2008 the government gazetted the first increase in the determined export price of logs—previously well below world prices—to more accurately reflect market values. A further increase, scheduled for 1 June, was delayed while the Solomon Islands Government responds to forest industry concerns.

Structural reforms are required to address key economic challenges, including state-owned enterprises, transport and communication links between urban and rural areas, infrastructure and service delivery including education. Weak land tenure arrangements are one of the key structural constraints to foreign investment and this issue needs to be addressed before large scale investment can take place in Solomon Islands.

Cabinet recently adopted a Medium Term Fiscal Strategy. It commits the Solomon Islands Government to prudent fiscal management in exchange for donor funded fiscal stimulus to enhance economic potential. Given the expansionist nature of the 2008 budget, the government's commitment to responsible spending in the medium term will be crucial.

**FIGURE 1 SOLOMON ISLANDS ACTUAL AND PROJECTED GROSS DOMESTIC PRODUCT**



Note: Projections from 2007 to 2012 are based on an annual population growth rate of 3 per cent.

Source: International Monetary Fund, *Solomon Islands: 2007 Article IV consultation—staff report; staff supplement; and public information notice on the Executive Board discussion*, IMF Country Report No. 07/304, September 2007; Solomon Islands Ministry of Finance and Treasury projections.

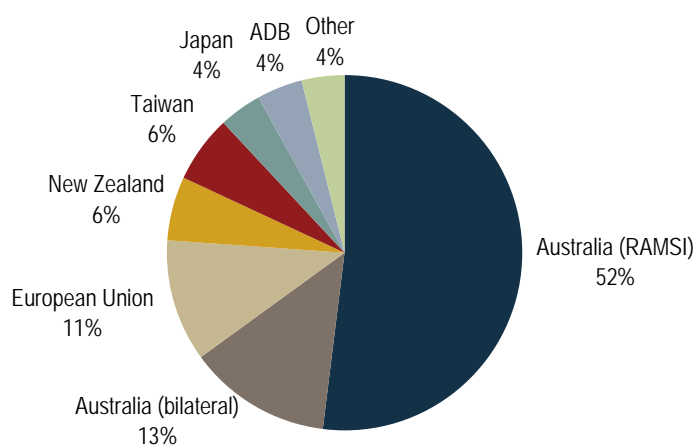
## HARMONISATION AND PARIS DECLARATION

Solomon Islands depends heavily on aid. Current assistance from the Australian Government exceeds total expenditure by the Solomon Islands Government. Australia is by far the largest donor in Solomon Islands with 64 per cent of funds provided to the Solomon Island's development budget in 2008 (Figure 2). Australia provides over 90 per cent of RAMSI's development assistance funding and around 80 per cent of RAMSI personnel. New Zealand, through its bilateral aid program, is the other main funding partner for RAMSI programs. In 2007–08 approximately 81 per cent of Australia's total official development assistance to Solomon Islands was provided through RAMSI programs, 13 per cent through AusAID's bilateral development assistance, and the remaining 6 per cent through AusAID's regional and global programs and through other Australian Government departments.

The Solomon Islands Government has expressed dissatisfaction with the lack of coordination between donors. However, since 2006 it has been without a development strategy and has struggled to effectively engage with donors and facilitate alignment. The dialogue between the government and donors during 2007–08 lacked a sustained focus on policy issues and strategic objectives. As a result the dialogue focused largely on project implementation. The government was committed to developing a Medium Term Development Strategy and a draft strategy was prepared in June 2008. Early indications are that this document will draw heavily on CNURA policy documents, with an emphasis on providing guidance on development priorities over the next two to three years. The Ministry of Development Planning and Aid Coordination has advised that the final strategy will be debated at the November 2008 sitting of the National Parliament.

Early in its term, the new Solomon Islands Government expressed a view that RAMSI could do more to assist the government to meet its priorities for provincial development,

**FIGURE 2 CONTRIBUTIONS BY DONORS TO THE SOLOMON ISLANDS GOVERNMENT'S 2008 DEVELOPMENT BUDGET**



Data source: 2008 development estimates.

indicating that it sees RAMSI as an effective mechanism to achieve results quickly. Australia responded to the request for additional support by increasing bilateral program support and continues to stress to senior officials in the Solomon Islands Government the comparative advantages in certain sectors of bilateral mechanisms over regional mechanisms.

During 2007–08 there were notable achievements in working in partnership with other donors towards the harmonisation objectives of the Paris Declaration. The AusAID bilateral program made substantial progress in establishing a sector-wide approach to health support, bringing together a range of donors including the World Bank, the United Nations Population Fund, the United Nations Children’s Fund and the World Health Organization to help the Solomon Islands Government to achieve its priorities in the sector. RAMSI is also delivering two projects of substantial scale to the provinces—in rural development and strengthening provincial government. These programs were developed in partnership with the European Union, the World Bank and the United Nations Development Programme through pooled donor-funding approaches.

Taiwan (Republic of China) continues as a significant donor providing SBD 85 million, (approximately AUD 17.2 million), including over 6 per cent of the development budget, in 2008. Some commentators have suggested that Taiwan’s aid is neither transparent nor accounted for, and in some cases is directly channelled to members of parliament in Solomon Islands through, for example, the Rural Constituency Development Fund.

The World Bank is increasingly engaged in Solomon Islands, particularly in rural development and health, and will establish an office in Honiara during 2008. The increased interest by the World Bank reflects, in part, the Australian Government’s efforts to engage it in the Pacific and the relative stability in Solomon Islands since RAMSI’s arrival in 2003. The Asian Development Bank, while a relatively modest financial contributor, has played a key role in coordinating donor assistance in transport infrastructure and emergency reconstruction since the 2007 tsunami.

## MILLENNIUM DEVELOPMENT GOALS

The Solomon Islands’ economy continued to grow in 2007–08; yet, it still faces severe challenges in meeting basic development standards. It is likely that several of the MDGs will not be reached within the designated timeframes despite some apparent gains in recent years, including in reducing infant mortality. However, as with all Pacific island countries it is extremely difficult to accurately assess progress towards the MDGs because of incomplete and poor quality data. Solomon Islands is restricted in being able to assess overall poverty levels and, as a result, is receiving donor funding for assistance to improve its MDG monitoring systems, such as the 2009 census, which is funded by the Secretariat of the Pacific Community.

Substantial Australian assistance to Solomon Islands is delivered through RAMSI’s support for policing, law and justice and improving governance and public

administration. This assistance, while not directly contributing to achieving MDGs, is creating the conditions required for development in Solomon Islands. Without a secure environment, and effective governance, development gains will not be sustainable.

While MDG 3 (promote gender equality and empower women) and MDG 5 (improve maternal health) address gender equality directly, gender equality and women's empowerment are central to the achievement of all MDGs. Development policies and actions that fail to take gender equality into account or that fail to engage women will have limited effectiveness and serious costs to societies. The reverse is also true: the achievement of MDG 3 depends on the extent to which each of the other goals addresses gender based constraints and issues.

Indicators for MDG 3 relate to: gender equality in schooling; literacy rates among adult men and women; the proportion of women in government; and the share of non-agricultural wage employment. Solomon Islands performs poorly in measures of gender equality. Women's exclusion from decision making occurs at both the community level (often due to entrenched cultural and religious norms where women's voices are not acknowledged) and at the highest levels of government, where women currently hold no seats in the national parliament. In addition, accountability for crimes committed against women during the tensions is absent and the prevalence of domestic violence is widely acknowledged.

Through AusAID's bilateral program, Australia is taking the lead in a multi-donor support program for the health sector to improve the delivery of health services, primarily through support for central institutions, a nurse training college, national and provincial hospitals, raised awareness of HIV/AIDS, measures to address malaria and procurement of essential medicines. Given that New Zealand and the European Union are taking the lead in the education sector, Australia's assistance through scholarship programs (including the Australia Pacific Technical College) complements work undertaken by other donors.

To support rural communities (MDG 7) water tanks have been provided to improve the supply of clean water. Community members have also been granted better access income generating opportunities through rural infrastructure and timber plantations. Australia recognises the importance of sustainable forestry for job creation and economic growth and is aiming to support Solomon Islands to monitor, regulate and sustain its natural forests. This however, remains a challenge in the face of strong logging interests.

## What are the results of the bilateral aid program?

### OBJECTIVE 1:

#### HELP GOVERNMENT BETTER SERVE THE SOLOMON ISLANDS PEOPLE

#### RATING

- The objective will be partly achieved within the timeframe.

#### ESTIMATED EXPENDITURE

Approximately 9 per cent (AUD 21 million) of the Australian Government's Solomon Islands 2007–08 budget was for this objective.

#### ASSESSMENT OF RESULTS AND PERFORMANCE

AusAID is currently managing a number of programs with the aim of helping the Solomon Islands Government to provide better services to Solomon Islands people. Focus has been not only on the health sector but also in the forestry and land sectors and in disaster management. Political relations between the Solomon Islands Government and the Australian Government hindered progress towards this objective during 2007–08 particularly in the forestry and land sectors. In addition, the programs have had an over reliance on technical assistance which has yielded limited results.

The flagship program for this objective is the Health Sector Strengthening Program which was launched during 2007–08. Its first tranche payment was made in July 2008 (AUD 6.9 million out of a total AUD 60 million for five years). The program is designed to support the Ministry of Health and Medical Services to improve the delivery of basic health services. It is being delivered using Solomon Islands Government systems and working with other donors. In 2007–08 work began to strengthen capacity and improve corporate management systems within the ministry. It is hoped that an improvement in the overall management of health systems will lead to an improvement in the delivery of basic health services.

Some progress has been made in the forestry sector, including a consistent increase in the area of forestry plantations and in small scale timber processing managed through the Forestry Division. The change in government resulted in greater government participation in the sector's management, demonstrated by the transfer of 35 forestry extension workers to positions in the Solomon Islands Government in March 2008.

The AusAID bilateral aid program has provided small scale support for the National Disaster Management Office to increase its efficiency. The office is currently under-resourced and the AusAID program provides a modest level of assistance. This assistance helped the office to perform well in response to the April 2007 earthquake and tsunami. In addition, Australia provided \$3 million in emergency relief assistance including: food and non-food emergency items; medical assistance; air transport; and assistance for non-government organisations. A further \$2.7 million was committed to assist in delivering health services and rehabilitating infrastructure damaged or destroyed by the tsunami.

#### KEY ACHIEVEMENTS

- > The Australian Government responded swiftly to the April 2007 earthquake and tsunami in Western Province with relief assistance. This included opening a new health clinic in Vella Lavella, Western Province, in March 2008. This facility will restore and improve the delivery of basic health services to the people of Western Province by providing: a distribution store for essential medicines; an infection control unit; new outpatients and inpatients buildings; and a repaired water supply. Twelve new staff houses are being constructed for the Gizo Referral Hospital which is due for completion by the end of 2008. The new staff housing will assist the hospital to operate at full capacity.
- > Australia and the European Union co-funded the construction of the National Public Health Laboratory. The laboratory is the only facility of its kind in Solomon Islands and will improve public health services for Solomon Islanders by testing for diseases and improving the country's ability to respond to outbreaks and epidemics. Australia provided AUD 1.55 million for construction of the building and the European Union funded the equipment and training of laboratory staff.
- > A joint interagency working group involving Customs, Finance and the Central Bank of Solomon Islands was established to address issues involving round log exports. An outcome of the working group was a commitment by the Solomon Islands Government to increase the determined log price for exported timber and increase collaboration (including with RAMSI) on corruption issues, such as tax evasion, within the sector.
- > Thirty-five village-based forestry extension workers—9 women and 26 men, who were employed and trained under the current forestry program—were transferred into positions with the Solomon Islands Forestry Division, now funded through the Solomon Islands Government. The extension officers are based in eight provinces and their aim is to educate the community and stakeholders about plantation forestry and general forestry. The program delivered training to 175 people in 2007–08 in sawmilling techniques. It also assisted with establishing 5000 hectares of community plantations. In conjunction with the Community Sector Program, 700 people were also trained in the techniques and benefits of mixed land use.

- > The National Disaster Management Office was fully refurbished and equipped with a national emergency operation centre during 2007–08. The Solomon Islands Government also included 10 provincial disaster coordinators (one woman and nine men) in the permanent staff of the office, transferring them from project staff funded by AusAID. This has enhanced the ability of the office to cope with natural disasters and emergencies within Solomon Islands. This was demonstrated by their increased capacity during the tsunami rehabilitation efforts.
- > There were 32 new students funded through scholarships during 2007–08 to study in both Australia and the region in priority areas determined by the Solomon Islands Government.

## OBJECTIVE 2:

### HELP BUILD STRONG AND PEACEFUL COMMUNITIES

#### RATING



The objective will be partly achieved within the timeframe.

#### ESTIMATED EXPENDITURE

Approximately 4 per cent (AUD 9.2 million) of the Australian Government's Solomon Islands 2007–08 budget was for this objective.

#### ASSESSMENT OF RESULTS AND PERFORMANCE

The AusAID bilateral program aims to help build strong and peaceful communities through the Community Sector Program, NGO cooperation agreements, global funding mechanisms such as the Australian NGO Cooperation Program, and volunteer programs. While a number of evaluations were undertaken during 2007–08, including a review of the NGO cooperation agreements in June 2008, ongoing monitoring and evaluation remains a weakness for this objective.

AusAID supports civil society organisations at all levels—from village groups to national NGOs—to deliver basic services and train communities in a diverse range of activities from income generation to literacy. AusAID has also helped to connect civil society organisations to improve the efficiency of their operations especially in delivering services. The outcome of this assistance was improved reporting by member NGOs, which has increased the capacity of the peak NGO body (Development Services Exchange) to coordinate NGO activity in Honiara and at the provincial level.

The Community Sector Program produced some tangible results including 16 community infrastructure projects such as: area health clinics; school facilities; and water and sanitation projects. The program also worked to increase income through improved production of crops such as out of season pineapples and vanilla. However, an independent review in November 2007 identified that poor program coordination by the contractor and turnover

of staff have undermined the program's effectiveness. The program also struggled to report on progress towards its objectives. A recent independent technical assessment recommended ways to improve the management of the program over the next 18 months. AusAID's priority will be to implement these recommendations to improve the program's effectiveness.

#### KEY ACHIEVEMENTS

- > AusAID assisted the Solomon Islands Red Cross to promote behavioural change that enhances lifestyles and makes healthy choices possible for people on the Weather Coast (Guadalcanal) and in Northern Malaita. Hygiene and sanitation training was delivered in 22 communities, which improved community knowledge about preventing diseases. Post training evaluations conducted by the Solomon Islands Red Cross of both the communities trained and the personnel delivering the training found evidence of an increase in access to health knowledge.
- > AusAID worked with the Save the Children Fund and World Vision to implement a targeted community based program to prevent HIV and sexually transmitted infections. The program includes peer education for highly vulnerable populations, including sex workers and their clients, sea farers and mobile populations. In 2007–08 access to condoms for high risk groups was improved by distributing them through dispensers, clinics, HIV offices and NGOs. Approximately 9000 male condoms and 168 female condoms were distributed between July – December 2007.
- > The Community Sector Program forged strong relationships with the National Council of Women and worked with provincial councils of women to construct Women's Resource Centres in Central Province (servicing 14 400 women) and Temotu Province (servicing 6000 women). Seven more will be constructed across Solomon Islands. These will improve women's access to training on income generation, family health and leadership. The Women's Resource Centres have created an environment in which women's groups are networking around development concerns. For example, in May 2008 several local civil society organisations and the Provincial Women Council for Makira gathered to develop an action plan for women's development activities in the province.
- > Sixteen small-scale projects were completed across Solomon Islands providing approximately 4800 people with improved access to water and sanitation, improved health and education facilities and access to livelihood opportunities through vanilla and pineapple crop management. Four markets are being constructed in Central, Malaita and Makira (servicing about 32 000 people); another two markets are in the pipeline.
- > Forty seven villages received support through an extended and inclusive process of planning that emphasises women's and young people's participation in community decision making (actively involving about 7000 people) and results in detailed, costed and sequenced multi-year plans for meeting community priorities. The Community Sector Program will fund some of the priorities, but some villages have also



implemented priorities without external funding or made contact with service providers for specific support—for example, assessment of water supply systems.

- > Through AusAID NGO corporation agreements, the following achievements were realised.
  - About 150 subsistence farmers had their skills in sustainable agriculture techniques improved, resulting in them selling organically grown crops at a higher price and achieving higher yields with less residual cost from pesticides and fertiliser.
  - About 500 adults were given basic literacy and numeracy skills, with 75 per cent of students reading and writing functional English. Qualitative evaluations reported that women were better able to market produce at local markets and fulfil local leadership roles as a result.
  - Approximately 2000 people sought psychosocial support from the 177 people (including teachers, clergy and medical staff) in Guadalcanal and Malaita that had been trained by Caritas to provide such support. Most sought assistance with violence related trauma, including killings, gun threats and physical and sexual assault. The ‘trauma support workers’ also supported inter-village reconciliations and assisted victims of the tsunami in Gizo.

## What are the results of the Regional Assistance Mission to Solomon Islands?

RAMSI is committed to measuring and improving its performance. In 2005, in consultation with the Solomon Islands Government, RAMSI developed a performance framework to assist with this process. During 2006–07 the framework was modified to better reflect the RAMSI Medium Term Strategy, which was developed in consultation with a wide range of stakeholders in Solomon Islands including the government. The performance framework measures progress towards the objectives set out in the Medium Term Strategy. RAMSI reports on its progress to the Solomon Islands Government and contributing countries through the RAMSI annual performance report.

The performance framework has been designed to fit with Solomon Islands Government systems and promotes continual monitoring and evaluation. Ongoing assessment of RAMSI performance against its mandate relies on the following data sources: Solomon Islands Government statistics and data, program self-monitoring, capacity building assessments, independent sectoral analytical reviews and the RAMSI People's Survey.

RAMSI's Medium Term Strategy, which the Solomon Islands Government – RAMSI Partnership Framework is building on, is gender sensitive. Despite this, the 2006–07 RAMSI annual performance report noted that: '... apart from the People's Survey there is still relatively little evidence of RAMSI tracking differential outcomes for women and men'. Since the report's release in July 2007, RAMSI has added a gender specialist to its Performance Assessment Advisory Team. In 2007–08 there was also three in-country visits made by gender advisers who worked with program areas to further integrate gender equality principles into RAMSI's performance framework and reporting processes. Gender is reported on separately in the RAMSI annual performance report for 2007–08.

### OBJECTIVE 1:

#### TO CONTRIBUTE TO A SAFER AND MORE SECURE SOLOMON ISLANDS

■ The objective is on track to be achieved within the timeframe.

#### ESTIMATED EXPENDITURE

Approximately 66 per cent (AUD 150.9 million) of the Australian Government's Solomon Islands 2007–08 budget was for this objective.

#### ASSESSMENT OF RESULTS AND PERFORMANCE

During 2007–08 RAMSI continued to contribute to a safer and more secure Solomon Islands. Since RAMSI's arrival in July 2003 the security situation has improved from the

chaos that marked the years of ethnic unrest and the rule of law has been restored. The Solomon Islands Police Force (SIPF) is making an increasingly positive contribution to the people of the Solomon Islands and development efforts more generally. The SIPF with the assistance of the RAMSI Participating Police Force and the RAMSI military combined taskforce have successfully safeguarded the rule of law during a period of political instability. This instability had the potential to trigger a sequence of events that posed a real risk to the peace and security of Solomon Islands and the region more generally.

Despite these challenges the overall security situation in 2007–08 was quiet. This situation was underpinned by a significant operational presence of the RAMSI Participating Police Force and the military contingent. Indications from the 2007 People's Survey are of law and order improving (with RAMSI credited for much of this). The survey found that 45 per cent of Solomon Islanders perceived an improvement in the law and order situation in their community, 42 per cent said it was the same and only 10 per cent found it to be worse. The survey also found 53 per cent of people (including 47 per cent of all women surveyed, and 65 per cent of young women surveyed) think that violent conflict would return if RAMSI left soon (27 per cent said it might, 7 per cent said it would not and 13 per cent did not know). These results are on trend with those of the previous year.

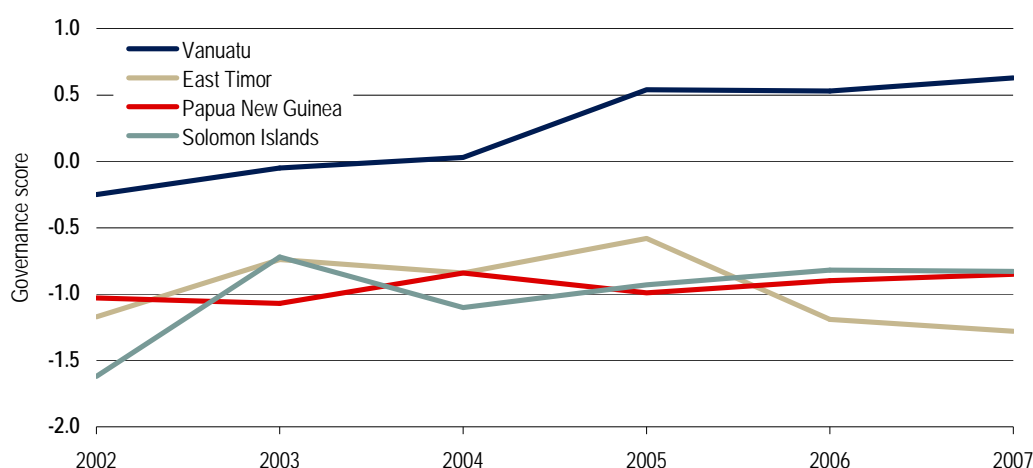
RAMSI's continued contribution to maintaining a safe and stable environment is delivered by the Participating Police Force, whose contribution is made via the Australian Federal Police, as well as broader RAMSI law and justice assistance to the sector. This environment is being created through collaborative crime prevention, community safety and security initiatives aimed at facilitating a more professional, effective and accountable SIPF. Underpinning this effort is the development of an effective, affordable and culturally appropriate law and justice system that is accessible to all.

In 2007–08 priority was given to building the capacity of the SIPF and relevant agencies in the law and justice sector. The future strategy is to further emphasise 'supporting' rather than 'doing'. There needs to be an appreciation that developing the capacity of the SIPF is a long term process. In 2007–08 priority was also given to addressing the backlog of casework associated with the 'tension trials', which delivered a good outcome and substantially reduced the number of tension trials. In corrections, the focus was on reducing the remand time for the accused and continuing to support priority infrastructure works. The RAMSI law and justice pillar as a whole continues its efforts to mainstream crosscutting initiatives such as gender equality and anticorruption. Gender-disaggregated performance measures are now used to assess all RAMSI activities.

On a broader law and justice basis, RAMSI performance monitoring information obtained from the RAMSI People's Survey 2007, technical advisory group reviews, quarterly reporting, program coordination committee meetings and independent appraisals such as an International Committee of the Red Cross review into corrections, suggest that the RAMSI Law and Justice Program is performing well. This result is also reflected in the World Bank Institute's rule of law indicator (Figure 3), which shows

progress in improving the rule of law, with Solomon Islands now outperforming Papua New Guinea and East Timor. However, much remains to be done as Solomon Islands continues to lag behind Vanuatu and Nauru, and much work is needed to ensure sustainability of the gains.

**FIGURE 3 WORLD BANK INSTITUTE RULE OF LAW INDICATORS**



**Note:** Estimate of governance measured on a scale from approximately -2.5 to 2.5. Higher values correspond to better governance.

**Data source:** World Bank Institute, *Governance matters 2008: worldwide governance indicators 1996–2007*, viewed 7 August 2008, <[http://info.worldbank.org/governance/wgi/sc\\_chart.asp#>](http://info.worldbank.org/governance/wgi/sc_chart.asp#>).

## KEY ACHIEVEMENTS

### Participating Police Force

- > Proactive management by the SIPF, backed by the RAMSI Participating Police Force, ensured that the no-confidence vote and change of government in December 2007 did not give rise to violence on the streets. This effort was supported by assistance from the RAMSI military combined taskforce.
- > The SIPF's ability to handle challenging situations and maintain standards of conduct during political tensions was significantly increased, thus ensuring no major security incidents during 2007–08.
- > The capabilities of the SIPF on Guadalcanal and Malaita to manage public order was developed by, for example, providing equipment for 200 officers to support the creation of safe and secure communities free of threats from riotous conduct and mob violence, which characterised the tensions.
- > Over 60 officers were provided with innovative leadership and management opportunities specifically designed for Pacific policing. This included proactively supporting and promoting women in their efforts to undertake advanced training opportunities. During 2007 six women undertook the Leadership Development Program, which was jointly designed by the SIPF and the Australian Institute of Police Management.

- > An awareness campaign in the community was mobilised through personal and professional interaction, outreach programs and the use of community survey data to ensure that both the community and the police in Solomon Islands understand that police serve the community and are accountable to it for providing a fundamental basis for future development.
- > The SIPF's professional maritime capabilities were developed by supporting the delivery of specialist boat handling and other maritime skills to 30 police officers.
- > The training capabilities of the SIPF were upgraded through a SBD3 million (approximately AUD 613,500) refurbishment of infrastructure and facilities.

### **RAMSI law and justice**

- > The capacity of the law and justice sector to deliver services was expanded through infrastructure that is sustainable and affordable to the Solomon Islands Government. For example, the refurbishment of Kalala House, which now houses the Law Reform Commission, the Attorney-General's Chambers and the Program Unit, delivered a saving to government of SBD 400,000 (approximately AUD 82 000) per year in rent while allowing closer coordination between the various offices. All infrastructure projects promoted the use of local labour through contracting and labour-based approaches to increase local employment and skills.
- > Program funding of international and locally engaged advisers—prosecutors, lawyers, judges, magistrates, and court administration and logistics personnel—directly contributed to a substantial reduction in the backlog of tension trials, with 30 of the 36 trials now complete. Remand times were more than halved in 2007 (from an average of 16 months in January to 7 months in December), demonstrating increased capacity within the justice sector to process complex criminal matters.
- > Prison incidents decreased from 91 in 2006–07 to 58 during 2007–08. This declining trend indicates significant improvements in prison security and prisoner safety.
- > Significant improvements in law reform as a result of the passing of the Magistrate's Court (Amendment) Act and Civil Procedure Rules led to improved access to justice for all Solomon Islanders by making it cheaper to go to court and simplifying the legal process. The Correctional Services Act passed in 2007 promotes prisoner rehabilitation through training (including in agricultural practices) and programs that target offending behaviour such as anger. The coverage (by numbers) and breadth (by activities) of rehabilitation activities for prisoners continued at levels established in 2006–07.
- > The Correctional Service of Solomon Islands Women's Network was re-established, providing an opportunity for female officers to discuss and promote women's issues within the corrections service. The Correctional Services Act promotes equal employment opportunities for women.
- > Greater local ownership of the Law Reform Commission was achieved by transferring costs to the government and engaging local legal policy officers.

## OBJECTIVE 2:

### TO CONTRIBUTE TO A BETTER FUNCTIONING GOVERNMENT



The objective is on track to be achieved within the timeframe.

#### ESTIMATED EXPENDITURE

Approximately 7 per cent (AUD 17 million) of the Australian Government's Solomon Islands 2007–08 budget was for this objective.

#### ASSESSMENT OF RESULTS AND PERFORMANCE

RAMSI's aim of contributing to a better functioning government is delivered by strengthening Solomon Islands' machinery of government. During 2007–08, 22 areas of 13 departments were developed in technical and capacity terms. The program for the machinery of government pillar expects to be successful within the timeframes set for individual projects. These timeframes go beyond RAMSI's current approval cycle, in recognition of the challenges associated with institutional change.

Performance information for the program comes from the RAMSI annual report, pillar specific four monthly performance reports and annual reports at the activity level, and from an annual sector review, which provided an opportunity for strategic level reflections in June 2007. The program was also independently evaluated in 2007–08 at the activity level, including a UNDP Pacific Centre evaluation of the first phase of the parliamentary strengthening project. This evaluation recommended the program continue to focus on strengthening core functions of the Parliament and recognised key achievements of 'quick wins' such as the Graduate Capacity Model which is a trainee program for graduates in the public service.

The machinery of government program was designed to provide a coherent approach to rebuilding the institutions of the state and through them the capacity, accountability and responsiveness of the Solomon Islands Government. Early interventions are now migrating to a smaller number of larger, more structured programs. However, the scope of institutional change is still large and the 2007 annual sector review concluded that, while progress had been good in a number of areas, there was limited coherence of the program across the government. The natural links between activities had been blocked by the suspension of some activities and the inability to make progress in others. This was for a number of reasons, including political and ongoing contracting problems, which delayed the start of the major program of support to improve the public service.

In other areas initiatives reported progress. The continuum of RAMSI support for audit and parliamentary processes contributed to the presentation in August 2007 of a composite audit report on the first half of 2007, and the tabling of five reports by the Public Accounts Committee of Parliament. Reporting is highlighting the lack of enforcement of public service discipline and the bypassing of set procedures in planning, resource allocation and expenditure, including making government expenditure decisions without advice. Without Solomon Islander leaders who promote a more rules based

environment for the public service it will be difficult to make progress towards the objective of an effective and predictable public service.

#### KEY ACHIEVEMENTS

- > Parliamentary oversight and scrutiny was improved through building the research, secretariat and legal capacity of parliamentary committees, including the Public Accounts Committee, which reviews the budget and considers reports compiled by the Office of the Auditor General. These committees went from having no meetings to having 60 meetings in 2007–08, and reviewed audit reports, government budget and expenditure, and bills. This improvement allows ministers to operate more efficiently and to effectively enact the policy initiatives of the government. One way this improvement happened was from training a cadre of graduates who provide key advice to parliamentary committees, conduct induction programs for members of parliament and maintain a parliamentary website.
- > Accountability program support to the Office of the Auditor General led to the completion of audits of all government financial accounts—including those of the nine provincial governments—from 2000 to 2006, providing a ‘baseline’ that is fundamental to better monitoring of ministry financial positions and increased government accountability. This reflects the changed focus from special investigations to a normal audit cycle. Additionally a report by the Auditor General titled *An Auditor General’s insights into corruption in the Solomon Islands Government* was tabled in the parliament in December 2007. This report, the first of its kind written by the Auditor General, was produced with RAMSI’s support and succeeded in drawing the government’s attention to the range of systemic weaknesses for corruption across government.
- > The development of an investigations manual and training program by an adviser in the Leadership Code Commission improved the quality and quantity of investigations prepared for hearing by the Commission.
- > The Solomon Islands Government’s managerial and technical capacity and skills in information and communications technology (ICT), in framing policies and in using technology were enhanced through support for the whole of government ICT Support Unit in the Ministry of Finance and Treasury. The ICT technical and user training was delivered through the re-established Institute of Public Administration and Management, which also trained more than 2400 public servants in basic financial and records management and in public service procedures.
- > Gender issues were significantly progressed through the employment of a Strategy Coordinator and interim Gender and Government Adviser in November 2007. Initial activities included undertaking strategic planning and leadership workshops for emerging provincial women’s organisations, developing a database of curriculum vitae and providing training to support women’s nominations to government boards/commissions, and designing a national women’s mentoring program. Also, the launch of the joint Solomon Islands Government and RAMSI Strategy for Advancing the Position of Women in Government in November 2007 allowed the initiation of activities to increase women’s participation and voice in public decision making.

- > The regulatory and policy frameworks for managing government housing were enhanced through support for the establishment of the Government Housing Taskforce. This led to policies being developed on illegal occupancy, a public service rental scheme and the sale of government houses—policies that, when implemented, are expected to underpin more cost-effective provision of government services.
- > The Electoral System Strengthening Program supported three national by-elections, which were delivered on time, on budget and with no irregularities.
- > A records management system, overseen by a newly formed whole of government management group, was implemented within the Government Housing Division. It complies with the records management guidelines of the Solomon Islands Government.

### OBJECTIVE 3:

#### TO CONTRIBUTE TO GREATER PROSPERITY FOR ALL SOLOMON ISLANDERS

- The objective will be partly achieved within the timeframe.

#### ESTIMATED EXPENDITURE

Approximately 8 per cent (AUD 17.5 million) of the Australian Government's Solomon Islands 2007–08 budget was for this objective.

#### ASSESSMENT OF RESULTS AND PERFORMANCE

The RAMSI economic governance pillar, tasked with contributing to greater prosperity for all Solomon Islanders, faced numerous challenges in 2007–08. This was reported through the RAMSI performance reporting cycle, the design process for the Statement of General Principles, and the Community Sector Program mid-term review on economic growth activities. During a six-week period within 2007–08 the post of Minister of Finance was held by four different people. This highlights the significant challenges occurring in the operating environment. For RAMSI this translated directly into being unable to promote economic and financial reform as it became increasingly difficult to engage effectively with the Solomon Islands Government towards the end of 2007. So results in 2007–08 did not keep pace with those in 2006–07. However, performance is expected to improve under the current government. Nevertheless, the difficult political environment provided an opportunity for the program to focus more on activities to develop capacity where some encouraging progress was made in this area.

During 2007–08 assistance delivered through the economic governance pillar went through a review and design process, leading to the Statement of General Principles for future RAMSI engagement with the Ministry of Finance and Treasury. This statement was awaiting government agreement at the end of 2007–08. The review and design process recommended a more comprehensive package of assistance under a single structure, including a consolidated performance framework and reporting structure with



finance divisions, including Customs. The Statement of General Principles includes an increased focus on financial management, a redesigned management structure for the program, and increased attention on capacity development, including an investigation of innovative approaches such as twinning arrangements and mutual accountability arrangements between the Solomon Islands Government and RAMSI. Following agreement from the government, the principles of the statement will be implemented in 2008–09 through a joint working group.

The pillar's focus on capacity development will need to change from a direct approach to a more indirect approach, which means advisers in government agencies will do fewer agency tasks but provide more support. However, there have already been some improvements in this area. These were assisted by the limited number of vacancies in the key government financial agencies. The program is also building organisational capacity through reforms to key systems including payroll and financial management systems, and the introduction of an automated Customs system. Ownership of progress by the Ministry of Finance and Treasury was also evident, with the budget process being led by government staff.

#### KEY ACHIEVEMENTS

- > The capacity of staff and systems in the Ministry of Finance and Treasury increased, as evidenced by new payroll and financial management systems being developed, an automated customs system being introduced and local staff leading projects such as budget development, corporate planning, ministerial briefings (written and oral), internal ministry management meetings, and external meetings and conferences.
- > There is now greater awareness of the importance of fiscal and financial management, as evidenced by the development of the Medium Term Fiscal Strategy to be implemented by the Solomon Islands Government. This will inform the development of the Medium Term Development Strategy and aims to raise awareness of and address predicted revenue shortfalls due to the decline in logging.
- > Real GDP grew by more than 10 per cent in 2007 (6.1 per cent in 2006) and tax revenue grew by 31 per cent in 2007 (17 per cent in 2006) and is forecast to grow a further 15 per cent in 2008. The growth in real GDP was the strongest in the Pacific; however, it was fuelled by the soon to be depleted forestry sector. It should be noted that this growth is forecast to slow considerably in coming years, in line with the decline in the logging sector.
- > The Solomon Islands 2008 budget was fully funded and successfully passed by the parliament, and is being delivered.
- > With support from RAMSI advisers, the Solomon Islands Government facilitated further aviation competition, resulting in a dramatic reduction in international airfares to Solomon Islands. A new operator, Sky Air World, entered the market, which was previously dominated by the national carrier.
- > A new State Owned Enterprise Act was passed by the Parliament. It is aimed at improving the governance of these enterprises. Implementation of this Act, expected in

early 2008–09, is intended to improve the efficiency of state owned enterprises and will present the first step towards their commercialisation and longer term sustainability.

- > Anticorruption measures were implemented across the Ministry of Finance and Treasury, reducing leakages, especially in the key areas of Treasury and Inland Revenue. In addition, a new Customs Code of Conduct was developed and agreed by staff, where previously there had been no accountability processes to ensure appropriate behaviour.
- > Greater transparency of tax and duty exemptions was introduced through increased scrutiny of exemption procedures.
- > Evidence collected during the review of the Community Sector Program showed that improving economic opportunities in provincial areas had been achieved through activities to rehabilitate transport and market infrastructure in Malaita. This included improving access to financial services in partnership with mobile banking, introducing regular transport services between some rural areas and population centres, and reducing the cost and travel times for others. The improvements to transport and market infrastructure, with AusAID and RAMSI collaborating to rehabilitate around 75 kilometres of roads in Malaita Province, complemented assistance to improve agricultural production and marketing across all provinces.
- > The design of the Solomon Islands Rural Development Program was finalised (in a short time frame), approved by the Solomon Islands Government and donors—the World Bank, the European Union and RAMSI—and then mobilised in January 2008.

## What is the quality of AusAID activities in Solomon Islands?

In April 2008 the majority of AusAID and RAMSI development activities had their quality at implementation (QAI) assessed. The subsequent reports succinctly detailed the quality of the programs being implemented. The reports were drafted in consultation with government counterparts in Solomon Islands and were peer reviewed by Australian government managers and, in some cases, external stakeholders.

The Australian Government's aid program to Solomon Islands continues to be delivered in a fluid and complex environment. While certain achievements were realised during the reporting period, the analysis of the program's quality suggests that there is still much to do, particularly in the areas of monitoring and evaluation and the sustainability of outcomes. The 2005–06 and 2006–07 reports on RAMSI's performance noted that gains were fragile, that sustaining them would require changes in public service capacity, leadership and independence and, that RAMSI-supported programs were unlikely to be able to deliver 'wins' in the future as quickly as they had previously done. The 2007–08 QAI reports confirm this forecast. In addition, it is clear there are lessons that can be learned by the AusAID bilateral program.

### IMPLEMENTATION PROGRESS

The implementation of projects in Solomon Islands progressed well in 2007–08, with the majority of projects being on schedule. All RAMSI programs were making satisfactory progress in their implementation, but only two initiatives of the AusAID bilateral program were making satisfactory implementation progress.

There are a number of reasons why the majority of projects in the bilateral program were rated as less than satisfactory, including that the program was attempting to engage in challenging sectors such as forestry and lands. Areas of success in implementation progress included the transfer of village based extension workers to employment in the Solomon Islands Government. Attempts to re-engage in the lands sector were unsuccessful, with an interim strategy presented to the government in late 2007 still awaiting approval in June 2008.

Progress in the implementation of most RAMSI programs was rated as satisfactory. A common issue affecting programs is an increasing direct involvement of donors in delivering programs and the need for greater commitment to program objectives from the Solomon Islands Government. Support to the SIPF progressed capacity development, particularly through the links between the RAMSI Participating Police Force and SIPF business needs. However, a concerted effort is required to ensure SIPF ownership of the Participating Police Force's efforts. The satisfactory rating for the machinery of government program reflects the considerable design and mobilisation

work undertaken across most of the activities. In Economic Governance, independent analysis such as RAMSI performance monitoring, the 2007 Article IV report of the International Monetary Fund and the Asian Development Bank country report provided evidence of satisfactory progress in the implementation of programs.

## ACHIEVING OBJECTIVES

The QAI reports for 2007–08 highlighted the strong progress of initiatives towards achieving objectives. While the majority of projects in the AusAID bilateral program were rated as less than satisfactory in their progress, all RAMSI activities made satisfactory progress.

Recent periods of political instability hindered progress in various elements of the Australian Government's aid program to Solomon Islands. The implementation of SIPF capacity development initiatives by the Participating Police Force at times suffered from the political climate and the need for the Participating Police Force and the SIPF to concentrate on being an overt security presence.

Delays were also experienced in achieving objectives in RAMSI's economic governance pillar due to ministerial changes, and in the AusAID bilateral program, particularly around support to the sensitive natural resources sector. Achieving objectives will continue to be a challenge because of time constraints and the lack of absorptive capacity, which make quality engagement difficult.

Donor coordination in a fragile state is particularly important as such states are especially vulnerable to donor fragmentation and its impact on government capacity. The alignment and harmonisation of donor efforts suffered from a lack of leadership in the Solomon Islands Government and, at times, active undermining of donor efforts to coordinate activities. Current structures for donor coordination include a monthly donor coordination meeting attended by all donors, including representatives from RAMSI and the AusAID bilateral program, and a meeting held approximately every quarter attended by the same group as well as representatives of the Solomon Islands Government, primarily from the Ministry of Development Planning and Aid Coordination. Within the donor community there is renewed commitment to leadership by the Solomon Islands Government and this was evidenced through support for the development of the Medium Term Development Strategy. However, there remains a need to sharpen policy dialogue through renewed sector working groups.

## MONITORING AND EVALUATION

The quality of monitoring and evaluation is a significant challenge for the AusAID bilateral program. All initiatives were rated as less than satisfactory, with two activities being described as having poor quality monitoring and evaluation. While in essence the program may be performing better than reflected in the QAI ratings there is currently no mechanism to capture this evidence for reporting. There are a number of reasons for

weaknesses within the monitoring and evaluation of the bilateral program, most notably that the program lacks a strategic policy document with a comprehensive performance framework. Monitoring and evaluation information on gender is also weak in the bilateral programs.

RAMSI initiatives performed better in monitoring and evaluation, with all receiving satisfactory ratings and two being described as having good-quality monitoring and evaluation. This is a direct reflection of the resources allocated to performance measurement in RAMSI, particularly over the past two years, to ensure its programs competently manage performance. RAMSI's current reporting cycle will be realigned next year to ensure it more adequately addresses the needs of the Solomon Islands Government. This will also benefit the annual program performance reports of the Australian Government. Recent improvements to RAMSI's performance measurement included the addition of a gender specialist to the Performance Assessment Advisory Team.

## SUSTAINABILITY

The Australian Government's efforts to ensure program outcomes are sustainable require further attention, as more than half of the initiatives were rated as less than adequate in 2007–08, which is on trend with last year's efforts. Sustainability is an ongoing concern when delivering aid in a fragile post-conflict setting, the challenges being closely related to the capacity issues.

Sustainable outcomes will not be achieved through the AusAID bilateral program or RAMSI in the short to medium term. The current challenge facing the aid program is to strike the appropriate balance between the need to do the work and implement programs for quick gains, which may result in weak ownership by Solomon Islands, and the need to support the Solomon Islands Government to lead development initiatives. This may mean that the outcomes will take longer to achieve, or be achieved with greater risk in some cases or perhaps incompletely in other instances, but with increased Solomon's leadership there is a higher probability of these outcomes being sustained. Linked to this challenge is the lack of absorptive capacity, which remains a significant challenge to the effective delivery of aid in Solomon Islands. The new government is likely to struggle to fulfil its ambitious new policy agenda with current resources.

In the AusAID bilateral program, four out of the six initiatives continue to use traditional institution building models based around the use of Australian managing contractors, although more innovative aid modalities are being explored, such as the sector-wide approach in the health sector. The more traditional approach has proved to be inflexible and ineffective in light of constraints to better performance, which usually lie outside the influence of Australian initiatives. In essence, AusAID bilateral initiatives have placed too much emphasis on a technical fix when the real constraints lie elsewhere. For example, the constraints in the forestry and land sectors are largely about political support for reform; in the case of disaster management they are about national

and provincial government linkages; and in the case of health they are about system-wide shortcomings.

RAMSI's efforts to develop Solomon Island Government capacity have been more successful than the AusAID bilateral program. Given capacity development is central to most of what RAMSI is now doing, considerable effort continues to be made to more adequately measure progress made by RAMSI's programs. There is substantial evidence that Solomon Islander expectations are being respected in the selection and management of expatriate advisers, that there is collaboration on work planning, and that organisational priorities are being followed. There is unsurprisingly less evidence of progress towards self-reliance. On the other hand, good examples are available of increased coordination within the public service, better engagement with customers, innovative approaches to recruitment bottlenecks and other obstacles to performance, and taking advantage of good leadership by Solomon Islanders. If RAMSI is to tell a better story about capacity, it needs to go further in articulating its methods and objectives and in finding a common language and vision with counterparts and senior managers in Solomon Islands.

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