

Independent Review of the Pacific Horticultural and Agricultural Market Access (PHAMA) Initiative MANAGEMENT RESPONSE

Prepared by: Pacific Governance & Growth Section

Approved by: Jodie McAlister, Acting Assistant Secretary Pacific

Date: 24 January 2014

Initiative Summary

Initiative Name	Pacific Horticultural and Agricultural Market Access (PHAMA)		
AidWorks initiative number	INI851		
Commencement date	01 July 2010 (although Program commenced on the ground in June 2011)	Completion date	30 June 2013 (phase 1)
Total Australian \$	\$13.4 million		
Delivery organisation(s)	URS Australia Limited (Managing Contractor), Secretariat of the Pacific Community (SPC) and Department of Agriculture, Fisheries and Forestry (DAFF)		
Implementing partner(s)	DFAT appointed Managing Contractors, <i>URS-Australia Pty Ltd</i> and <i>Kalang Consultancy Services Pty Ltd</i> (for objectives 1-3 outlined below) and the Biosecurity and Trade Services Team (BATS) of the Secretariat of the Pacific Community (SPC) (for objective 4 outlined below).		
Country/Region	Tonga, Samoa, Solomon Islands, Vanuatu and Fiji – through URS Australia Ltd. Pacific region through SPC.		
Primary sector	Rural Development (<i>PHAMA Phase 1 was funded by Food Security Budget Measure</i>)		
Initiative objective/s	<p>The overall goal is to open greater market opportunities and increase exports of high value primary products for primary producers from Pacific Island Countries and Territories, thereby contributing to increased economic growth and improved rural livelihoods in these predominantly agricultural-based small country economies. PHAMA has 4 objectives:</p> <ol style="list-style-type: none"> 1. Country led process through national private public mechanisms for identifying and prioritising Market Access submissions. 2. Strengthened national capacity to implement Market Access requirements of import countries including quarantine and food safety. 3. Research and Development including feasibility studies, pest surveys and application of food standards. 4. Stronger SPC capacity through the Biosecurity Trade Services team (BATS) to assist Pacific Countries with market access information and general assistance. 		

Evaluation Summary

Evaluation Objective:

To assess:

- 1) PHAMA achievements to date, including whether the program was delivering results as intended;
- 2) whether PHAMA's present approach and implementation arrangements were sustainable and where possible, draw any lessons that might be useful to inform DFAT future programming decisions around multi-country/regional programs including within regional organisations like SPC;
- 3) Provide suggestions for improvements, if any, that would help consolidate PHAMA's work to date and help strengthen the program in the long term.

The Evaluation was to also provide:

- 4) A preliminary assessment of the M&E system and its change logic
- 5) Suggestions, if any as to how PHAMA might increase gender participation in the long term;
- 6) Suggestions, if any as to how NZ Ministry for Primary Industries (MPI) and NZ Ministry for Foreign Affairs and Trade (MFAT) existing support for Pacific biosecurity and food safety might strengthen and/or complement PHAMA.

Evaluation Completion Date: 31 May 2013

Evaluation Team: Annalize Struwig (Team Leader and Principal Consultant), Peter Wood (Independent Consultant) both of International Organisation Development Ltd t/a IOD PARC, and Vili Caniogo (DFAT PHAMA Evaluation Manager).

DFAT's response to the evaluation report

The Evaluation found that PHAMA was relevant to delivering the strategic goals of the Australian aid program, partner governments and other development partners that worked in the agricultural space. It also found the program effective in that it was able to achieve a number of successes for market access in a relatively short time. Integral to the program's success was the successful establishment of national Market Access Working Groups (MAWGs) in Samoa, Tonga, Vanuatu, Solomon Islands and Fiji. MAWGs were effective in forging partnerships between the private and public sectors and were providing a clear, structured pathway for addressing market access issues collaboratively at the national level. The Evaluation also referred to a number of areas that could be strengthened including a stronger monitoring and evaluation framework for the program, a clearer strategy for capacity development for MAWGs and SPC-LRD and sustainability. The Evaluation recommended that PHAMA be continued to a second phase.

A summary of the key findings are as follows:

- The PHAMA program was relevant for a range of stakeholders, including DFAT, SPC (Land Resources Division - LRD), PICTs, as well as other donors including the EU and New Zealand. Its relevance was in its contribution towards delivering the strategic commitments and priorities of stakeholders in the region, as well as its contribution to supporting, complementing and amplifying the success and impact of other programs such as the MDF, IACT, the EU's Economic Governance Program and the Enhanced Integrated Framework. PHAMA also provided focus and direction to other programs, for example, market feasibility assessments which were providing clear and valuable direction to PARDI in terms of directing its research priorities around supply chain development.
- The PHAMA program was effective in implementing a sustained focus on regulatory aspects of biosecurity, quarantine and R&D related MA for high- value fresh and processed primary products. PHAMA used a decentralised, evidence-based and industry-driven approach to identifying MA priorities was key to its effectiveness.
- Significant results were achieved during a relatively short implementation period. These included:
 - reopening of suspended papaya export pathway to Australia and New Zealand;
 - expansion of Tongan watermelon exports to New Zealand by over 300 percent;
 - Approval to export fresh Fiji ginger to Australia;
 - Samoan Taro exported to New Zealand following suspension due to taro leaf blight;
 - Re-opening Tonga-Fiji trade on squash and watermelon;
 - Trial shipment of dried bananas from Samoa to NZ;
 - Heads of Quarantine meeting resulted in agreement on progressing harmonisation of several issues of regional concern, including implementation of a Sea Container Hygiene Scheme

and streamlining of import conditions of commonly traded products such as handicrafts and kava;

- Enhanced bilateral quarantine agreement between partner countries;
- PHAMA had also successfully established MAWGs in Fiji, Samoa, Solomon Islands, Tonga and Vanuatu. The national MAWGs were widely acknowledged as being an effective mechanism/model to strengthen connections between growers/exporters and MA regulatory bodies and to facilitate evidence-based negotiation between government and industry to identify export priorities for primary products. This was remarkable considering that membership was honorary and was a new process of engagement for several countries. MAWGS were therefore helping to facilitate a greater coherence between the export priorities pursued through trade negotiations and the production ability of the country. Pacific governments regarded MAWGs as a replicable model for other sectors and products.
- PHAMA needed a clearer strategy for capacity development for SPC-LRD and MAWGs. This should include indicators for agreed milestones and targets which would guide and signify the achievement of planned results in this regard.
- PHAMA provided a critical opportunity to strengthen efficient MA serviced delivery by LRD. This would complement and reinforce a corporate initiative to enhance organisational efficiency in SPC in response to an organisational review that was conducted in 2012. Improved efficiency of LRD in delivering MA services would depend on the space that was afforded to LRD by SPC, as well as LRD's "appetite" to adopt innovative alternatives for MA support, including adopting good practice from the approach employed by the PHAMA Project Management Office (PMO).
- Insufficient attention had been devoted to program sustainability in Phase 1. Progress with capacity development of LRD for improved MA service delivery had been slowed down significantly by organisational challenges internal to SPC/LRD. Greater attention was also needed the sustainability of MAWGs and NMAC.
- An integrated Theory of Change and results framework would help draw out relationships between activities and results within and between the components delivered by the different providers, which would assist monitoring and reporting of results. In addition, PHAMA's cross-cutting focus on benefits for marginalised households and women was not adequately incorporated in the PHAMA M&E framework. As such, PHAMA's contribution to promoting gender equality remains largely under-reported and invisible.

DFAT agreed to the majority of recommendations including the recommendation for a second phase. The suggested improvements around capacity development and results were also seen in the context that the "twin" PHAMA service delivery model (Managing Contractor and SPC) was still new for both organisations and stakeholders and more time was needed for the model to be tested. DFAT also noted that many of the challenges issues attributed to recruitment and retention of technical expertise within SPC-LRD was symptomatic to the whole of SPC which were captured in a recent (and separate) review of SPC. DFAT would be responding to SPC funding and staffing issues as part of that larger review.

DFAT also responded to the findings of the PHAMA Evaluation through a Theory of Change (ToC) Workshop (May 2013) with a view to strengthening Phase 2. Key stakeholders that participated in the Workshop included SPC-LRD, URS Australia Ltd, Australia's Department of Agriculture, NZ Ministry of Primary Industries and DFAT. A key outcome of the ToC workshop was a framework that contained greater clarity as to the program strategy and goals, clear linkages to activities, performance milestones, opportunities for results capture and a risk management. It was agreed that URS Australia Ltd would develop further the initial framework early in Phase 2 in consultation with countries. Further details of the ToC discussions are contained in the table below.

DFAT's response to the specific recommendations made in the report

Recommendation	Response	Actions	Responsibility
GENERAL RECOMMENDATIONS			
1. The program is continued into Phase 2.	Agree.	Preparations for Phase 2 progressed after Review. Phase 2 funding secured and commenced.	DFAT
2. The outcome of the Review, as well as associated recommendations and expectations, is communicated to all stakeholders in a clear and timely manner.	Agree.	<p>The Review draft and final reports were distributed to all PHAMA stakeholders. Field visits were complemented by a validation workshop involving all PHAMA countries and other partners such as ACIAR in April 2013.</p> <p>DFAT convened a theory of change workshop to incorporate the Review findings. Participants included URS Australia Ltd, DAFF, SPC, NZ and the review team.</p>	URS Australia Limited and DFAT
3. That the current funding modalities for both implementing partners should be maintained.	Agree subject to resource envelope that was made available. Noted interests by NZ for additional funding.	Phase 2 funding secured early July 2013.	DFAT
4. Timely finalisation of contracts and timely disbursement of first funding tranches to implementing partners to maintain momentum on Market Access (MA) activities.	Agree.	Completed	DFAT in consultation with SPC – LRD, URS Australia Ltd and Australian Department of Agriculture
OTHER RECOMMENDATIONS			
5. Design of Phase 2 should be a collaborative process between the Program Management Office (PMO) and the LRD, with key inputs from National Market Access Coordinators (NMACs), Market Access Working Groups (MWAGs) and other stakeholders.	The PHAMA components were to be retained so as to give the program and model more time. Design for Phase 2 'updated' for Evaluation findings.	Theory of Change framework collaboratively developed by program partners and DFAT. To be further developed with countries in Phase 2.	All stakeholders.

Recommendation	Response	Actions	Responsibility
6. Design of Phase 2 should be facilitated by an appropriately experienced technical specialist with the requisite expertise in capacity development and political governance.	Agree to the development of a stronger Theory of Change framework.	Theory of Change framework collaboratively developed by program partners and DFAT. To be further developed with countries in Phase 2.	URS Australia Ltd, SPC and DFAT
7. Establish stronger coordination and collaboration between the PHAMA and the LRD specifically through consideration of: <ul style="list-style-type: none"> • Establishing a public-private partnership between the LRD and a private MA service provider; • Establishing a panel of Short-Term Technical Assistants (ST-TA) that can be used to address regional MA issues, including responding to specific requests for MA support from Pacific Island Countries and Territories (PICTs). • Maintaining MAWs and decentralising selected MA functions through NMACs, in collaboration with MAWs. 	<p>Agree on stronger collaboration between PHAMA and LRD—through a clearer theory of change framework and identification of capacity development opportunities.</p> <p>Agree on maintaining MAWG structures.</p> <p>Suggestion for further private sector led participation with SPC also part of SPC review.</p>	Initial theory of change framework developed by program partners and DFAT. To be further developed with countries,	URS Australia Ltd, SPC and DFAT
8. Capacity development of NMACs and MWAGs, including clarification of their legal status, accountability and financial sustainability.	Further information required on similar sustainable models that exist elsewhere to help inform countries	URS Australia Ltd has been asked to prepare a study on industry models that exist in Australia, NZ and elsewhere	URS Australia Ltd
9. That the cap for individual Export Development Grants (EDGs) should be raised to AUD \$15,000.	Subject to resourcing envelope.	EDG retained but is subject to resource envelope. Longer term this finance facility is better delivered by specialist service providers.	URS Australia Ltd
10. Existing assessment criteria for EDGs, Value for Money should also be emphasised.	Agree.	EDG retained but is subject to resource envelope. Longer term this finance facility is perhaps better delivered by other service providers.	URS Australia Ltd

Recommendation	Response	Actions	Responsibility
11. Distribute the management burden between the PMO and NMACs/MAWGs by developing systems and capacity to devolve management of EDGs to the country level.	To be explored by URS Australia Ltd.	While EDGs have been retained, the resourcing envelope for Phase 2 is limited. National buy in to country offices is necessary for country offices although there is also the option with scaling MA delivery at SPC or for the PPPO. This issue is to part of continued dialogue by PHAMA and national governments.	URS Australia Ltd, DFAT
12. Assumptions and expectations of the implementing partners to work in a more collaborative manner in order to strengthen LRD's capacity should be "unpacked" into clear roles, responsibilities, milestones and results.	Agree.	Captured in a Theory of Change framework developed by program partners and DFAT. To be further developed with countries in Phase 2.	DFAT Canberra / Posts, SPC, DAFF & NZMAF.
13. Dedicated TA to facilitate a collaborative relationship between the PMO and the LRD, within the larger organisational context of SPC. This relationship would then be conducive to developing LRD's capacity in MA service delivery.	Funding is already provided for a Market Access Issues Adviser at SPC that will bridge SPC and PHAMA	Constrained by recruitment delays. Model is new and also needs time to be tested.	SPC-LRD, URS Australia Ltd, DFAT
14. Technical support should be mobilised to assist with the legal-financial institutionalisation of country offices and developing longer-term plans for the political-economic institutionalisation of MAWGs.	To be considered within sustainability.	Subject to demand, country buy-in and resourcing.	URS Australia Ltd, DFAT
15. Review the role structure and workload of NMACs to ensure that all aspects of this role are carried out effectively.	Agree	Different countries have different demands and workloads. This can be considered within the existing program.	URS Australia Ltd
16. The PMO, in consultation with LRD, should develop a Communication Strategy to clarify lines of communication between PMO TAs, NMACs, MAWGs, PICT National Plant Protection Organisations (NPPOs) and NZ MPI and DAFF.	Agree	To be considered in line with the Theory of Change Framework	URS Australia Ltd

Recommendation	Response	Actions	Responsibility
17. Shifting the focus of the PHAMA program's results and accountability to LRD's strategic plan would complement and reinforce, from the "bottom up", the "top-down" implementation of SPC's M&E Corporate Policy.	Agree.	Noted that the SPC M&E Policy will focus on institutionalising a more results-orientated planning, decision-making and accountability "culture" within SPC. PHAMA will look to capitalise on this throughout the design update process.	SPC, DFAT
18. MAWGs and NMACs to take more ownership of the program results and become actively involved in monitoring of progress towards the achievement of results.	Agree	Strategy and possible resourcing needs to be developed through Theory of Change framework	URS Australia Ltd. DFAT and SPC-LRD
19. M&E framework and strategy should be costed and adequately resourced to ensure that it produces appropriate results in a timely manner to inform the ongoing effectiveness and efficiency of program implementation, as well as final evaluation of the program.	Agree.	<p>The current PHAMA M&E system is adjudged as adequate. The system is geared heavily to DFAT reporting and as such focuses on activities rather than the broader outcomes. .</p> <p>Currently the resourcing is not sufficient to have a more developed M&E system and there is a legitimate expectation that some of the information could be improved at the higher levels.</p> <p>It is estimated that only 2-3 percent of the program is currently earmarked for M&E. In Phase 2, the following could be addressed:</p> <ul style="list-style-type: none"> • Increase visibility of M&E results for all stakeholders – especially national governments. • Capture unintended impacts. • Clarity as to how SPC might monitor and report PHAMA results. • Clarity as to status of agriculture sector contribution to program/DFAT key indicators/outcomes 	URS Australia Ltd. DFAT and SPC-LRD
20. That the M&E framework be adjusted to adequately monitor and measure results for marginalised households and women.	Agree.	To be considered as part an updated M&E framework. This will include examination of selected indicators at the outcome level, as well as possible addition of carefully selected criteria to the indices for Performance Assessments of MAWGs, NMACs, PMO and LRD.	URS Australia Ltd, DFAT

Recommendation	Response	Actions	Responsibility
21. That the program evaluation strategy should clarify issues of attribution and contribution across all levels of results.	Agree.	Development of M&E framework and theory of change to capture attribution at outcome and impact level including acknowledgement of the contribution of specific stakeholders.	URS Australia Ltd, DFAT
22. PHAMA looks for opportunities for strengthening cooperation between Australia and New Zealand, by increasing the involvement of the New Zealand Aid Programme in PHAMA through a combination of co-funding, alignment and/or complementarity.	Agree. NZ has expressed interest in co-funding PHAMA	DFAT continued to share key program documents with NZ and will continue to continue to hold dialogue including with other development partners.	SPC-LRD, URS Australia Ltd, DFAT.
23. Harmonisation and coordination with key donors and initiatives relevant to the PHAMA program be strengthened at different levels.	Agree.	Also explore/strengthen opportunities for harmonisation and coordination for this sector within SPC and other CROP agencies	All stakeholders.