# Review of the Australia-PNG Government Transport Partnership

# DFAT Management Response

The Australian Government has a long history of providing support and fostering partnerships in Papua New Guinea’s transport sector.

The Australia-PNG Government Transport Partnership’ comprises an overarching Memorandum of Understanding (MoU) covering aviation and maritime activities, and the ODA-funded Transport Sector Support Program (TSSP).

Since 2019, there have been further Australian investments in Papua New Guinea’s transport sector through the Australian Infrastructure Financing Facility for the Pacific (AIFFP). The Department of Foreign Affairs and Trade (DFAT) contracted Tetra Tech International Development (Tetra Tech) to undertake an independent review of the Australia-PNG Government Transport Partnership (the Partnership). DFAT’s management response to the review follows.

| **Recommendation** | **DFAT Management Response** | **Progress** |
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| ***Recommendation 1***That Australia (via DFAT and DITRDC) through a consultative process with GoPNG develop a comprehensive strategy for Australian assistance to PNG’s transport sector. The strategy should articulate the objectives of the investments in the transport sector, the rationale of different support mechanisms across the different modes of transport, and the balance between investments in physical assets, institutional support, and capacity development. The strategy should also show the connections and alignment with ‘Connect PNG’, the current GoPNG policy that aims to rebuild the country’s road infrastructure on a 20-year program. | Agree  | DFAT and DITRDC will prioritise the development of the Strategy – including a key overarching set of objectives, following the TSSP3 design. The Strategy will provide bilateral endorsement of high-level partnership objectives.  |
| ***Recommendation 2***That DFAT, DITRDC and GoPNG clearly articulate, communicate, and socialise the current Partnership objectives beyond the senior levels of the GoPNG agencies. This is an opportunity to have a common shared understanding and appreciation of the partnerships across the sector, properly align initiatives, develop better and joint agreeable initiatives and position the Partnership as the foundation of Australia and GoPNG bilateral engagements within the transport sector. | Agree.  | We will continue articulating the importance of and benefits from the transport partnership through appropriate coordination mechanisms and Agency Support Arrangements. |
| ***Recommendation 3***That DFAT simplifies and streamlines ASAs by shifting to a Tasking Note implementation arrangement upon renewal of the current ASAs. This will ensure agile and flexible implementation processes and provide room for revisions of activities as scope and context change. | Agree.  | AHC and TSSP has commenced work to streamline ASAs and reporting arrangements in consultation with GoPNG stakeholders.  |
| ***Recommendation 4***That DFAT reduces the scope for progress reporting of the ASAs from quarterly reports to bi-annual reports to lessen the reporting burden on stretched GoPNG agencies and TSSP2. The 6-monthly reports should track implementation progress. By reducing some of the reporting requirements, agencies can focus on implementing their activities to minimise underspends. | Agree.  | AHC and TSSP have commenced work to streamline ASAs and reporting arrangements in consultation with GoPNG stakeholders. This includes moving from quarterly to biannual reporting.  |
| ***Recommendation 5***That both DFAT and GoPNG agencies strengthen outcomes and results reporting frameworks to enhance measuring progress beyond activities implemented. Results frameworks and approaches could be embedded within individual ASAs / Tasking Notes or can be part of the overarching Partnership framework that measures different partnership arrangements between Australia and PNG as a whole. This is an opportunity to evidence outcomes achieved and enhance the visibility of the gains made by the Partnerships. | Agree.  | Further to response to recommendation 1, the Strategy should include high level measures that provide a basis for progress reporting and evaluation. |
| ***Recommendation 6***For future capacity development efforts within the Partnership, the TSSP2 Capacity Development Framework provides a blueprint for engagement. An analysis of agency implementation status of the capacity development activities outlined in the Framework that needs further support is a good start on how to build and sustain capabilities within the transport sector in PNG. | Agree in principle.  | DFAT and DITRDC to finalise the elements or refinements of the Capacity Development Framework that are suited to being within ASAs with Australian and GoPNG transport agencies.  |
| ***Recommendation 7***The recommendation from the 2020 Review of the IPP to transfer the DITRDC Infrastructure advisors from the IPP to bilateral sector program, TSSP, by mid-2022 is welcome, noting there will need to be clear funding and reporting lines. It is envisaged that the advisor will report to both DFAT and DITRDC. DFAT and DITRDC should therefore collaborate on defining and shaping the function and scope of the role (in consultation with DoT and TSSP2) to enhance clarity of mandates and improved and informed collaboration. Overall, the advisor should retain their DITRDC scope of work but collaborate with DFAT under TSSP, and support program implementation of TSSP2 through closer working relationships with the managing contractor. | Agree. | DFAT and DITRDC to finalise the functions, work with other PNG and Australian transport agencies and DFAT, location and reporting arrangements of the DITRDC adviser role. This can also be considered as part of the TSSP3 design.  |
| ***Recommendation 8***That DFAT and DITRDC in defining and shaping the scope and mandate of the IPP technical advisors moving to the bilateral sector program, TSSP, should explore other roles that the advisor could undertake beyond infrastructure policy advice in PNG. For instance, the advisor could also act as an intermediary between Australian and the GoPNG transport agencies and provide coordination support for the Partnership. Also, the advisor could support DFAT with developing the Australia-PNG transport sector strategy and provide technical assistance to DoT in relation to its regional aspirations on enhancing transport coordination, collaboration and knowledge sharing in the Pacific. | Agree with qualifications. | As for Recommendation 7. |
| ***Recommendation 9***As COVID-19 travel restrictions ease, DFAT, DITRDC, TSSP2 and other Australian counterpart agencies should prioritise having advisors on the ground to support GoPNG agencies in-country to ensure effective partnerships and progress in line with agreed outcomes and objectives. Further, the short-term work exchanges and placements where GoPNG agencies visit and work on a short-term basis with their counterpart agencies in Australia should also be prioritised. | Agree. | Recruitment and mobilisation of TSSP2 advisers is being prioritised by GHD, who have reported steadily increasing interest and applications in PNG based roles. AHC notes interest from some Australian transport agencies in resuming travel to PNG, in light of easing COVID restrictions.  |
| ***Recommendation 10***That DFAT, DITRDC and GoPNG counterpart agencies further embed structures and mechanisms that facilitate good whole of agency relationships building and management. This could be enhanced through senior leadership commitment as well as clear articulation of the roles and responsibilities within the partnerships and a common vision of how the partnerships should work in practice. | Agree.  | DFAT will discuss further with DITRDC and GoPNG counterparts.TSSP currently assisting DoT with review of the Transport Sector Coordination and Monitoring Implementation Committee (TSCMIC) role and function. Suggest this could be vehicle to address this recommendation. |
| ***Recommendation 11***The ASAs funding model is reviewed upon renewal to address the challenges associated with GoPNG transport agencies pre-financing activities with constrained budgets. | Agree.  | AHC and TSSP has commenced work to streamline ASAs and reporting arrangements in consultation with GoPNG stakeholders. |