

Summary of Management Response

DFAT considers the evaluation to be of a good quality. It sufficiently addressed the questions on the Terms of Reference and Subsequent Evaluation Plan. The evaluation identified a number of areas where further improvements to DFAT-funded programs through the six Multilateral Development Partners (MDPs) can be made, particularly around monitoring and evaluation (M&E). While DFAT agrees with the majority of recommendations made in the report, we recognise and respect the PNG Government's mandate and role in delivering health services to the people of PNG, in line with the principles of PNG and Australia's broader bilateral relationship. Australia's support to the health sector in PNG is intended to assist the PNG Government in delivering health services, and not to substitute it. With that said, Australia will look to implement these recommendations to the extent possible through those MDPs it funds and work with the PNG Government to ensure better coordination of DFAT-funded programs, particularly in the key areas of sector coordination and M&E.

Recommendation	Response [Agree / Agree in part / Disagree]	Explanation (Clearly specify which aspect of the recommendation you partly agree with)	Action Plan	Timeframe [[If practical, please specify timeframe here]
1. DFAT, in collaboration with the National Department of Health, the Department of National Planning and Monitoring, and key development partners establish procedures to better monitor whether aid funding is additional to, or potentially a substitute for, GoPNG financing to the health sector.	Agreed in part	<p>Australia recognises that PNG domestic policy and financing decisions are the responsibility of the PNG Government.</p> <p>Australia's support to the PNG Health sector is agreed between the Papua New Guinean and Australian Government through the PNG-Australia Aid Partnership 2016-2017. These mutually agreed areas are based on PNG's health sector priorities, as requested by PNG, and Australia's national interest. Australia's support ranges from technical assistance to project delivery to budget support for PNG's health priorities.</p> <p>Australia is committed to the principles of development partner coordination and is working with the PNG Government to align Australia's support to PNG's health sector priorities and coordination mechanisms.</p>	<p>DFAT will continue to implement and align Australian support to the PNG Government's health sector priorities, as agreed between the PNG and Australian Governments through the Aid Partnership.</p> <p>DFAT will continue to engage in development partner coordination discussions led by the PNG Government, and particularly the PNG Minister for Health and HIV.</p>	2018-2022

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		Australia's support is annually monitored at the highest bilateral as well as programmatic levels, through the PNG-Australia Ministerial Forum and the PNG Government.		
2. In considering any future co-financing or other support, DFAT should explicitly assess, as part of its risk management and value for money considerations, the extent to which continued stock outs of drugs and essential commodities fundamentally undermines effectiveness, efficiency, equity and sustainability of DFAT's overall investment in rural based health services.	Agreed in part	<p>The delivery of health services to the people of PNG is the responsibility of PNG Government. This includes addressing health system challenges such as the procurement and distribution of medical supplies.</p> <p>Australia recognises the need to strengthen the PNG health system so that the PNG Government can effectively and sustainably deliver health services in long term. Areas of Australia's support to these areas are agreed under the Aid Partnership. Australia considers the sustainability and value for money of proposed aid investments during their design, to ensure risks to successful delivery are identified and mitigated.</p> <p>Specifically on medical supplies, DFAT funds a Medical Supply technical expert located in the World Health Organization to assist the PNG Government improve regulation and supply of medicines, including prescribing and dispensing supplies at the point of care. DFAT also funds a technical expert to support the rollout of mSupply, a pharmaceutical supply chain software program funded by the Global Fund.</p>	<p>Australia has, and will continue, to engage the PNG Government and other MDPs to address PNG's health system challenges, and will continue to advocate for appropriate and consistent funding for primary health care delivery.</p> <p>DFAT will continue to consider risk, sustainability and value for money as part of its decision-making and investment design quality assurance processes.</p>	2018 - 2022

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3. DFAT, as a significant bilateral development partner in PNG, work with the National Department of Health; the Department of National Planning and Monitoring; the Asian Development Bank; the World Bank and other development partners to more explicitly identify and exploit linkages, complementarities, and coherence between sectoral investments that affect health sector outcomes in PNG	Agreed	Agreed. Australia is committed to working with the PNG Government and other development partners to align Australia's support to PNG's health and other sector priorities and programs.	<p>DFAT will continue to align and implement Australian support to the PNG health sector, as agreed between the PNG and Australian Governments through the Aid Partnership.</p> <p>DFAT will continue to engage in development partner coordination decisions led by the PNG Government, and particularly the Minister for Health and HIV. This has and will continue to include support to GoPNG to actively work with other health sector donor partners such as the Asian Development Bank and the World Bank. For example, DFAT participated in the Health Financing Roundtable in November 2017, led by Minister for Health and HIV to improve sectoral coordination.</p> <p>To assist with this work, the Australian High Commission to PNG has restructured to ensure it is able to cohesively engage across policy, trade and development areas across a range of sectors.</p>	2018-2022
4. A much clearer and explicit set of mutual expectations about communication and responsiveness, with UNFPA reporting tangible performance indicators, be included in any future partnership agreement between DFAT and UNFPA.	Agreed	Agreed.	DFAT will ensure future arrangements with UNFPA includes rigorous governance, monitoring and evaluation, and reporting arrangements for Australia's support. These arrangements will be reflected in any future partnership agreements between DFAT and UNFPA.	
5. While there is significant scope to improve the results framework with virtually all MDPs, there is a particular need to establish a more	Agreed	Agreed. The WHO has its own institutional/country M&E framework based on a biennial plan agreed with the host	DFAT will include rigorous governance, monitoring and evaluation, and reporting arrangements in the future DFAT-WHO	2018-2022

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results based agreement between DFAT and WHO given the importance of central position of WHO in PNG health policy dialogue and programming.		country. WHO prefers donors use this framework, however, this arrangement has been inadequate in PNG.	Partnership Agreement currently under negotiation. This will include a shift to a results-based approach.	
6. DFAT, as part of the Australian Government's focus on health security, give particular attention to leveraging the efforts of WHO and other UN agencies including UNICEF, to raise immunisation levels in PNG. DFAT should also liaise at the highest levels to ensure GAVI remains engaged in PNG until essential vaccination coverage rates increase substantially and in a sustainable way.	Agreed	<p>Agreed. Responsibilities for delivering health services, including immunization to the people of PNG is the responsibility of the PNG Government.</p> <p>Australia recognises the need to improve PNG's overall health security. Areas of Australia's support to these areas are agreed under the Aid Partnership.</p> <p>Specifically on immunisation, DFAT has engaged in policy dialogue with the PNG Government and Gavi, UNICEF and WHO (including at Board levels) to progress the Gavi PNG Transition Program Framework. As PNG has exceeded the economic threshold for Gavi support the Framework is the basis on which Gavi will assist PNG to improve immunisation rates through a transition period to 2020.</p> <p>We will continue to engage with key players to support PNG to sustainably deliver services. In particular, DFAT funds a maternal and child health technical expert located in the World Health Organization. DFAT has further supported UNICEF to improve cold chain equipment across the country.</p>	DFAT will continue to work closely with the PNG Government (particularly the National Department of Health), Gavi (including the Board), WHO and UNICEF to implement the PNG Transition Program Framework, to provide technical expertise to assist PNG deliver immunization services and to improve immunization levels in PNG.	2018-2022

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7. DFAT, in collaboration with NDOH and other development partners, specifically review whether the appropriate level of financial resources and attention are being allocated to “the right things” as referred to in the TORs for this evaluation. Specifically, that DFAT review whether there is sufficient focus in any partnership agreement to (i) critical aspects of health system strengthening, including public financial management and availability of essential drugs (ii) an unfinished agenda of traditional health challenges, including under-nutrition and immunisation and (iii) new health challenges including non-communicable diseases.	Agreed in part	See response to Recommendation 1	See response in Recommendation 1.	2018-2022
8. DFAT, GoPNG and MDPs meet to agree on a more explicit, insightful and regular means of reporting on gender disaggregated data, extracted from existing M&E systems wherever possible, as a basis for better planning and management.	Agreed	Agreed. DFAT is committed to ensuring gender disaggregated information is consistently reported and used for decision-making within its programs.	DFAT, through existing internal and health sector coordination mechanisms, will ensure DFAT-funded programs (including those through MDPs) will provide and use gender disaggregated information. We will encourage the PNG Government and other partners to improve the availability and use of gender disaggregated data with their own programs.	2018-2022
9. DFAT should make it clearer to MDPs that it sees M&E, especially with respect to the direct grants it provides, as a strategic management tool rather than a means of routine reporting. DFAT should, particularly as future funding commitments are being negotiated, reach agreement on the nature	Agreed	Agreed.	DFAT has outlined M&E as a key focus area for the health program going forward and has developed a draft M&E Framework for the DFAT health portfolio. We have begun to work to implement more rigorous M&E practices including result-based	2018-2022

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<p>and frequency of reporting key indicators. Those indicators will need to vary from MDP to MDP, and from activity to activity. However, the indicators would normally include analysis – and not just a descriptive account – of how the DFAT grant is specifically contributing to agreed goals; emerging risks and risk-mitigation strategies; and provide management level insight into efficiency and value for money of how the MDP used the DFAT grant. Future M&E reports should also normally have gender-disaggregated data as a matter of course. A percentage of the value of the DFAT grant (at least 5%) should be specifically and routinely (there may be possible exceptions for smaller activities) allocated to improve the depth of analysis of M&E.</p>			<p>financing. DFAT will use future funding negotiations to ensure these are implemented into all DFAT funded programs.</p>	
<p>10. DFAT actively consider continuing to support MDPs in PNG in its future program to the health sector, provided performance management and reporting of DFAT grants improves.</p>	Agreed	Agreed.	<p>Australia recognises the important role and comparative advantage that countries development and health priorities, particularly through their technical expertise on key health areas.</p> <p>DFAT will continue to support MDPs to work in PNG, based on PNG and Australian Government priorities and individual MDP areas of comparative advantage.</p> <p>As mentioned previously, we will work with MDPs to improve sector coordination and</p>	2018-2022

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			M&E to ensure enhance performance management and reporting.	
11. a) That DFAT's partnership with MDPs move from a collection of individual "projects" or funding arrangements to a more coordinated overarching program (or even portfolio) with an explicit, coherent, strategy or vision.	Agreed	Agreed.	DFAT will consider how it can transition existing individual project and funding arrangements to a more coordinated programmatic approach in the new health program.	2018-2022
b) That if DFAT is to engage in policy dialogue in the technically demanding and complex area of health sector support and reform, that staff are appropriately resourced (and then made accountable) including with access to technical expertise, and resources, to strategically examine developments at the provincial and sub-national level where service delivery occurs.	Agreed	Agreed.	DFAT will regularly review resourcing arrangements to ensure adequate resources are available to undertake effective policy dialogue in the health sector. DFAT will utilise technical and policy support where necessary to supplement existing Australian High Commission efforts.	2018-2022
c) That clearer and simpler arrangements are made so that DFAT's insights into the on the ground strengths - and weaknesses - of MDP operations in PNG are being strategically, proactively and consistently conveyed to the Australian representatives in the Executive Boards of those six MDPs	Agreed	Agreed.	The Australian High Commission will liaise regularly with geographic and multilateral areas in DFAT Canberra to ensure lessons from MDP engagement in PNG is conveyed to and utilised for progressing bilateral priorities.	2018-2022
12. DFAT specifically assess the different mandates, comparative advantage and expertise of MDPs when considering health security issues in PNG. Furthermore, in developing health security strategies and interventions in PNG, programs specifically take into account the relatively low level	Agreed	Agreed.	See response to Recommendation 10. Specifically for health security, DFAT views all its health programs (such as our support to immunization reform and service delivery) as contribution to PNG's overall health security. We will continue to assess the mandate,	2018-2022

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and fragile nature of existing health security characteristics in PNG, including low levels of immunisation; nutrition, drug and other medical supplies in much of PNG and the relatively high level of endemic, not just exotic, diseases in PNG.			comparative advantage and technical expertise of MDPs when determining future funding with MDPs.	