



Australian Government

Department of Foreign Affairs and Trade



# AID PROGRAM PERFORMANCE REPORT 2016-17

Fiji

September 2017

## KEY MESSAGES

This report summarises the performance of Australia's aid program in Fiji from July 2016 to June 2017 against the 2015-16 to 2018-19 Aid Investment Plan. We assess that the aid program in Fiji performed strongly in achieving our objectives in the priority areas of private sector development and human development. Substantial progress was also made in supporting Fiji's recovery from Tropical Cyclone (TC) Winston, but it was less than we had expected.

The aid program took a comprehensive approach to supporting private sector development in Fiji. We directly assisted businesses to innovate and expand; Phase 1 of the Market Development Facility created over 200 new jobs and generated an additional USD12 million in economic activity. Complementing this, our ongoing support for structural and institutional reforms helped enhance the operating environment for the private sector. This ambitious work included projects to improve trade competitiveness, reform state-owned enterprises and strengthen Fiji's civil service. A new \$12 million partnership between DFAT and the International Finance Corporation (IFC) also boosted our support for policy and regulatory reform.

In 2015-16 and the early part of 2016-17, our investments in human development responded to Fiji's immediate needs following TC Winston, providing humanitarian relief and emergency services to more than 200,000 people. This year, these investments refocused on core activities and delivered strong results as a number of programs came to an end. The Access to Quality Education Program (2010-18) met end of program targets relating to access, quality and sustainability, and improved education options for children with disabilities. The Fiji Community Development Program was found to have alleviated social and economic hardship in vulnerable communities and outperformed against end of program targets.

In 2016-17, we completed the implementation of Australia's \$15 million TC Winston response package and made substantial progress in delivering Australia's \$20 million recovery package. Notable achievements were made in rebuilding damaged infrastructure, with repairs to 16 schools completed and work rebuilding a further 18 schools, a health centre and a major municipal market well underway. While broadly on track, progress in constructing these new buildings was delayed by a range of challenges, including material shortages and bad weather. We now expect this work to be completed in 2017-18.

We also strengthened our work on disaster risk reduction and resilience activities, and supported Fiji's Presidency of the 23rd Conference of the Parties to the UN Framework Convention on Climate Change (COP 23). Australia's \$6 million in support for Fiji's Presidency will help it steer international negotiations on the implementation of the Paris Agreement on climate change.

In 2016-17 we also laid the foundations for a more relevant and effective aid program in the future. Our major health and education programs concluded and the design of a new health program was completed, with substantial progress also made in designing a new education program. A new Fiji Program Support Facility, operated by Coffey International, was established to manage the new health and education programs, as well as our scholarships and community grants programs.

## CONTEXT

The overarching goal of Australia's aid program in Fiji is to achieve inclusive economic growth to reduce poverty. The Aid Investment Plan identifies increased private sector development and improved human development as the two strategic priorities that support this objective. Following TC Winston in February 2016, a third strategic priority – TC Winston recovery – was added. With our work on TC Winston recovery expected to end shortly and the Government's decision in June 2017 to support Fiji's COP 23 Presidency in June 2017, we will review our objectives and Australia's Aid Investment Plan in 2017-18.

Fiji faces development challenges associated with geographic isolation, a narrow economic base and a high regulatory burden. The Fiji Government continues to prioritise economic diversification and the growth of small and medium enterprises. It also seeks to implement sustainable improvements to essential services such as health and education. Fiji will hold a census in September 2017 and a national election in 2018.

The foundations of Fiji's economy are solid and Fiji registered its seventh straight year of economic growth in 2016. A recent (2017) World Bank assessment found that extreme poverty is rare, with only 2.3 percent of the population living on less than USD1.40 per day.<sup>1</sup> However, according to the national definition of poverty, 34 percent of the population live below the poverty line and the incidence of poverty is moderately higher for women (37 percent) than men (33 percent).<sup>2</sup>

Fiji is highly vulnerable to the impacts of climate change and natural disasters, as TC Winston demonstrated. The Government of Fiji has taken on a key leadership role in international efforts to address climate change by assuming the Presidency of COP 23 to be held in Bonn, Germany, in November 2017.

Achieving gender equality is a priority of the Fiji Government; however, patriarchal practices, perpetuated by discrimination and unequal access to resources, constrain women's participation in decision-making. Rates of violence against women remain unacceptably high.

Overseas Development Assistance (ODA) constitutes a relatively minor proportion of Fiji's GNI at approximately 2.5 per cent<sup>3</sup>. Australia focuses its aid program on sectors where it can have the most impact and strives to avoid duplication amongst the work of donors. Australia is Fiji's leading donor to the health, education and civil society sectors and a significant donor in the areas of private sector development, good governance and gender equality. These areas align with Fiji's major development challenges.

Fiji is currently preparing a National Development Plan that will include a comprehensive development plan for the next five years and a 20-year strategic development framework. Once finalised, we will use this Plan as the basis for an Aid Partnership arrangement with the Government of Fiji when finalised.

## EXPENDITURE

In 2016-17, Australia delivered \$76.7 million in ODA to Fiji as planned. There were some reallocations within the ODA budget, largely as a result of slower than anticipated progress in rebuilding infrastructure damaged by TC Winston. The remaining \$9.6 million balance of Australia's \$35 million TC Winston expenditure package (originally expected to be fully disbursed by the end of 2016-17) will now be spent in 2017-18.

The deferral of expenditure on TC Winston recovery activities to 2017-18 was offset by Australia's \$6 million contribution to the Fiji Government to support its Presidency of COP 23 and an increase in spending on private sector development, primarily through the commencement of our partnership with the IFC. Other areas of expenditure in 2016-17 were broadly similar to the previous year.

**Table 1 Total ODA Expenditure in FY 2016-17**

Objective	A\$ million	% of total ODA
Objective 1: Private Sector Development	12.7	16.6
Objective 2: Human Development	25.1	32.6
Objective 3: TC Winston	6.4	8.3
Support for Fiji's Presidency of COP 23	6.0	7.8
<b>Sub-Total Bilateral</b>	<b>50.2</b>	<b>65.4</b>
Regional and Global	24.0	31.3
Other Government Departments	2.5	3.3
<b>Total ODA Expenditure</b>	<b>76.7</b>	<b>100.0</b>

<sup>1</sup> The World Bank 2017 Systematic Country Diagnostic

<sup>2</sup> The World Bank 2017 Systematic Country Diagnostic

<sup>3</sup> The World Bank, 2015, <https://data.worldbank.org/indicator/DY.ODA.ODAT.GN.ZS?view=chart>,

## PERFORMANCE AGAINST STRATEGIC OBJECTIVES

In 2016-17, progress towards the strategic objective of private sector development was rated green. The majority of investments in this sector delivered strong results and aid-for-trade initiatives met our target of 15 percent of the program budget.<sup>4</sup>

In 2015-16, TC Winston disrupted our education and health programs and, as a result, progress on human development in the previous period was rated amber. This year, our human development programs were able to refocus on their core activities and achieve outcomes in line with expectations. As result, progress is rated green.

Substantial progress was also made in delivering Australia's support for Fiji's recovery from TC Winston. We completed the implementation of Australia's \$15 million TC Winston response package and made substantial progress in delivering Australia's \$20 million recovery package. However, due to bad weather, difficulties in accessing sites, shortages of building materials and some sub-standard contractors, we experienced delays in rebuilding a number of schools, a community health centre and a major municipal market. Progress against this objective was therefore less than expected and rated amber.

**Table 2 Rating of the Program's Progress towards Australia's Aid Objectives**

Objective	Previous Rating	Current Rating
Objective 1: Private Sector Development	Green	Green
Objective 2: Human Development	Amber	Green
Objective 3: TC Winston	Green	Amber

■ **Green.** Progress is as expected at this stage of implementation and it is likely that the objective will be achieved. Standard program management practices are sufficient.

■ **Amber.** Progress is somewhat less than expected at this stage of implementation and restorative action will be necessary if the objective is to be achieved. Close performance monitoring is recommended.

■ **Red.** Progress is significantly less than expected at this stage of implementation and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.

## OBJECTIVE 1 - INCREASED PRIVATE SECTOR DEVELOPMENT



The private sector is the engine of economic growth and provides pathways out of poverty. Australia supports private sector development in Fiji at multiple levels. First, we provide direct support to businesses, particularly those owned by women and rural households, to stimulate innovation, trade, investment and job creation. Second, we promote 'governance for growth' by supporting structural and regulatory reforms to improve the enabling environment for the private sector. Given the importance of a capable civil service and effective public institutions to good governance and investor confidence, we also support the Fiji Government's reform efforts in these areas.

<sup>4</sup> Total expenditure on aid-for-trade investments of \$7.2 million represented 16.3 per cent of budgeted expenditure of \$44.2 million (excluding the \$6 million contribution for COP 23 support which was only approved and disbursed in June).

## **Stimulate investment, trade and economic activity to increase incomes of the poor**

In 2016-17, Australia directly supported Fiji's private sector through three programs: the Market Development Facility (MDF, \$8.8 million, 2013-17, bilateral); the Pacific Horticultural and Market Access program (PHAMA, \$25.7 million, 2013-18, regional); and the Pacific Financial Inclusion Program (PFIP, \$5 million, 2013-17, regional).

MDF achieved impressive results in 2016-17 by partnering with businesses in the horticulture, tourism and export processing sectors with the potential to grow and achieve significant pro-poor impacts. In the horticulture sector, MDF expanded the market for farm inputs. An assessment by an Independent Advisory Group (IAG) found there are now more market actors offering more farmers a greater choice of agricultural inputs and services along with an expanded range of distribution lines. In 2016, 20,500 bags of aglime were distributed to farmers, up from 3,000 in 2015, boosting farmer productivity and reducing soil acidity.

In tourism, MDF worked to increase visitor numbers to remote regions (currently 85 percent of tourists stay in established tourist areas). MDF supported the formation of a new tourism association ('Simply Sabeto') and the launch of websites by two other local tourism associations in 2016. It also facilitated the first visit to Fiji by TripAdvisor to hold a workshop on improving online marketing. This resulted in Tourism Fiji and Fiji Airways featuring remote regions more often in their marketing activities. We will report further on the impact of this work in the coming years.

MDF encountered difficulty in encouraging hotels to purchase more local products because established supply chains of imported products are cheaper and easier. Despite pockets of success, work undertaken to date shows that sector-wide change is unlikely in the established tourism areas. MDF is therefore redirecting its focus to the new tourism regions so that, as visitor numbers grow, the local market has capacity to supply hotels and restaurants and grow with it. A Tourism Multiplier Study conducted in 2016 provides the analytical basis for this strategic shift.

The first five-year phase of MDF concluded in June 2017. As at December 2016, it had 19 active and 47 completed partnerships; had reached 5,500 beneficiaries (50 per cent women); leveraged USD2.83 million in private sector investment; and generated USD12 million in economic activity. It had also created 222 jobs (of which 114 were for women) and was on track to achieving the performance benchmark target of creating 260 new formal sector jobs for the poor by June 2017. The assessment by the IAG confirmed MDF's effectiveness in promoting systemic changes in Fiji and commended it for integrating women's economic empowerment into its processes. MDF staff are trained to integrate women's economic empowerment principles into their work, and information on gender is collected as part of the results management system. Australia has extended the MDF in Fiji for another phase (from 2017 to 2022) at a cost of \$17.5 million.

In 2016-17, we assisted Fiji to gain and maintain market access for agricultural exports to key overseas markets under the PHAMA program. PHAMA supported the finalisation of a national kava standard and quality manuals – important pillars of a new quality assurance system that will protect Fiji's \$15 million annual exports of kava and the livelihoods of approximately 21,000 kava growing households. Five local processing companies, previously supported by PHAMA, maintained their HACCP (food safety) accreditation in 2016-17, ensuring continued access to overseas markets. Through HACCP accreditation, at least 110 new formal jobs were created, most of them for women in processing plants.

The PFIP program aims to increase the use of formal financial services by low-income earners through partnerships with financial service providers. With PFIP's support, BIMA, a micro insurance provider, established a call centre in Fiji, employing approximately 30 staff. This centre will serve as an operational hub to offer products to customers in Fiji, Vanuatu, Tonga and Samoa. Since June 2016, BIMA has registered almost 36,000 Fijians with micro insurance. PFIP is also supporting the HFC Bank to integrate its services on Vodafone Fiji's mobile network. Once operational, around 66,000 HFC Bank customers will be able to carry

out transactions on their mobile phones and through Vodafone's M-Paisa agent network. A mid-term review confirmed that PFIP is performing well against program objectives.

The number of Fijian workers participating in the Seasonal Worker Programme (SWP) remained modest in 2016-17 (190 workers, up from 160 the previous year). To increase the number and quality of workers sent to Australia through the SWP, Australia funded the Labour Mobility Assistance Program (LMAP) to deliver a marketing workshop and develop a marketing strategy to connect more Fijian workers with Australian employers. The Fiji Government also committed to make the program more inclusive and ensure the selection of quality workers by marketing the program to rural populations, producing better team leaders and preventing poor performing workers from participating. Several factors contributed to the decline in participation by Fijian women from 39 in 2015-16 to 14 in 2016-17, including the larger role given to village chiefs in proposing workers, which has reduced the number of women put forward. The LMAP has identified a number of activities to boost women's participation next year.

### **Governance for growth**

In 2016-17, three programs focused on governance for growth: the IFC partnership (\$12 million, 2016-20, bilateral); the Private Sector Development Initiative (PSDI, \$24.3 million, 2013-19, regional); and the Institutional Partnerships Program (IPP, \$16 million, 2015-19, bilateral).

#### *Improved business enabling environment*

Under the PSDI, work continued on a *Secured Transactions Bill*. The Bill is currently being considered by Parliament. If passed, we expect a registry will be developed in 2018-19 and the reform will begin to be utilised by banks in 2019-20. Although it will be some time before we are able to measure the impact of this reform, it will allow non-land assets to be used as collateral for loans, increasing access to finance for people in customary land ownership settings and for women who do not hold land titles.

In the area of state-owned enterprise (SOE) reform, PSDI continued its work with the Ministry of Public Enterprise to update the 1996 *Public Enterprise Act* and develop processes for the establishment of public-private partnerships. PSDI also provided advice to the Fiji Government on specific SOE transactions, including those involving the Fiji Electricity Authority and Airports Fiji Limited. In 2017-18, the amended *Public Enterprise Act* will be tabled in Parliament, and attention will shift to supporting the Ministry of Public Enterprise to inform SOEs about the new requirements under the Act (for instance, around Board membership and financial reporting requirements) and to monitor compliance. These reforms are expected to improve SOE efficiency, although, once again, it will be some time before the impact can be measured.

Australia significantly boosted its support for policy and regulatory reform with a four-year partnership agreement signed with the IFC in August 2016. The partnership, which commenced in October 2016, has set a number of ambitious goals, including generating USD200 million in new private sector investment by June 2020 and improving the economic empowerment of 10,000 women. In 2016-17, the partnership began work on a number of projects with a focus on trade and competitiveness. It is assessing the feasibility of developing a special economic zone in the west of Fiji. Support is also being provided to the Ministry of Industry, Trade and Tourism to streamline Fiji's investment policies and procedures, and to develop a national tourism development plan. A monitoring and evaluation framework has also been developed, which will be used to report the progress of these and other projects in future reports.

In 2016-17, the World Bank and the ADB continued their discussions with the Fiji Government on establishing a budget support program that would be tied to the implementation of economic and public sector reforms, including those Australia is supporting through the provision of technical assistance (see following section). We will continue to work closely with the World Bank and the ADB on the development of this program.

#### *Improved civil service performance and accountable and inclusive politics*



In 2016-17, progress was made on civil service reform, including the introduction of open, merit-based recruitment and selection across the senior ranks of the public service. With support from the IPP, the Fiji Government also developed plans and guidelines for performance management and more competitive remuneration for the public service. These activities have not yet led to measurably improved public sector performance, but they have provided some of the key building blocks towards this long-term outcome.

The IPP supported Fiji's Parliament to perform its important constitutional role. This included supporting the work of committees through targeted technical assistance; organising outreach activities to educate Fijians about the work of Parliament; supporting budget analysis; and facilitating the live streaming of Parliamentary proceedings. One notable outcome was that in March 2017 Fiji became the first Parliament in the region to incorporate scrutiny of legislation from a gender perspective as part of its Standing Orders.

The IPP supported an ongoing twinning arrangement between the Australian Electoral Commission and the Fijian Elections Office. In March 2017, a Memorandum of Understanding between the two agencies was signed to formalise cooperation on election administration ahead of Fiji's 2018 national election. A new twinning arrangement between Australia's Bureau of Statistics and its Fijian counterpart is supporting planning for Fiji's 2017 national census.

A mid-term review found that the IPP is making good progress but that more needs to be done to systematically address gender and disability in all investments and to ensure a robust monitoring framework is in place to collect results data. Relevant targets will be included in the program's Performance Assessment Framework.

## OBJECTIVE 2 – IMPROVED HUMAN DEVELOPMENT



Australia invests in education and health to ensure all Fijians can benefit from and contribute to the country's economic growth, particularly disadvantaged segments of the population. We partner with civil society organisations (CSOs) to extend our reach into vulnerable communities, mitigate economic and social hardship and promote equality between women and men. Through our programs, we seek to build networks of skilled individuals who are able to respond to Fiji's development needs, now and in the future.

2016-17 was a year of review and transition for our human development programs. The core work of the Access to Quality Education Program (AQEP, \$64 million, 2010-18) ended in June 2017, with AQEP continuing only to support reconstruction efforts following TC Winston. The Fiji Health Sector Support Program (FHSSP, \$33 million, 2011-17), the Fiji Community Development Program (FCDP, \$21 million, 2012-2017) and Phase 1 of the Pacific Women Shaping Pacific Development program in Fiji (Pacific Women) all ended, and evaluations were undertaken to inform the design of new phases. Substantial work was also undertaken to transfer the management of the education, health, community development and scholarships programs to the new Fiji Program Support Facility.

### Improved access to quality education

AQEP's support centred on school-based management grants to improve access to schools (including through building renovations) and literacy and numeracy outcomes (through teaching and learning resources). The program also worked with the Ministry of Education to improve information management systems and literacy and numeracy processes.

An end of program evaluation found that the three end of program outcomes relating to access, quality and sustainability were achieved. AQEP's end of program target for access of average student attendance of at least 90 percent was met (91 percent in Term 1, 2017). The end of program target for quality was that no

more than 25 percent of students at AQEP-supported schools were in the bottom quartile nationally of the Ministry of Education's Literacy and Numeracy Assessment (LANA) Year 5 examinations. This was met in 2016, despite TC Winston adversely affecting attendance and learning at over half of the 85 AQEP schools. AQEP also met its end of program sustainability target of 95 percent compliance in attendance reporting on the Fiji Education Management Information System (FEMIS), which improved from 79 percent in 2014. The second sustainability target was also achieved, with 76 of the 84 schools open in Term 1 2017 undertaking income-generation activities (90 percent against the end of program target of 90 percent).

AQEP also improved education options for children with disabilities. Five 'Inclusive Education Demonstration Schools' piloted disability inclusive education. The number of children with disabilities not attending school decreased by 43 percent between 2013 and 2016, while the number of children with disabilities attending inclusive schools grew from six in 2011 to 69 in 2017. By 2017, 58 percent of AQEP supported schools had been made physically accessible for people with disabilities, and 323 children with disabilities were enrolled at 60 AQEP supported schools. Lessons captured from the pilot schools informed the development of the Ministry of Education's *Special and Inclusive Education Policy and Implementation Plan 2017-2022*, launched in November 2016.

Gender equality was a key principle of AQEP, and an AQEP Gender Study found that the program succeeded in improving attendance and learning outcomes for girls at supported schools. Average attendance was 92 percent in Term 1 2017 for girls, up from just under 86 percent in 2012. In 2016, 57 percent of girls scored above the national average in numeracy (up from 41 percent in 2012) and 53 percent of girls scored above the national literacy average (up from 42 percent in 2012).

The AQEP Gender Study also found that female representation in school management committee executive roles increased from six percent in 2013 to 18 percent in 2016, and from 10 percent to 34 percent across all roles – a significant improvement given that committees have traditionally been male dominated. The study also found that the experience and confidence gained through these representative roles provided a catalyst for other opportunities, with several women going on to pursue further studies or full time employment.

The next phase of Australia's education support to Fiji, estimated at \$25 million, will operate from 2017 to 2022.

### **Improved health outcomes**

The main work of the FHSSP was completed prior to this reporting period with the key results reported in the 2015-16 APPR. However, the program was extended until June 2017 to rebuild health facilities damaged by TC Winston and to support Fiji's capacity in the field of disease outbreak detection in emergency settings.

The extended year of FHSSP also allowed the program to strengthen the sustainability of investments in some core areas of primary health care. A Memorandum of Understanding between the Health Ministry and the Department of iTaukei Affairs formalised the role and remuneration arrangements for Community Health Workers, ensuring recognition of their critical primary health care role. We also supported the development of a footcare manual and associated training to improve the quality of footcare management for diabetics with foot sepsis.

During the reporting period, the FHSSP supported the Ministry of Health and Medical Services as it underwent significant change as part of the IPP-supported civil service reform work (see Objective 1 – Private Sector Development). We expect that the benefits of reform – particularly in relation to greater clarity around job descriptions and processes – will begin to be realised in the coming year and will provide a solid foundation for future health systems strengthening work.

A number of activity reviews completed during 2016-17 found that support to primary health care and public health remained appropriate. The reviews also found that many issues in service delivery stemmed from shortcomings in resource management and planning at the ministry level. They recommended that future Australian assistance strengthen systems and decision-making processes, and improve monitoring and accountability. The focus of the new Australian health sector investment for 2017-2022, estimated at \$25 million, will therefore be on systems strengthening in the areas of health policy, planning and financing,



workforce development and health information. The investment will also support public health services and primary health care, with a new focus on secondary level of care for those affected by non-communicable diseases (NCDs).

### **Building resilience and economic opportunity in disadvantaged communities**

Civil Society Organisations (CSOs) are important development partners. The FCDP strengthened the capacity of these organisations, and provided them with grant funding, to mitigate social and economic hardship faced by poor, vulnerable and excluded communities in Fiji. The FCDP significantly outperformed against its end of program targets: it reached over 300,000 people (51 percent women and 1,873 people living with disability) and 123 CSOs. This exceeded the targets of reaching 70,000 beneficiaries and 70 CSOs. An independent end of program evaluation found that the FCDP had alleviated social hardship through the provision of essential services such as water, sanitation and health services, particularly in the areas of reproductive health, NCDs, and vision and hearing.

Over the five year life of the program, a total of 17,979 women and girls in rural and remote areas accessed reproductive health services and 3,849 people now have improved water and sanitation systems. To address NCDs, FCDP facilitated training and support for community-based health workers as healthy living focal points in their communities. These workers are making an impact among the 8,000 people in their communities: over 450 households now have vegetable gardens; high-risk NCD clients are better managing their health and lifestyle; and beneficiaries are proactively living healthily and accessing NCD clinical services.

The end of program evaluation found that economic hardship had been addressed through support for income generating projects and other means of saving money (e.g. poultry, local stores, solar power) and that, as a result, 4,531 people have improved livelihoods and better business skills. An example of this work is a project delivered through the Fiji Girl Guides Association in the remote village of Daku in Tailevu, which supported the opening of a village shop in January 2016. The store earned a profit of FJD13,000 (around \$8,100) within one year and saved families FJD20 (\$12.40) per week on transport.

The evaluation also found evidence of increased CSO capabilities in financial management, project management, community engagement, institutional policies and external relations (though it noted mixed results on ownership and sustainability of these changes). For example, 11 CSOs working in disaster risk management improved their capacity to coordinate with the Fiji Government and deliver preparedness and response activities. This capacity building helped prepare CSOs to assist over 99,500 people affected by TC Winston.

The evaluation recommended continued support for CSOs to reduce hardship and increase resilience amongst Fiji's most vulnerable. It also made a number of recommendations related to the focus and structure of funding arrangements, which are informing the design of the next phase of CSO support through the new Fiji Program Support Facility.

### **Promoting gender equality and empowerment of women and girls**

Through the Pacific Women program in Fiji, Australia supported initiatives that strengthen women's roles in leadership and decision-making, increase women's economic empowerment and address gender-based violence. An independent review of the program in 2017 found it is relevant, efficient and aligned to Fiji Government policy.

The review found that the program contributed to the expansion of women's participation and leadership roles in decision-making processes at community and national levels. For example, the program supported UN Women's Markets for Change program, which aims to increase women's leadership in markets through training, support for advocacy groups and improvements to infrastructure and operating systems. Between July and December 2016, elections were held in five markets in Fiji. In four of these, women were elected to fill 50 percent or more of the Market Vendor Association's executive committee positions. In two markets (Lautoka and Rakiraki), women now hold the position of President.

Rates of physical and sexual violence against women in Fiji are among the highest in the world, and in 2016-17 the program continued to focus on addressing gender-based violence and providing support services to

survivors. In 2016, 2,761 women survivors of violence (including 33 women with disabilities) received counselling, legal and medical services.

We supported the Fiji Ministry of Women, Children and Poverty Alleviation to finalise the implementation framework for the National Gender Policy. The Ministry also established a network of gender focal point officers across 22 ministries; convened a policy dialogue on violence against women for members of Parliament; and conducted male advocacy training for senior male civil servants.

In 2017, the program established the Fiji Women's Fund (the Fund), and recruited a Steering Committee and Fund Manager. From 2017 to 2022, the \$10.5 million Fund will provide support to women's organisations and networks to expand their work on women's empowerment and gender equality in Fiji. It seeks to reach women living in rural and remote locations and those who are marginalised, including women with disabilities and those facing discrimination due to their sexual orientation or gender identity. The Fund aims to transition to an independent local entity with secured resourcing from other sources by June 2022.

Recommendations from the independent review of Pacific Women include reviewing the program's monitoring and evaluation framework and working with implementing partners to build in sustainability measures for capacity and skills transfers. These will be incorporated in the next phase of the program.

### People-to-people links

During 2016-17, 138 Australian Volunteers for International Development worked with 85 organisations in Fiji across the public, private and civil society sectors. Volunteers supported capacity development in a range of government, local government and CSOs in roles such as agricultural officer, allied health officer, disability empowerment officer and sustainable tourism officer. For example, Scope Global's Disability Empowerment Skills Exchange saw a team of five Australian Volunteers with disabilities work side-by-side with local Fiji disabled peoples organisations to support them in the areas of marketing and human resource development.

In 2017, 51 Australia Awards students commenced studies: 33 in Australia and 18 in Fiji. They included ten nurses who upgraded their skills by completing post-graduate diplomas in midwifery, responding to a shortage of midwives identified by the Ministry of Health. In line with Fiji Government priorities, climate change and related issues were also priorities for the 2017 intake. Students enrolled in masters programs in climate change, disaster preparedness and reconstruction, and environmental and resource economics. The 2017 intake also marked the first time students with hearing impairments were provided Australia Awards Pacific Scholarships to study with full-time sign interpreters and peer tutors, as well as access to bridging courses in English.

## OBJECTIVE 3 – TROPICAL CYCLONE WINSTON RECOVERY



TC Winston, the strongest cyclone ever recorded in the Southern Hemisphere, struck Fiji in February 2016, causing 44 deaths and affecting around 540,000 people (almost two thirds of Fiji's population). The cyclone damaged or destroyed approximately 30,000 homes, 495 schools and severely impacted livelihoods by affecting industries such as agriculture and fisheries. Following TC Winston, Australia committed \$35 million in assistance: \$15 million to meet immediate humanitarian needs and a further \$20 million to support longer-term recovery and reconstruction.

Immediate relief activities were conducted in 2015-16. During 2016-17, Australia's \$15 million response package was fully implemented to help communities recover and build resilience to future disasters. For example, we supported Habitat for Humanity Fiji to train affected communities to build stronger homes (this training met its target of a 20 percent participation rate for women). We supported CARE Australia, in partnership with Live & Learn Environmental Education Fiji, to rehabilitate 248 sanitation facilities to be

more resilient to future disasters. Through UNICEF, we helped to revive and strengthen the national cold chain system by providing 74 solar and 17 electrical refrigerators for affected health care facilities.

In 2016-17, we also fully committed our longer-term recovery package to rebuilding critical health and education infrastructure; replacing damaged medical equipment; further restoring water and sanitation services; and rebuilding markets and accommodation facilities for women vendors. We had expected that this work would be completed by June 2017, but rebuilding efforts were delayed by difficulties in procuring materials and sourcing appropriate contractors as well as bad weather – risks identified in our 2015-16 APPR. We also underestimated the time needed to complete the work, particularly given pressures on the capacity of the national construction sector to meet recovery demands. Nonetheless, substantial progress was made.

Our largest recovery investment is in the education sector, where we worked with the Fiji Government to repair and rebuild 34 damaged or destroyed schools. Repairs to 16 schools in Savusavu, Rakiraki, Lautoka and Taveuni were completed by the end of 2016. Work rebuilding 18 more significantly damaged schools in Ra Province and on Koro Island is due for completion by December 2017. Although further delays are possible, we are optimistic that work rebuilding the schools will be completed before Term 1, 2018. This work is being managed through AQEP, which was extended specifically to focus on TC Winston-related infrastructure priorities. It is also assisted by an Australian Civilian Corps infrastructure specialist placed in the Ministry of Education's Asset and Monitoring Unit.

We also progressed the reconstruction of the Waimaro Health Centre in Ra Province in partnership with the Ministry of Health and Medical Services. A needs assessment recommended this facility be upgraded to a Level C Health Centre to provide more services to the surrounding area. We supported the upgrade, procuring appropriate medical equipment and designing a larger, better adapted building which will be more resilient to future disasters. We worked closely with the Ministry of Economy's Construction Implementation Unit as it is rebuilding the staffing quarters. Progress has been slower than anticipated, but is on track to be completed by December 2017. While management of this work was originally undertaken by the FHSSP, it was transferred to AQEP in April 2017 given the impending completion of FHSSP in June 2017. This proved to be an efficient way to manage the reconstruction work, with AQEP providing the expertise required to oversee the reconstruction activities.

We also worked with the Ministry of Local Government, Housing, Environment, Infrastructure and Transport, and UN Women (through the Markets for Change program) to rebuild the Rakiraki Municipal Market to a higher standard, including with a new women's accommodation centre. While the work is scheduled to be completed in April 2018, the risk of delay is high due to the large amount of work required for this upgraded facility. The project is an excellent example of co-financing between the Australian and Fijian Governments, with Australia contributing FJD3.2 million (approximately \$2 million) and Fiji providing the remaining FJD2.64 million (\$1.67 million). We will continue to explore options to work with the Fiji Government on similar joint projects.

An overarching priority of our recovery support has been ensuring that the facilities we rebuild are inclusive for women, children and people with disabilities. Our assistance for the Rakiraki Municipal Market is focused on providing an accessible women's accommodation centre to enable more women to bring their goods to sell at market. The Waimaro Health Centre has been designed to provide dedicated support to women patients. Our experience through AQEP in promoting inclusive education has also been incorporated into reconstruction work. We worked with Oxfam to respond to the needs of people with disabilities, redesigning some sanitation facilities to include footpaths and ramps to improve access where needed.

### **Lessons learned from the relief phase of our TC Winston response**

In 2016-17, we assessed aspects of our immediate response to TC Winston (see the 2015-16 APPR for details). Aligned with Fiji Government priorities, relief activities focused on providing timely, effective and appropriate support that met universal quality and accountability standards and considered the most vulnerable. Support to UNICEF and Save the Children helped to reopen schools and establish temporary learning spaces. An independent evaluation found this introduced an element of stability in affected communities and provided entry points for a wider array of disaster response services such as nutrition,

water, sanitation and hygiene (WASH) services and psychosocial counseling for affected children. However, the evaluation also found there was declining effectiveness over time as needs evolved and what were intended to be temporary measures (such as the use of tents as learning spaces) were still being used one year on from the cyclone. A key lesson was that the standard global model for education in emergencies needs to be revisited to fit Fiji's context. It recommended considering a phased approach in the future, which would better account for evolving needs over time. It also noted that governance arrangements, data management and consideration of partner capacity should be a focus of any future support.

While a larger proportion of funding than in previous similar responses was earmarked for protection and women's empowerment, we need to invest more in the future. While DFAT provided support to partners of the Protection Cluster to advocate for a strong protection focus in response efforts, ultimately pre-planning is required to support better protection and accountability mechanisms prior to disasters. In October 2016, an Australian-funded workshop led by FemLINK Pacific found that very few women were involved in preparing for, or responding to, TC Winston through official channels. An Australian Defence Force-led workshop also found that more work was needed to ensure risks to gender equality were identified and appropriately managed in all aspects of the response. The lessons identified by the workshop included the need to ensure a more explicit gender focus in strategic directions, operational tasking, technical capability, briefing of personnel, and agreements with humanitarian partners.

### **Disaster risk reduction and disaster risk management**

Since TC Winston, we have supported the Fiji Government in its renewed focus on disaster risk reduction and management. We extended secondments of technical specialists from the Australian Civilian Corps to the National Disaster Management Office to assist with operations and policy development. We provided funding to the Fiji Red Cross Society to set up offices in remote locations to preposition humanitarian supplies. Through the UNDP-managed Pacific Risk Resilience Program, we supported two positions in the Western and Northern Divisions to focus on resilient development, including helping to undertake risk screening of divisional projects. This support aligns with Australia's commitments to respect and help strengthen leadership and decision-making by local actors in humanitarian action.

The Framework for Resilient Development in the Pacific advocates the adoption of integrated approaches to coping with and managing climate change and disaster risks. In line with this, DRR and resilience-building are recognised as crosscutting issues to be integrated across all programs administered by the Fiji Program Support Facility. We have also invested in a Preparedness and Response Fund to be implemented in 2017-18. The Fund, to be administered by the Facility, will consist of a contingency fund of two percent of the Fiji bilateral aid program to prepare for and respond to disasters.

### **Support for Fiji's Presidency of COP 23**

In 2016-17, Australia responded to a request by the Government of Fiji for funding to help it fulfil its role as President of COP 23. This meeting of 197 members of the UN Framework Convention on Climate Change in Bonn, Germany in November 2017 will play an important role in driving global action to tackle climate change. Fiji's position as President of COP 23 provides a unique platform for it to advance its national interest and leadership in reducing global greenhouse gas emissions and increasing developing countries' access to finance to adapt to the impacts of climate change.

Building support for a successful outcome at COP 23 will require sustained advocacy and diplomatic engagement before and during Fiji's Presidency. Australia therefore provided \$4 million to support the establishment and operation of Fiji's COP 23 secretariat and a further \$2 million to support regional consultations with other Pacific island countries. Australia's funding was provided directly to Fiji's COP 23 Presidency Trust Fund, the entity established by Fiji's Parliament to receive and disburse contributions from the international community.

## MUTUAL OBLIGATIONS

While Australia does not have a formal aid partnership arrangement with the Fiji Government, we do have Subsidiary Agreements with individual ministries that sit below a broad Memorandum of Understanding (1995). We also work closely with a number of government agencies, including the Ministry of Economy; the Ministry of Education, Heritage and Arts; the Ministry of Health and Medical Services; the Ministry of Infrastructure, Trade and Tourism; and the former Ministry of Agriculture, Rural Development and National Disaster Management.

In some program areas, the Fiji Government has taken over agreed functions following the completion of programs. For example, the Ministry of Health assumed responsibility for the procurement and delivery of three vaccines that FHSSP introduced in 2012 (rotavirus, pneumococcal and HPV). As part of the Fiji Government's 2017-18 Budget announced in June 2017, the Ministry of Education committed to increase funds for primary school literacy and numeracy programs following AQEP's completion.

Fiji is still preparing its National Development Plan. Once released, this plan will allow for more structured engagement with donors and will be used as the basis of a bilateral aid partnership arrangement with Fiji from which mutual obligations can be developed and agreed.

## PROGRAM QUALITY AND PARTNER PERFORMANCE

We are working to improve the Fiji program's capacity to generate and use effective performance information. Work began on a whole-of-program Performance Assessment Framework (PAF) to assess progress against strategic priorities. This will be finalised by the end of 2017.

We conducted a monitoring and evaluation workshop on the Fiji Program Support Facility to consider our approach to measuring the efficiency, coherence and effectiveness of our aid program at the operations, crosscutting theme and program levels. This produced a 'theory of change' for the Facility that defines the pathways, assumptions, risks and expected outcomes of the health, education, community development and scholarships programs consolidated under a single managing contractor. A broader monitoring and evaluation framework will be developed to measure intermediate changes in behaviours and practices, as well as longer-term systematic changes. Regular access to program results will help to improve performance and better articulate how Australia's aid program in Fiji is making a difference on the ground.

Monitoring and evaluation activities are conducted for all investments at the program level and results are used to enhance program performance. Despite challenges for some programs (discussed under Aid Quality Checks below), the FCDP successfully managed monitoring and evaluation challenges during the reporting period. The results of grants provided by the program to CSO projects were unable to be aggregated as they were often small in value, had short implementation timelines (1-2 years) and were in multiple sectors. To address this information gap, the FCDP conducted in-depth sector-specific studies that proved valuable in generating performance information and will inform the design of the next phase of support to CSOs.

### Evaluations and forward evaluation pipeline

In 2016-17, Mid-Term Reviews of the Governance and Pacific Financial Inclusion programs were completed, as well as a review of the Pacific Women Fiji Country Plan. End of program evaluations for the FCDP and AQEP, and an evaluation of Australia's response to TC Winston in the education sector are due to be finalised in 2017-18.

### Aid Quality Checks (AQC's)

Six programs completed Aid Quality Checks (AQC's) for 2016-17, three of which were Final AQC's. A Humanitarian AQC was completed for the TC Winston response. Ratings are summarised at Annex D. Programs received positive ratings across the majority of measures (of the total of 49 ratings awarded across programs, only six were less than adequate). All programs were found to be highly relevant and received strong ratings for effectiveness and sustainability. Less than adequate ratings were recorded for efficiency, monitoring and evaluation, and gender equality.

The IPP and scholarships programs received lower ratings for efficiency. By design, the IPP works through a number of modalities, including grant support to CSOs, funding for multilateral organisations and twinning arrangements between Australian Government agencies and their Fijian counterparts. The range of these activities affects the program's overall efficiency, but they have nonetheless been carefully selected and remain appropriate for the program. The scholarships program, by its nature, is also resource intensive. We expect to realise efficiencies through the transfer of scholarships management to the Fiji Program Support Facility.

The IPP and scholarships programs also faced challenges with monitoring and evaluation. An IPP Mid-Term Review found that greater efforts were required to systematically track incremental progress, and work is now underway to develop an appropriate results framework. For the scholarships program, monitoring and evaluation had been concentrated on the inputs/outputs level (e.g. student success rates in their studies) with insufficient attention given to tracking how students utilised their new knowledge upon return to Fiji. A more comprehensive monitoring and evaluation framework is currently being developed as part of a new design process.

The Fiji program's performance on gender equality declined slightly compared to last year due to low ratings for the IPP and TC Winston response. Both programs have management responses which aim to improve these results.

### **Performance of key delivery partners**

In 2016-17, we continued to work with our top five implementing partners: Palladium (AQEP), Abt Associates (FHSSP), Coffey International (FCDP and the Facility), Cardno Emerging Markets (MDF) and Conciliation Resources (Governance). We collaborated with a number of CSOs, including the Fiji Women's Crisis Centre, Medical Services Pacific (MSP), Empower Pacific, OXFAM Fiji and Habitat for Humanity Fiji. Our bilateral programs also worked in close coordination with Fiji Government ministries and multilateral organisations including the Asian Development Bank, International Finance Corporation, UNICEF, the Global Partnership for Education, UN Women and the World Health Organization.

The annual evaluation of these partners through the Partner Performance Assessment tool found most implementing partners assessed were rated as 'adequate' or 'performing well' (between four and five on a six point scale). No implementing partner was found to have performed less than adequately. However, given the additional time and significant technical expertise required to manage the rebuilding of the Waimaro Health Centre, it was necessary to shift management of this project from Abt Associates to Palladium. This was because it was difficult for Abt Associates to extend their operations in Fiji past June 2017 and an assessment that Palladium could provide efficient and effective oversight going forward given its proven successful management of the larger school rebuilding program.

## **RISKS**

The overall risk profile of the Fiji program remained relatively constant over the last 12 months. The risk of natural disaster negatively affecting development programs is ever present and is managed through building flexibility into the bilateral program through contingency funds and investing in disaster risk reduction and management.

The risk of misalignment of our aid program in the absence of a formal National Development Plan is managed through engagement with the Fiji Government on its priorities at the sector level and by ensuring that new investment designs are able to respond to any change in government priorities (including following the national election planned for 2018).

The risk of continued delays in TC Winston reconstruction work and substandard rebuilding practices remains high. These risks relate to weather, accessibility of remote locations, availability of building materials and the substandard work of contractors. While some of these issues are outside of our control, we mitigated the risk by actively managing the implementation of the recovery program and by extending the Australian Civilian Corps infrastructure advisor until the end of 2017.



**Table 3: Management of Key Risks to Achieving Objectives**

Key risks	Actions taken to manage the risks over the past year	Further actions to be taken to manage the risks in the coming year	Risk Rating	In Post's Risk Register?
A natural disaster damages or destroys infrastructure and/or systems and the Fiji Government if forced to divert resources to respond.	Disaster risk reduction principles incorporated in all investments. Support provided to Fiji's Natural Disaster Management Office. Schools and other infrastructure is being rebuilt to be more resilient to future disasters.	Disaster risk reduction principles, including integrating a gender perspective, to be incorporated into design of future investments. Joint activities to strengthen disaster response capabilities. Continued support for Fiji's Natural Disaster Management Office. Contingency funds set aside for preparedness and response efforts.	High	Yes
Australian aid is not aligned to Fiji Government development priorities	Active and ongoing engagement with the Fiji Government on all aid investments and consultation with Fiji Government on design of new investments. New investment designs incorporate the capacity to respond flexibly to new/changed priorities.	Australia's Aid Investment Plan will be updated following the release of Fiji's National Development Plan and an Aid Partnership will be agreed with the Fiji Government. New investment designs to incorporate the capacity to respond flexibly to new/changed priorities.	Medium	Yes
Further delays in TC Winston rebuilding and sub-standard rebuilding practices	Active monitoring and evaluation of progress in construction of schools and other infrastructure. Replacement of sub-standard contractors with new contractors. Provision of technical assistance to support partners.	Continuation of active monitoring of and evaluation of construction work. Continued provision of technical assistance to support partners.	High	Yes
Fiji Program Support Facility does not produce the expected benefits or does not effectively manage aid investments.	A rigorous and lengthy tender process was used to select a managing contractor with demonstrated aid management skills and experience. Close and ongoing engagement between post and managing contract during inception of facility.	Post and managing contractor to agree detailed definitions of desired change and roles and responsibilities of staff. Continuing monitoring of Facility's performance and achievement of expected benefits. Crosscutting themes of gender equality, social inclusion and climate resilience consistently integrated across programs to contribute to whole-of-program benchmarks.	Medium	Yes

As the Fiji Program Support Facility moves from the inception to implementation phase of its work, it will be critical to strike the right balance between delegating responsibility to administer programs and mitigating the risk of ineffective management. Given that the Facility will manage a significant proportion of our bilateral aid, including the implementation of two new programs and the integration of the crosscutting themes of gender equality, social inclusion and climate resilience, the risk to the achievement of our development objectives is assessed to be medium.

## MANAGEMENT ACTIONS

A number of management responses identified in the 2015-16 APPR were implemented in 2016-17 and progress is summarised in Annex A. The Fiji Program Support Facility was mobilised in January 2017, and all key positions were filled. Substantial work was undertaken during the reporting period to clarify roles and

responsibilities, and these are outlined in operational documents. To improve coordination among donors in the private sector development area, we organised regular meetings between stakeholders to share information and avoid duplication. We will continue to ensure coordination takes place, particularly with the International Finance Corporation beginning work on investment reform. The Australia Fiji Civil Society Engagement Strategy, which outlines how we will work with civil society to progress development objectives, was launched in September 2016.

Some progress was achieved against other management actions, though work is still required to implement these fully. This includes delivery of our long-term recovery package in response to TC Winston. Most aspects of scholarship administration have been transferred to the Facility, with the transfer of all administrative functions expected to be completed by the end of 2017. The new health and education programs will mainstream climate change and disaster risk resilience activities, and a new Preparedness and Response Fund is being established which, if not required for responding to disasters, will be utilised for targeted activities. We will work to identify specific activities for funding in the coming year.

Two of the management actions from 2015-16 – to develop an Aid Partnership arrangement and a whole-of-program Performance Assessment Framework (PAF) – were linked to Fiji's release of its National Development Plan (NDP). As Fiji's NDP is not finalised, we have been unable to move forward on an Aid Partnership. However, recognising the importance of measuring the overall progress of our aid investments in Fiji, we will finalise a PAF by the end of 2017 and adjust it as necessary following the release of the NDP.

The 2015-16 report recommended commencing discussions with the Government of Fiji on conducting an Assessment of National Systems (ANS), a due diligence process that we must undertake before using government systems to deliver aid. We took a first step in this process by conducting a rapid fiduciary risk assessment as part of our contribution to the Fiji Government's COP23 Presidency Trust Fund. We will initiate a conversation with the Fiji Government on the next steps in the ANS process.

As Fiji has not signed the PACER Plus agreement, we have not progressed the management action relating to aligning our private sector development work with any new needs stemming from the Agreement. However, the DFAT-IFC Partnership is well placed to support Fiji if it chooses to sign the Agreement.

The following management responses will be implemented in 2017-18:

1. By the end of 2017, review and update Australia's strategic objectives for the aid program and finalise a whole-of-program Performance Assessment Framework, with gender data indicators across all objectives, to monitor the bilateral aid program as well as selected key regional programs
2. Review the alignment of the AIP against Fiji's development priorities and develop an Aid Partnership with the Government of Fiji.
3. Commence discussions with the Government of Fiji on conducting an Assessment of National Systems that could enable the aid program to be increasingly managed directly by the Fiji Government.
4. Oversee the early implementation of the Fiji Program Support Facility, including the design and delivery of new phases of the education, health and community development programs and the finalisation of the transfer of scholarships administration. Particular attention will be paid to efficiency and resourcing.
5. Complete the delivery of Australia's assistance package supporting Fiji's recovery from TC Winston in line with Performance Benchmarks set out in Annex B.
6. Implement agreed recommendations from the independent evaluation of Australia's response to Tropical Cyclone Winston in the education sector (noting some timeframes extend beyond the next reporting period).
7. In line with an updated AIP, improve the integration of climate change and disaster resilience activities across programs and invest in targeted activities through the Preparedness and Response Fund.




8. Ongoing engagement with the Government of Fiji on our contribution to the COP 23 Trust Fund to ensure that Australia's assistance is used to support Fiji's COP 23 Secretariat and regional consultations with other Pacific island countries.
9. Provide timely and effective support to the Fiji Bureau of Statistics and the Fiji Election Office to support the 2017 census and the 2018 election.

# ANNEX A- PROGRESS IN ADDRESSING MANAGEMENT ACTIONS

Describe progress made against management actions in 2015-16 report

Management actions identified in 2015-16 APPR	Rating	Progress made in 2016-17
Effective and timely delivery of Australia's additional aid to the long term reconstruction of TC Winston: \$16 million over 2016-17 and 2017-18	Partly achieved	Significant progress has been made. Repairs to 16 schools are complete and the rebuilding of 18 schools that sustained significant damage will be complete by December 2017. Waimaro health centre will be rebuilt by end of 2017 and Rakiraki Municipal Market by mid-2018.
Develop an Aid Partnership with the Government of Fiji after the forthcoming National Development Plans are released	Not applicable	Fiji has not released its National Development Plan, though we have communicated to the Fiji Government our desire to develop an Aid Partnership using the Plan as a basis.
Using the Aid Partnership as a basis, develop a whole-of-program Performance Assessment Framework to monitor the bilateral aid program as well as selected key regional programs	Partly achieved	Despite the absence of an Aid Partnership, we have drafted a Performance Assessment Framework (PAF) and begun consultations with relevant Fiji Government ministries on some of the key indicators. We will finalise the PAF by the end of 2017.
Timely establishment of the Fiji Program Support Facility and clarity of new roles and responsibilities among Australian High Commission staff, the Facility, the Government of Fiji and other stakeholders	Achieved	The Facility has been mobilised with all key positions filled. Roles and responsibilities have been outlined in key operational documents.
Transfer the scholarships administration to the Fiji Program Support Facility to enable DFAT to manage strategic directions for the program	Partly achieved	Most aspects of scholarship administration have been transferred, with full transfer of administrative functions expected by the end of 2017.
Improve coordination among development partners in the private sector development sector to ensure complementarity of assistance	Achieved	DFAT has organised regular meetings between our partners working in this area. We will continue to ensure coordination between our private sector development programs.
Pending PACER Plus negotiating outcomes, ensure our private sector development programs support Fiji to meet PACER Plus requirements and benefit from the opportunities it presents	Not applicable	Fiji has not signed the PACER Plus agreement. However, the DFAT-IFC Fiji Partnership is well placed to support Fiji meet PACER Plus requirements and maximise new trade opportunities should it accede to the Agreement in the future.
Commence discussions with the Government of Fiji regarding conducting an Assessment of National Systems, a due diligence process to examine public financial management systems that will enable the aid program to increasingly use government systems	Partly achieved	As part of our contribution to the Fiji Government's COP23 Trust Fund, Australia conducted a rapid fiduciary risk assessment. Together with the GoF, we will identify an appropriate time to undertake a more fulsome Assessment of National Systems.
Develop a Civil Society Engagement Strategy to further articulate Australia's engagement with CSOs	Achieved	The Australia Fiji Civil Society Engagement Strategy (2016-19) was finalised in September 2016. The Strategy outlines how we will work with civil society.
Identify possible climate change and resilience activities for future funding and begin mainstreaming climate change and disaster risk resilience into development activities with assistance from the new Support Unit once it has been initiated	Partly achieved	The new health and education programs will mainstream climate change and disaster risk resilience activities and a new Preparedness and Response Fund is being established which, if not required for responding to disasters, will be utilised for targeted activities.

Note:

-  Achieved. Significant progress has been made in addressing the issue
-  Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
-  Not achieved. Progress in addressing the issue has been significantly below expectations

## ANNEX B – PERFORMANCE BENCHMARKS

### Progress towards Performance Benchmarks in 2016-17

Aid objective	Performance Benchmark	Rating	Progress in 2016-17
Improved Human Development	Reduction in the percentage of students in the Access to Quality Education program targeted schools achieving in the national bottom quartiles in literacy and numeracy	Achieved	Significant improvements in Literacy and Numeracy learning outcomes were recorded for students at the AQEP supported schools. The end-program target was met – no more than 25% of students at AQEP supported schools were in the bottom quartile of the Literacy and Numeracy Assessments (LANA) nationally. This was despite the impact of TC Winston on attendance and learning at over half of the AQEP supported schools. In the July 2016 LANA for Year 5, only 22 percent of students at AQEP supported schools were in the bottom quartile in Numeracy and 25 percent in Literacy. Both outcomes are a significant improvement from the 2012 baseline figures of 33 percent in Literacy and 33 percent in Literacy.
Improved Human Development	10 per cent or more of the Fiji Bilateral Program allocated to gender equality or disability inclusion initiatives	Achieved	Of the total bilateral budget for 2016-17, approximately 4 million was spent on gender equality and disability inclusion initiatives. Through Pacific Women, \$3.1 million was allocated to addressing violence against women, increasing women's economic opportunities and promoting women's leadership. The Fiji program continues to mainstream disability inclusion across the program. Through Australia Awards, four students with disabilities were awarded scholarships. Through FCDP, the Fiji Society for the Blind helped to prevent blindness and assist those living with blindness or vision impairment. Through AQEP, five schools piloted an approach to address learning needs of children with disability.
Improved Human Development	Reduction in common childhood illnesses resulting from introduction of rotavirus and pneumococcal vaccines	Achieved	The introduction of the Rotavirus and Pneumococcal vaccines through the FHSSP program Fiji's national Expanded Program of Immunisation (EPI) saw the ministry take over its procurement fully from 2015. Coverage rates for both vaccines have been around 95 percent. The introduction of the pneumococcal vaccine is estimated to have reduced hospitalisation rates by 515 per year for pneumonia. Along with a 70% decline in rotavirus admissions for children under five, this results in a significant reduction in the burden of providing healthcare for these diseases.
Increased private sector development	New formal sector jobs created for the poor	Partly achieved	222 additional jobs (108 males and 114 females) were created in 2016-17, against a target of 260 formal jobs created for the poor.
Increased private sector development	Aid budget allocated to aid-for-trade initiatives	Achieved	Three bilateral aid-for-trade initiatives, Market Development Facility (\$2.9m), International Finance Corporation program (\$2.5m) and the Pacific Finance Inclusion Program (\$1.8m), totalled AUD7.2 million or 16.4 percent of the Fiji bilateral budget allocation in 2016-17 (not including TC Winston funds).

**Note:**

- Achieved. Significant progress has been made in addressing the issue
- Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
- Not achieved. Progress in addressing the issue has been significantly below expectations

## Performance Benchmarks for remainder of Aid Investment Plan

Aid objective	Performance Benchmark	2017-18	2018-19
Increased private sector development	New formal sector jobs created for the poor	350	400
Increased private sector development	Aid budget allocated to aid-for-trade initiatives	20 percent	20 percent
Improved Human Development	Reduction in the percentage of students in the Access to Quality Education program targeted schools achieving in the national bottom quartiles in literacy and numeracy	No more than 25 per cent in bottom quartile	No more than 25 per cent in bottom quartile
Improved Human Development	80% of investments, regardless of their objectives, will effectively address gender issues in their implementation	80 percent	80 percent
Improved Human Development	80% of investments, regardless of their objectives, will actively involve people with disabilities and/or Disabled People's Organisations in planning, implementation and monitoring and evaluation	80 percent	80 percent
Improved Human Development	80% of investments, regardless of their objectives, will identify and address barriers to inclusion for people with disabilities to enable them to benefit equally from the aid investment	80 percent	80 percent
Improved Human Development	Climate risks and resilience are assessed and taken into account in all new Australian aid investments and activities in Fiji - including design; implementation arrangements; monitoring, evaluation and reporting frameworks; and risk management.	All new activities assess climate risks and resilience	All new activities assess climate risks and resilience
Improved Human Development	Number of maternal deaths (Total in Fiji)	Less than 8 annually	Less than 8 annually
Improved Human Development	Number of deaths per 1000 live births	Equal to or less than 8 annually	Equal to or less than 8 annually



# ANNEX C- EVALUATION PLANNING

## List of evaluations completed in the reporting period

Investment number and name	Name of evaluation	Date completed	Date Evaluation report Uploaded into AidWorks	Date Management response uploaded into AidWorks	Published on website
INI898 Pacific Financial Inclusion Program	Mid-Term Review	December 2016	In progress	In progress	In progress
INL339 Institutional Partnerships Program	Mid Term Review	December 2016	N/A (classified)	N/A (classified)	N/A (classified)

## List of program prioritised evaluations planned for the next 12 months

Investment number and name	Evaluation title	Date – planned commencement (month/year)	Date – planned completion (month/year)	Purpose of evaluation	Evaluation type
INK130- Fiji Community Development Program	End of Program Evaluation	August 2017	In progress	In progress	In progress
INJ515 - Access to Quality Education Program (AQEP)	End of Program Evaluation	March 2017	September 2017	To inform new design, demonstrate results, verify performance and examine value for money.	DFAT led (includes consultants engaged by DFAT)
INL959 Cyclone Winston Humanitarian Assistance	TC Winston Education Response Evaluation	February 2017	September 2017	To evaluate education elements of response to TC Winston.	DFAT led (managed by Suva Post with support from HPD; engaging external consultants)
INL397 Pacific Women Fiji Country Plan	Pacific Women Fiji Country Plan Review	March 2017	September 2017	To undertake an independent assessment of the first phase of the Fiji Country Plan (2013-2017)	Partner-led with DFAT oversight

## ANNEX D- AID QUALITY CHECK (AQC) RATINGS

### AQC RATINGS

Investment name	Approved budget and duration	Year	Relevance	Effectiveness	Efficiency	Monitoring and evaluation	Sustainability	Gender equality	Risks and safeguards
Access to Quality Education Program	\$64.1 million 2010-18	2017 AQC	5	5	4	4	4	5	
		2016 AQC	6	5	5	5	3	5	5
Pacific Women in Fiji	\$26.3 million 2014-22	2017 AQC	5	4	4	4	3	5	
		2016 AQC	5	3	4	4	4	5	5
Governance (Fiji Transition to Democracy including Institutional Partnerships Program)	\$14.3 million 2014-22	2017 AQC	5	4	3	3	4	3	
		2016 AQC	6	5	5	4	5	4	5

### HUMANITARIAN RESPONSE AQC RATINGS

Investment name	Approved budget and duration	Year	Effectiveness	Efficiency	Relevance	Protection	Gender equality	Monitoring and evaluation	Connectedness
Cyclone Winston Humanitarian Assistance	\$16.2 million 2016-17	2017 HAQC	5	4	5	4	3	4	5

## FINAL AQC RATINGS

Investment name	Approved budget and duration	Year	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and evaluation	Sustainability	Gender equality	Risks and safeguards
Fiji Community Development Program	\$21.3 million 2011-17	2017 FAQC	5	5	5	4	5	4	5	
Fiji Health Sector Support Program	\$38.3 million 2011-17	2017 FAQC	4	5	4	5	4	4	4	
Fiji scholarships (2011 intake)	\$5.2 million 2010-17	2017 FAQC	4	5	4	3	3	4	4	

## ANNEX E – PERFORMANCE ASSESSMENT FRAMEWORK

Fiji's Performance Assessment Framework is under draft to be finalised by end of 2017.

## APPENDIX 1: 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT INFOGRAPHICS

 <p><b>1 NO POVERTY</b></p>	End poverty in all its forms everywhere	 <p><b>10 REDUCED INEQUALITIES</b></p>	Reduce inequality within and among countries
 <p><b>2 ZERO HUNGER</b></p>	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p>	Make cities and human settlements inclusive, safe, resilient and sustainable
 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	Ensure healthy lives and promote well-being at all ages	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>	Ensure sustainable consumption and production patterns
 <p><b>4 QUALITY EDUCATION</b></p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	 <p><b>13 CLIMATE ACTION</b></p>	Take urgent action to combat climate change and its impacts
 <p><b>5 GENDER EQUALITY</b></p>	Achieve gender equality and empower all women and girls	 <p><b>14 LIFE BELOW WATER</b></p>	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
 <p><b>6 CLEAN WATER AND SANITATION</b></p>	Ensure availability and sustainability management of water and sanitation for all	 <p><b>15 LIFE ON LAND</b></p>	Protect, restore and promote sustainable use of terrestrial ecosystems
 <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>	Ensure access to affordable, reliable sustainable and modern energy for all	 <p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p>	Promote peaceful and inclusive societies for sustainable development and provide access to justice for all
 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	Promote sustained, inclusive and sustainable economic growth, full and productive employment	 <p><b>17 PARTNERSHIPS FOR THE GOALS</b></p>	Strengthen the means of implementation and revitalise the global partnership for sustainable development
 <p><b>9 INDUSTRIE, INNOVATIE EN INFRASTRUCTUUR</b></p>	Build resilient infrastructure, promote inclusive and sustainable Industrialisation and foster innovation		