

# Annex 1

## **Additional Tasks During the Reporting Period**

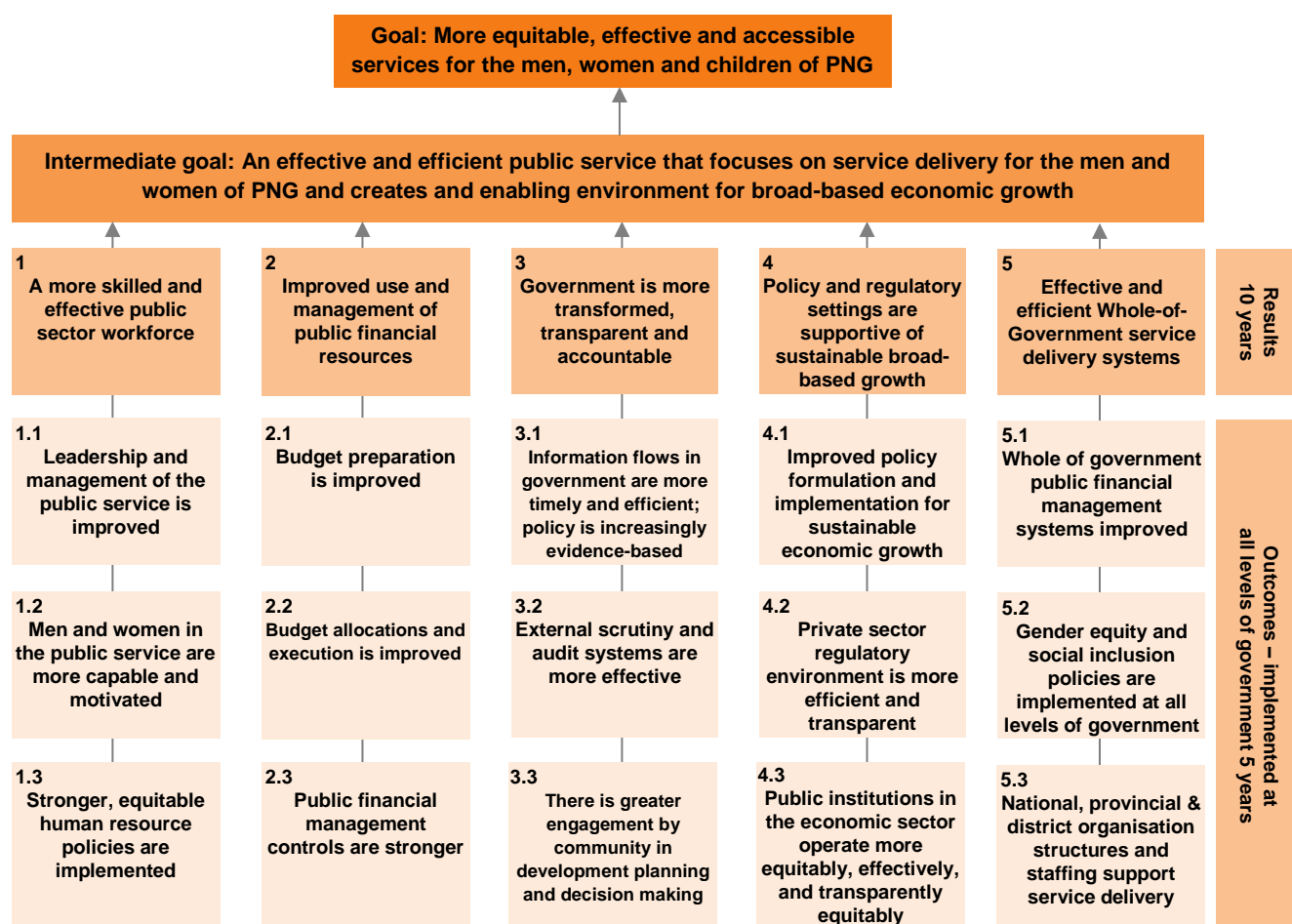
| Task   | Activity  | Status (31 December 2014)  |
|--|---|--|
| The Pacific Leadership and Governance Precinct - PNG IPA | Contract and mobilise design team (three consultants)                                     | Completed; two missions (one in October and one in Nov/Dec)  |
|  | Provide background information of previous Program inputs to IPA                          | Completed; previous advisers' reports shared and discussed with design consultants                         |
|  | Provide logistical support during design period (October – December)                      | Completed; Design team submitted Design brief on 15 December   |
|  | Finalise TOR and recruitment of 3 PNG IPA consultants                                     | TOR completed and approved by AHC; recruitment in progress; advertising of positions commenced in December |
| HR CONNECT (payroll cleansing)                           | Prepare management response to review report  | Completed  |
|  | Develop pilot methodology at a provincial level across all components                     | Completed  |
|  | Consult with key stakeholders (DPM, DPLGA) and select pilot province                      | Completed  |
|  | Commence implementation   | In progress  |
| GESI – Action research at district level (pilot)         | Develop proposal for AHC approval   | Completed; proposal submitted on 2 December  |
|  | Identify pilot district and consult with PA/DA  | Completed  |
| APEC – 6 month placement with APEC Singapore             | Develop MoU between stakeholders  | Completed  |
|  | Finalise and get agreement for financing mechanisms                                       | Completed  |
|  | Assist PM&NEC with the selection and mobilisation of two GoPNG officers to APEC Singapore | In progress  |
| Public opinion surveys (pilots)                          | Developed methodology and questionnaires  | Completed  |
|  | Discussions with AHC, DPLGA and Chief Secretary   | In progress  |
| Tanim Graun – ‘dialogues for development’                | Film tokaut sections in provincial locations (instead of just in Port Moresby)            | Completed for September, October and November Tanim Graun forum  |
|  | Establish an advisory panel for selection of topics and panel members                     | In progress – panel members have been identified and agreed on; first meeting to be scheduled              |

| Task  | Activity   | Status (31 December 2014)   |
|---|--|---|
| Secretariat for SGP Steering Committee                    | Logistical arrangements for the meeting (invitations, draft TOR, minutes)  | Completed   |
| PAU – ANU conference                                      | Develop grant agreement with ANU and assist with logistics for the conference, as required                                   | Completed   |
| Institute of National Affairs (INA)                       | Develop funding agreement and TOR for short term adviser   | Documents developed; waiting for INA council approval                               |
| DLP research team   | Logistical support during DLP team's visit in November   | Completed   |
| Support for National Statistics Office (NSO) scoping team | Provided costing of logistical support   | Costing provided; no further activities as AHC decided to request services from DSS |
|   | Brief team on previous NSO adviser placements through EPSP including risks/ success/ challenges for future placements        | Completed; previous adviser documents provided; discussion with Scoping team        |
| Contract amendment number 3                               | Prepare contract amendment proposal for additional program activity funding and submit to AHC                                | Completed   |
|   | Revise proposal to include funding (program activity + operations) for a program extension to 30 June 2016 and submit to AHC | Completed   |

# Annex 2

## Results Management Framework

| Original outcome  | AHC Approved change   |
|---|---|
| 2.2 Budget allocations and execution increasingly support service delivery for men, women and children  | 2.2 Budget allocations and budget execution are improved  |
| 3.3 There is greater dissemination of information on budgets and services to men, women and children    | 3.3 There is greater engagement by community in development planning and decision making            |
| 4.1 Sound and sustainable macroeconomic policies are implemented  | 4.1 Improved policy formulation and implementation for sustainable economic growth                  |
| 5.2 National, provincial and district plans align with Vision 2050, DSP and MTDP                        | 5.2 Gender equity and social inclusion policies are implemented at all levels of government         |
| 5.3 National, provincial and district organisation structures fully staffed to support service delivery | 5.3 National, provincial and district organisation structures and staffing support service delivery |



# Annex 3

## Program Management

## **1. Personnel**

### **1.1 Program Management Office**

The organisational structure of the PMO was also adjusted during the period to better reflect revised business processes and ensure the most efficient lines of management appropriate to the program (see Figure D for EPSP PMO Organisational Chart)

Currently there are a total of twenty-seven PMO staff where:

- Six are ARF positions (1 female and 5 males)
- Nineteen are Locally Engaged Staff positions (14 females and 7 males)

Key changes in PMO personnel were as follows:

- Sylvia Bitter commenced as the new Program Director in July replacing Geoff Elvy.
- Glen Hurley commenced as the new Deputy Program Director – Technical in September, a new position replacing the previous Capacity Development Manager position.

Late in 2015, Glen Hurley resigned his position to return to the Finance Planning & Management Adviser position with the Prime Minister's and National Executive Council at the request of the Chief Secretary. Recruitment for a replacement Deputy Program Director – Technical commenced in December and is anticipated to be completed in early 2015.

### **1.2 Program Activity Advisers**

The inputs of program activity advisers engaged with agencies under GSAs were extended to 30 June 2015<sup>1</sup>.

At the end of the reporting period there are:

- thirteen long term program activity advisers (6 females and 7 males)
- nine short term consultants (2 female and 7 male)

During period the following six advisers were recruited and commenced

1. Alison Henkel – Audit Management System Project Manager – AGO (LTA)
2. Lorenzo Mahinay – Monitoring and Evaluation Adviser – DNPM (LTA)
3. Kris Kauffmann – Budget Process Assessor – DoT (STA)
4. Kaye Schofield – Lead Design Consultant – School of Government design (STA)
5. Felecia Dobunaba – Design Consultant – School of Government design (STA)
6. Paul Tippet – Design Consultant – School of Government design (STA)

Recruitment in progress includes:

- General Ledger Adviser – DoF (LTA): the first recruitment was completed but contract negotiations with the preferred candidate failed when the candidate did not accept proposed ARF remuneration and the position was re-advertised in December
- Trust Accounting Adviser – DoF (LTA): recruitment completed and mobilisation planned for January 2015
- Budget and Finance Adviser – IRC (STA): recruitment completed and mobilisation planned for January 2015

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<sup>1</sup> Other than the Project Management Adviser for the HR CONNECT activity whose assignment concluded at 31 December 2014

- ICT Adviser – IRC (STA): recruitment completed and mobilisation planned for January 2015
- Financial Management Adviser – PNG Electoral Commission (LTA): application period closing on 12 January 2015
- Interim Planning and Management Adviser (STA): recruitment completed; mobilisation planned for January 2015
- Strategic Management Adviser - PNG IPA/SOG (LTA): application period closes on 12 January 2015
- Quality Improvement Adviser - PNG IPA/SOG (LTA): application period closes on 12 January 2015
- Operations Management Adviser - PNG IPA/SOG (LTA): application period closes on 12 January 2015
- National Legal Adviser – PAC: application period closes on 12 January 2015
- Deputy Director (Technical) – EPSP/PMO: application period closes on 12 January 2015

Recruitment to commence in early 2015 includes:

- Strategic Business Development Adviser – INA (STA)
- Communications Specialist – PNG IPA/SOG (STA)
- IPA Coordinator – PNG IPA/SOG (LT LES)

### **1.3 Lessons and challenges**

#### **Recruitment methodology**

Traditional recruitment based on advertising does not necessarily identify suitable candidates within limited timeframes. EPSP is exploring alternatives such as direct approaches to potential candidates, headhunting, targeting of specialist or professional networks to identify candidates, etc. These proactive methodologies require considerable time and resources.

#### **PNG context**

While difficult to assess the extent of the impact, negative perceptions of the PNG context clearly affect the potential field of applicants considering EPSP positions.

#### **Adviser Remuneration Framework (ARF)**

During the recruitment the following issues relating to the terms and conditions of the ARF have continued to emerge:

- The lack of support for school fees for children is a significant factor that discourages applicants/candidates with school age children<sup>2</sup>.
- Many candidates assume that they will receive the premium ARF rates and it is not until interviews are held that Coffey is able to explain that these rates are not generally available. This is a constraint on EPSP's ability to attract and recruit senior candidates with high remuneration expectations.
- High level international experts (e.g. public financial management) cannot always be attracted by the ARF long term remuneration rates.
- ARF rates as determined by job discipline, job level and length of service do not always reflect the complexity of the role, for example finance positions in DoF and DoT are challenging as they must confront situations relating to better financial management and potential corruption.
- The way the ARF is interpreted across programs and agencies is inconsistent, depending on how a position is described, for example Institutional Reform attracts a D classification and while Public Finance Management only attracts a D or a C classification and where DFAT PNG post classifies it as C.

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<sup>2</sup> The annual cost of two children at The Ela Murray International School (TEMIS) is 100,000 Kina



## Program duration

As the program is nearing its end it is difficult to attract long term advisers. EPSP can only offer employment to the current end date of the program (1 December 2015) which is not attractive for long term advisers.

For existing program activity advisers the end date of the program is a significant consideration. Employment extensions for a few months to reflect the current end of EPSP leaves the advisers uncertain about their future employment. This can result in advisers looking for jobs elsewhere and leaving the program and, most importantly, leaving their agency early with unfinished work.

## Context and ARF

Both the PNG and program contexts and the ARF issues are constraints impacting recruitment of the right candidates for EPSP positions by reducing potential fields of applicants.

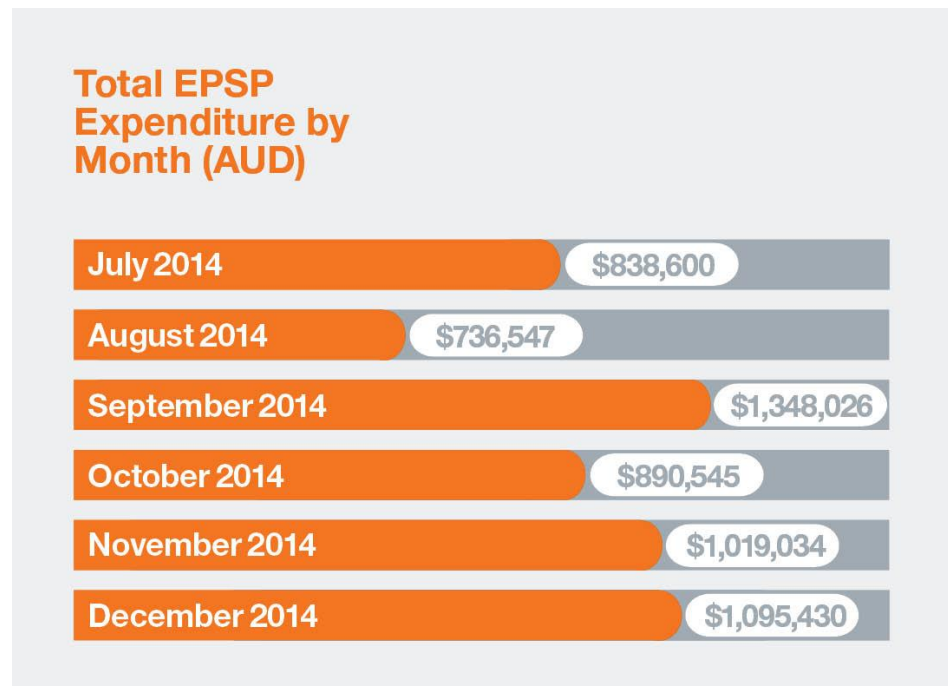
## 2. Program Finance

The EPSP budget or maximum amount payable under Agreement 54683 is AUD 94,025,116.36 composed as follows:

| Basis of Payments Item                   | AUD           |
|--|---------------|
| Fixed management fees                    | 8,185,346.20  |
| Variable management and procurement fees | 909,090.91    |
| Imprest account payments                 | 46,896,650.35 |
| Incentive based grants                   | 2,000,000     |
| Adviser/personnel costs                  | 11,911,279.53 |
| Adviser/personnel support costs          | 5,035,486.00  |
| EPSP program office costs                | 4,376,598.00  |
| Program activity costs                   | 14,710,665.37 |

While expenditure for the program activity costs from the Imprest Account ceased at 31 March 2014 the total combined amount available for program activity costs for the life of the program is AUD 61,607,315.72 (combination of AUD 46,896,650.35 from Imprest Account Payments plus AUD 14,710,665.37 from Program Activity Cost budget categories).

## 2.1 Expenditure



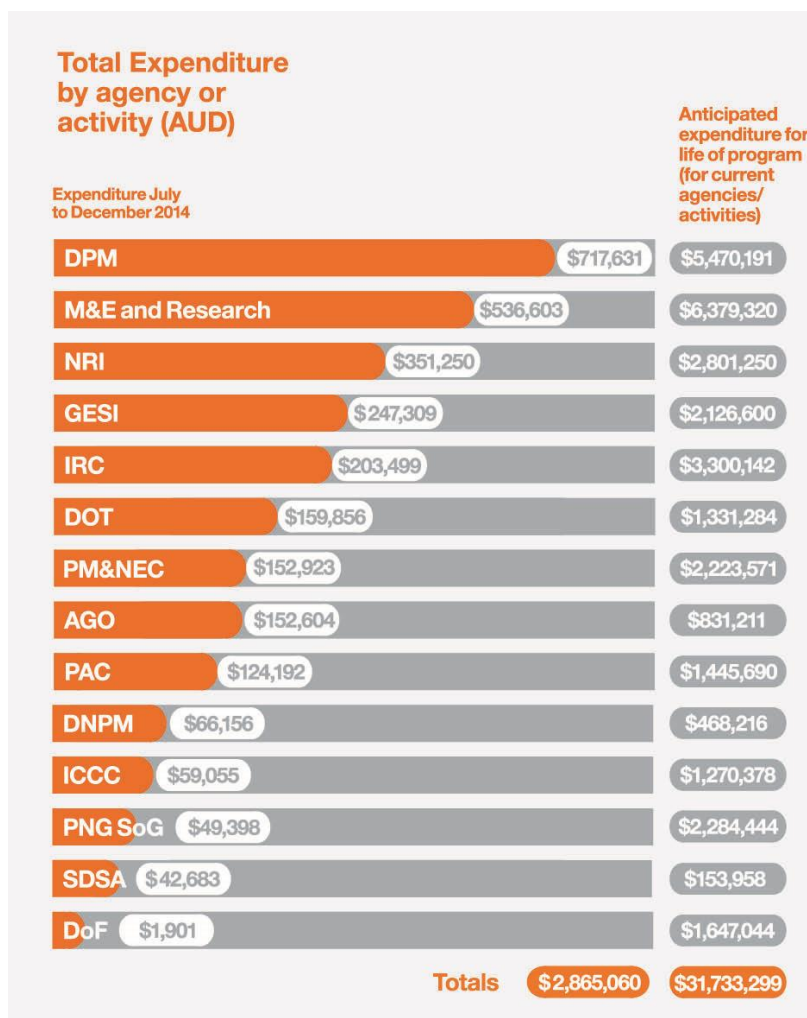
**Figure A - Total Expenditure by Month**

Total EPSP expenditure<sup>3</sup> for the period July – December 2014 (Figure A) was AUD 5,928,182 representing 6.3% of the total EPSP budget of AUD 94,025,116.

The fluctuation in expenditure month to month over the period is attributed to varying program activity adviser inputs, higher levels of consultancies, late supplier invoicing and the timing of payments in accordance with funding agreements such as that with the National Research Institute (NRI).

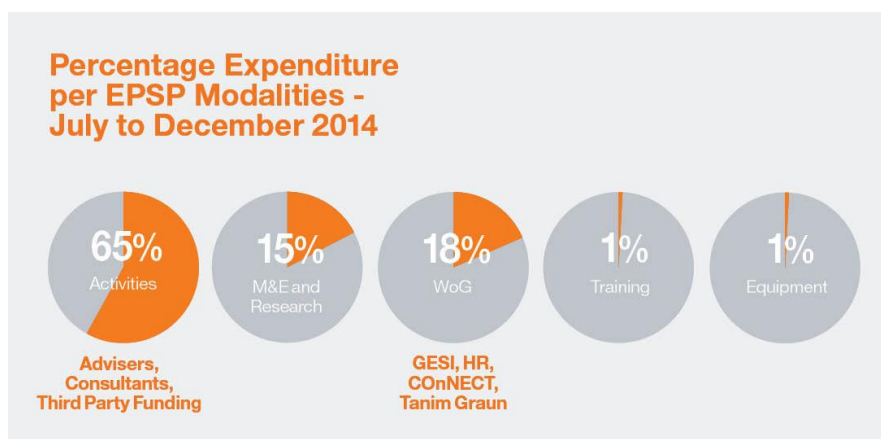
Monthly expenditure is anticipated to increase during the first six months of 2015 to an approximate average of AUD 2.0million due to increased number of advisers working on GSAs and funding requirements for other program activities.

<sup>3</sup> Program activity costs + PMO costs + management fees



**Figure B Total Expenditure by agency or activity (AUD)**

Total Expenditure by agency for program activities (Figure B) shows AUD 1,797,266 allocated to GoPNG agencies and cross cutting activities for the reporting period. The baseline data for the pattern of expenditure on modalities in Figure C has changed from previous periods but indicates that WoG expenditure is significantly increasing in all of the program activities. Actual expenditure on consultancies remains steady as a component of program activity expenditure.



## **Figure C: Percentage Expenditure on EPSP Modalities – July to December 2014**

### **2.2 Expenditure forecast for program**

Over 2014, and particularly during the reporting period, the forecast for program activity expenditure significantly increased due to the extension of adviser inputs for GSAs and the increase in new non-GSA program activities planned to DFAT priorities such as:

- Pacific Leadership and Governance Precinct and PNG Institute of Public Administration – School of Government
- APEC GoPNG placement
- National Research Institute (NRI)
- Institute of National Affairs (INA)
- PNG Electoral Commission.

At the end of the year expenditure forecasts for:

- program activity costs were AUD 8.2 million more than the current budget of AUD 61.6 million.
- incentive based grants were AUD 1.0 million less than the current budget
- adviser/personnel costs, adviser/personnel support costs and EPSP program office costs were approximately AUD 4.2 million less than the current budget
- fixed management fees remained as budgeted at AUD 8.1 million, and
- variable management fees were AUD0.9 million less than the current budget.

Therefore, the overall forecast is AUD 2.0 million more than the total EPSP budget of AUD 94.0 million (see amendment number 3 below).

At the current rate of expenditure the current program activity costs fund of AUD 61.6million will be exhausted by June 2015

### **3. DFAT / Coffey Agreement 54683**

The current term of DFAT Agreement 54683 with Coffey is to 1 December 2015.

#### **3.1 Amendment number 3 proposal**

As a result of the budget position evident during the reporting period, DFAT requested Coffey to prepare a proposal for an amendment to Agreement 54683 to increase the budget for program activity costs. The amendment is also an opportunity to make adjustments to the PMO Adviser/Personnel costs to reflect changes in the personnel structure and use savings in Program Management Office (PMO) costs.

In late 2014 DFAT also requested Coffey to include in the amendment proposal costs to facilitate an extension of the EPSP by seven months from 1 December 2015 to 30 June 2016.

The revised proposal for the amendment was submitted in December 2014 and is being reviewed by DFAT.

#### **4. Operations**

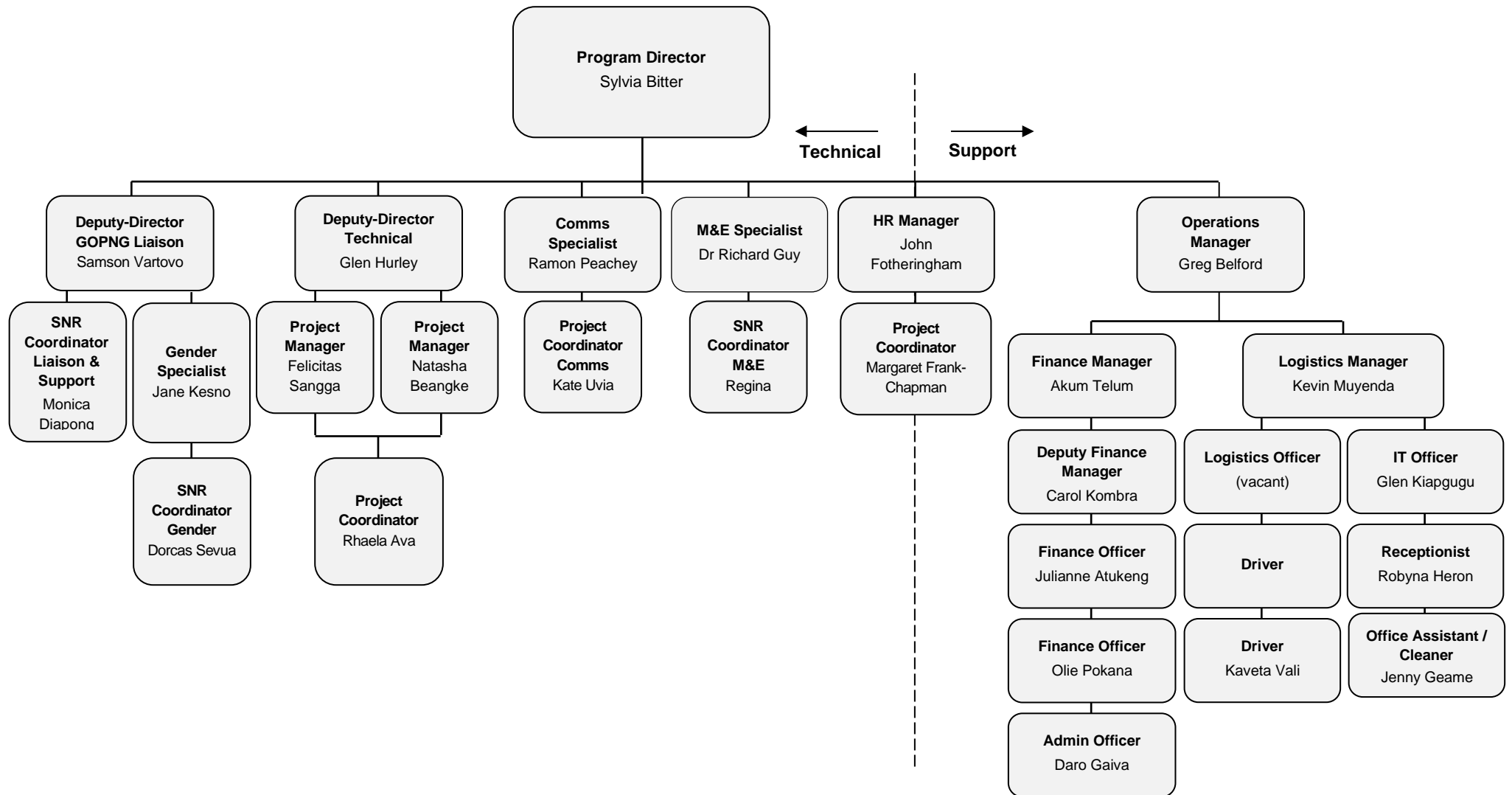
There were no significant security or health and safety incidents effecting EPSP personnel or operations during the period.

The EPSP PMO was relocated in September from previous premises at Ela Beach to the new location at Savannah Heights on Waigani Drive in Hohola NCD. EPSP shares the office with the Provincial and Local Level Government Program (PLGP) and the Coffey PNG Office.

The EPSP vehicle fleet was decreased due to the decrease in number of program activity advisers and a rationalisation of the number of vehicles needed for the PMO to ensure value for money.

A new website for EPSP is under development as mentioned in the report and Coffey have developed a new cloud based archiving portal for the program to replace the existing system which has become outdated.

**Figure C: EPSP Program Management Office Organisational Chart**



## Annex 4

### Grants

Table 1 indicates that four grants were completed in this reporting period and one new grant (OHE) was approved and two continuing grants will be completed by June 2015.

**Table 1: Status of EPSP Grants December 2014**

| Agency                  | Amount (AUD) | Amount (PGK) | Status            |
|-------------------------|--------------|--------------|-------------------|
| OHE (1)                 | 223,705      | 492,151      | Completed         |
| DJAG                    | 28,000       | 61,600       | Completed         |
| DoF                     | 193,625      | 425,974      | Continuing        |
| IRC (1)                 | 108,909      | 239,600      | Completed         |
| IRC (2)                 | 109,091      | 240,000      | Continuing        |
| Deakin University / PAU | 25,000       | 59,523       | Completed         |
| OHE (2)                 | 121,137      | 288,423      | Commences June 15 |
| Total                   | 809,467      | 1,807,271    |                   |

#### **Office of Higher Education (OHE) – First Grant**

All grant activities completed and final assessment and confirmation of program requirements are currently in progress.

Nine of the original cohort have completed all programs requirements with four others expected to complete all requirements.

Two replacement participants have completed requirements for the third and fourth units and will be taking the first and second units in semester 1 of 2015.

Participants have been advised of the completion of the course by University of Melbourne (UoM) upon completion and testamurs will be emailed to participants who complete the requirements.

Completion report is yet to be submitted.

#### **OHE – Second Grant**

Following the successful completion of the first grant, the OHE submitted a new grant application in October 2014 to expand the program further and include more participants from the respective Universities to undergo the Quality Assurance Training. The AHC approved this particular grant in October and the Training will commence in June 2015.

#### **Department of Justice and Attorney General's Office**

##### *Continuing Legal Education*

The Office of State Solicitor (OSS) has conducted a total of six Provincial Outreach Programs (POP) in four regions. Mass media communication was disseminated through the daily newspapers for maximum participation. All provincial administrations were invited to attend these outreach programs.



A final POP workshop was held in Kokopo, East New Britain in October 2014.

The completion report was submitted in November 2014.

### **Department of Finance**

The official handover of 10 computers to DoF NTRD occurred in August 2014, 7 computers for national government in NCD and 3 computers for the overseas mission.

In the last six months there were installation of cashless receipting system in the Provincial Treasury Offices, review and follow up of the Provincial Treasury officers and other line departments on their CRS in the following Provinces (Goroka, Buka, Vanimo, Wewak, Lihir, Lae, Madang, Hela, Kimbe and Tabubil).

Grant activities are still in progress and funds are being expended. This grant will be completed by June 2015.

### **Internal Revenue Commission**

The **first** IRC grant was planned to fund the rollout of the Alesco payroll, but duplicate work at DPM allowed the agency to re-scope the grant with AHC and EPSP approval to directly fund the development of technical tax content as the core of an introductory tax training package for IRC.

IRC engaged a private contractor to convert the technical content into training modules that form the basis of the first IRC Qualification (Certificate 1 and 2) in Revenue and Tax Administration within the PNG National Qualifications Framework.

This project formalises IRC tax specific training for the first time. This type of training has been conducted in an ad hoc manner in the past. Formalisation will help ensure consistency in delivery in terms of both standards and content. The training has the potential to build a sustainable training development process/capability in PNG, leveraging off previous EPSP engagement. The contractor has delivered the following modules:

|                                |               |
|--------------------------------|---------------|
| Entities and GST               | 100% complete |
| IRC and SIGTAS                 | 100% complete |
| Income Tax                     | 100% complete |
| Other taxes                    | 100% complete |
| Tax Administration             | 100% complete |
| Assessment Guide               | 100% complete |
| Production Manual              | Finalised     |
| The Learner Guides             | Finalised     |
| Assessment and Training Guides | Finalised     |

This grant is now completed.

The second IRC grant progressed well over this reporting period with advertisements placed in the major daily newspapers by IRC informing taxpayers about eTax procedures, awareness on the tax payer guide, and the process for paying taxes online. As a result IRC clients no longer have to queue to receive manual cheques at the IRC building but receive or make payments online. This system encourages cashless payments and minimises the risk of corruption.

This particular grant will be completed by June 2015.

**Deakin University – Alfred Deakin Research Institute**

EPSP supported the 2014 Symposium jointly facilitated by the Deakin University and the Pacific Adventist University. The symposium took place at the Pacific Adventist University outside Port Moresby and had participants from Australia and the Pacific Islands attending.

The Symposium was successfully completed and report submitted.

## Annex 5

**Tanim Graun Publicity**

# Vele: Rapid development forced on us

BY KONOPA KANA

DEPARTMENT of Treasury secretary Diari Vele says the rapid socio-economic development in the country was forced upon us by the windfall revenue of the PNG LNG project.

He revealed this during the launching of the television panel show in Paradise Cinema at Vision City, Port Moresby. Mr Vele said the growth of the economy in the 1990s was driven by the extractive industries, especially in the mineral sector.

He said now that the PNG LNG project has come on stream, it has placed PNG on the map amongst world class importers of petroleum and gas in the international arena.

Mr Vele said in the past, treasury has been dealing with the government budget of around K3-K10 million and that was a bit easy to manage as far as the Fiscal Responsibility Act is concerned.

Today however, the government is dealing with a budget of K15 billion and for the first time in a long time, it is now trying to manage a huge amount of money in its coffers and at the same time bring services to the people, stated the secretary.

Mr Vele said this government is one of the best performing governments compared to all its predecessors. He said as much as possible, it tries to equally distribute all the wealth to the 22 provinces and 89 districts in PNG.



THE panel of speakers from the *Tanim Graun* television show hosted by Allan Bird. Picture: TARAMI LEGEI

## Annex 6

### Agency Report Cards

# Auditor General's Office

|  |  |
|--|--|
| <b>Governance Support Agreement signed</b> | September 2014   |
| <b>Activity start date</b>                 | April 2014   |
| <b>EPSP Result Area</b>                    | Area 2 – Improved Use and Management of Public Financial Resources<br>Area 3 – Government is more informed, transparent and accountable<br>Area 5 – Effective and efficient whole-of-government service delivery systems |
| <b>MTDP Priority Area</b>                  | 5.9 Governance and Public Sector Management  |
| <b>Vision 2050</b>                         | Strategic Focus Area – 3.8.3 Institutional Development and Service Delivery  |



**Philip Nauga, Auditor General**

## Assistance provided to agency:

- Support project management related activities: contracting, reporting, vendor and stakeholder engagement, risk management, human resource and financial training, and logistical support for the Team Mate Audit Management System Project.
- Support and provide direction to AGO Provincial Government Audit Division (PGAD) staff.

| Activity   | Expected Outputs   | Expected Outcomes  | Status of Support   | Evaluation of Progress  |
|--|--|--|---|---|
| <b>Audit Management System Project Manager</b><br><br>Contract for 12 months; October 2014 to October 2015 | Lead and manage a project team to implement the Team Mate Electronic Working Paper module at the AGO.<br><br>Develop a standard compliant financial audit methodology.   | Increased efficiencies and effectiveness of AGO systems and processes for production of audit papers leading to improved quality and timeliness of audit reports tabled in the National Parliament.<br><br>Enhanced knowledge of audit methodologies of AGO staff affecting business processes and procedures of AGO.<br><br>Skills and knowledge of AGO audit staff developed to effectively use of Team Mate electronic system.<br><br>AGO audit capability is raised to be more consistent with recognised international standards. | Adviser commenced in position in October 2014.<br><br>Baseline and work plan completed. Prior to commencement, the TeamMate Electronic Working Papers (EWP) software had been rolled-out to two pilot audit teams and completed on 31 October 2014.<br><br>Prepared a survey to be completed by members of the pilot teams.<br><br>Support management of the project through the Steering Committee.<br><br>Established the TeamMate Project Share Point Group in AGO Intranet. | <b>Activity commenced last quarter 2014. Progress on track, however AGO consider full implementation of audit methodologies and work papers for all audit programs within the AGO head office and provincial offices to be a longer-term project, two years.</b><br><br>Initial pilot of implementation and configuration of system software and hardware completed.<br><br>Assessment of IT infrastructure commenced.  |
| <b>Provincial Service Performance Adviser</b><br><br>Contract for 12 months; 26/05/2014 to 25/05/2015      | Review financial and non-financial reporting of service performance generated by departments and development partners of two selected provinces for 2012. Review adequacy of existing reporting framework and performance information for reporting service performance indicating improvements. Promote effective leadership and management in PGAD. Develop workforce capacity, systems and procedures to meet AGO's needs. Maintain close relationships with stakeholders, central agencies and like organisations within PNG | Improved reporting protocols established for audit reporting from selected provinces. Improved content quality of reporting from two selected provinces. Strong emphasis on the provision of provincial performance information for targeted provinces, AGO and other stakeholders that is consistent, reliable and appropriate and tells the performance story on how well a province is delivering the services it is mandated to deliver.   | Provincial Service Performance Assessment Report completed. Recommended options for the service delivery performance review methodology, with agreement from AG: SIPs, Minimum Priority Activities and selected WoG priorities funded by National Departments but delivered at sub-national level, e.g. free health, free education. Trialing methodology in two Provinces: New Ireland and Milne Bay   | <b>Progress on track, methodology and pilots will be completed during current placement timeframe, however support for implementation would require longer-term placement.</b><br><br><b>Opportunity to integrate work/planning with other program activities, e.g. roll-out of DDAs (PLGP), M&amp;E framework (DNPM).</b><br><br>Standard test plan for audits (SIPs – PSIP, DSIP and LLGSIP) in place to allow consistency in the audit approach. After the two trials, it will be determined if the methodology developed will have any impact on the audit approach and the audit clients - the Provincial Governments. |



# Internal Revenue Commission

|  |   |
|--|---|
| <b>Governance Support Agreement signed</b> | September 2014  |
| <b>Activity start date</b>                 | April 2014  |
| <b>EPSP Result Area</b>                    | Area 1 – A more skilled and effective public sector workforce               |
| <b>MTDP Priority Area</b>                  | 5.9 Governance and Public sector Management                                 |
| <b>Vision 2050</b>                         | Strategic Focus Area – 3.8.3 Institutional Development and Service Delivery |



**L to R: IRC Commissioner General Betty Palaso with staff at the launch of the IRC Corporate Plan (2013)**

## **Assistance provided to agency:**

- Support IRC's transformation to a modern tax administration and implementation of 2013-2017 Corporate Plan.
- Develop a strong operating environment resilient to internal and external threats.
- Support development and testing of mission critical server systems.
- Support IRC review the current finance and budget processes and procedures; strengthen them to ensure that IRC can effectively and efficiently meet all the legislated financial management and reporting requirements of a statutory authority.

| Activity   | Expected Outputs   | Expected Outcomes  | Status of Support   | Evaluation of Progress  |
|--|--|--|---|---|
| <b>Governance and Change Management Adviser</b><br>Contract 16/05/2012 to 30/06/2015                               | Mentoring, capacity development workshops with IRC executive and middle managers on leadership, governance and change management occur on a continuous basis. Review of progress of implementation of Corporate Plan.  | IRC's organisational capacity in leadership, management, governance and change management is strengthened consistent with a modern tax administration.<br><br>Significant progress is made in achieving stated objectives in the 2013–2017 Corporate Plan.   | Continuous support to executive management on strategic, corporate and operational issues. Corporate Plan, work plan and annual reports completed.<br><br>New Governance arrangements associated with IRC's transition into a Statutory Authority are developed. Revised existing IRC Policy to ensure consistency with its new status as a Statutory Authority (August 2014 or as established by legislation).   | <b>All outputs achieved for adviser's initial placement TOR.</b><br>Role expanded mid-2014 to assist with transition of IRC to a Statutory Authority.<br><ul style="list-style-type: none"> <li>• Gazettal Notice signed on 18 September 2014</li> <li>• IRC's Governance Policy completed pending approval</li> <li>• All preparations are now in place for the smooth transition of IRC into a Statutory Authority</li> <li>• IRC policies (17 in total) re-written to reflect IRC being a Statutory Authority; approved 4<sup>th</sup> quarter 2014.</li> </ul> <b>Changed role reflected in GSA, however changes to current Adviser TOR or extension to current contract not yet approved.</b>  |
| <b>Integrity and Investigation Adviser (IAID)</b><br>Contract 24/09/12 to 30/06/2015                               | Recruit and retain appropriately skilled and experienced staff for Internal Audit and Integrity Division (IAID).<br><br>Completion of an Agency wide Risk Assessment and the development of an IRC Fraud Control Plan<br><br>Develop capacity of IAID staff to address crime and malfeasance | More effective, efficient and confident management of IAID to detect, prevent, investigate and successfully prosecute fraud and corruption matters<br>Improved streamlining of processes and enhanced proactive operational environment in IAID<br>Reduction in the backlog of fraud and corruption matters, and increase in the number of investigations finalised<br>Improved efficiencies in quality service delivery to internal and external stakeholders, in line with corporate objectives resulting in a stronger, more accountable, robust and transparent IRC. | Continuous improvement of Fraud Awareness and Education Program.<br>Much of the drive for the change in the operational environment along with greater compliance with statutory obligations and on time reporting is due to the influence of the Internal Auditors from IAID.<br>Fraud control plan developed.<br>Risk assessment completed.<br>The engagement of Concept to manage the first stage of recruitment for IRC has demonstrated minimal improvement in the length of time the process is taking. | <b>Competent and effective Audit and Integrity Division will not be achieved during current placement.</b><br>HRD poor response has impacted on the lack of positions being filled; however, in spite of that, internal auditors are being productive and there is improved detection of complex matters.<br>Processes are being streamlined and productivity is being measured more accurately as a result of IAID input. Skills of Internal Investigators have improved through external training with RPNGC after approval from the Commissioner of Police for the establishment of an IRC Reserve Police Unit.<br>The draft Fraud Control Policy is awaiting endorsement.<br>A number of internal audits have been undertaken with the assistance of the SIGTAS team. These internal audits have focused on areas that impact on revenue collection and possible areas of concern with system access of manipulation. |
| <b>ICT Consultant</b><br>Contract three months, commencing 1 <sup>st</sup> quarter 2015                            | Legacy RAS Production system tested and commissioned.<br>SIGTAS Production and HQ Network Servers tested and commissioned.   | Efficient and effective IT system in place.  | Mobilisation of adviser has commenced, to arrive January/February 2015.   | <b>Visa process underway.</b>   |
| <b>Budget &amp; Finance Strengthening Consultant</b><br>Placement contract four months: 22 Jan 2015 to 31 May 2015 | Report and recommendations completed and submitted.  | Increased knowledge about the viability and appropriateness of alternative financial arrangements to support IRC as a statutory authority.   | Mobilisation of adviser has commenced, to arrive 22 January 2015.   | <b>Budget &amp; Finance Adviser will commence induction on 22 January 2015.</b>   |

# Public Accounts Committee Secretariat

|                                     |   |
|-------------------------------------|---|
| Governance Support Agreement signed | (pending signature)   |
| Activity start date                 | April 2014  |
| EPSP Result Area                    | Area 1 - A more skilled and effective public sector workforce               |
| MTDP Priority Area                  | 5.9 Governance and Public Sector Management                                 |
| Vision 2050                         | Strategic Focus Area – 3.8.3 Institutional Development and Service Delivery |



**Repe Rambe (Secretary PAC) and Ravu Verenagi (Former Deputy Secretary, DPM)**

## Assistance to Agency for:

- Legal advice and support for PAC Secretariat.
- Transcription and shorthand services outsourced for a period of six months.
- Enable PAC Secretariat a more efficient and effective electronic filing system.

| Activity   | Expected Outputs  | Expected Outcomes   | Status of Support  | Evaluation of Progress   |
|--|---|---|--|--|
| <b>General Counsel</b><br>Contract 11/11/2012 to 30/06/2015<br><b>Approval received to extend contract to 30/11/2015</b> | Expert legal advice provided to the Secretariat, including preparation and supervision of inquiries; briefings and comments on Government financial accounts; and parliamentary reports written in accordance with Secretariat Protocols.<br>Assist with review of PAC Act for presentation to Parliament for approval. | A more effective and efficient PAC Secretariat.<br>Improved ability of PAC Secretariat by providing timely responses to referrals, request and reports.<br>Internal legal capacity of the Secretariat is improved.<br>Increased capacity of the Secretariat and PAC members to manage duties and functions. | Continuous provision of expert legal advice, assistance and support to PAC. Secretariat to ensure the Committee meets its functions and complies with its jurisdiction.<br>With the provision of the transcribing equipment, more time is given to the work required. As well as delivery of timely and accurate transcript material has been a huge help in preparing inquiries and reports. As PAC is a Committee of record it is vital that we actually have one.<br>Formal sittings and inquiries have continued.<br>In 2015, there are a number of new inquiries prepared and ready for Committee including four Provincial Govts., DSIP, LAGIS, IFMS (to be completed), CSTB and Forestry. | <b>Adviser performs capacity substitution role. Inability to recruit National Lawyer hinders development of internal legal capacity for the PAC.</b><br>Huge improvement in reliability, timeliness and accuracy of legal advice and analysis to the Secretariat and to PAC Members.<br>Quality of inquiries improved enormously and PAC able to tackle more complicated and deeper topics than before.<br>Briefings, questioning, preparedness of Members and Secretariat and depth of preparedness, e.g. summons, NTP, referrals, recommendations and warrants, are more reliable and quicker in production than they have ever been.<br>Eight large Parliamentary Reports have been presented and three are pending.<br>Four more inquiries are being prepared and yet to be subjected to Committee for acceptance. |
| <b>National Lawyer</b>   | Provide advice, and support to PAC Secretariat.<br>Prepare and manage committee business and inquiries<br>Prepare and table committee reports to National Parliament.<br>Provide legal advice and management support to the PAC Committee.  | PAC Secretariat operational capability is enhanced with suitable internal legal capacity.   | Recruitment process commenced December 2014.   | Advertisement for position posted.   |
| <b>Transcription Services (Outsourced project)</b>   | Transcripts provided to PAC Secretariat of hearings and evidence gathering by outsourced provider.  | The PAC Secretariat has a reliable database and record of contemporary hearings and evidence available for storage, review, reporting and responding to legal challenges.   | Transcription services contracted out and payments made on basis of monthly invoices to PAC Secretariat who has the service agreement with the transcriber.  | <b>Service implemented – 100% complete, although issue with long-term funding.</b><br>Provision of professionally prepared transcripts to continue until March 2015. Responsibility for funding this service to transfer to GoPNG, possibly AGO.   |
| <b>Electronic Archiving</b>  | All past and present files, reports and investigations saved and stored electronically.<br>Training provided by installer of software and equipment.  | Enhanced staff skills and knowledge in accessing, data input and maintenance of electronic database.<br>Faster access by Secretariat for data files and records to respond to stakeholders needs and requests.  | Currently undergoing procurement process.  | <b>30% complete. To be completed 1<sup>st</sup> quarter 2015.</b><br>Quotations collected and procurement being finalised. Implementation and training to be undertaken February/March 2015.   |



# Department of Prime Minister and National Executive Council

|                                     |   |
|-------------------------------------|---|
| Governance Support Agreement signed | September 2014  |
| Activity start date                 | April 2014  |
| EPSP Result Area                    | Area 1 – A More Skilled and Effective Public Sector Workforce               |
| MTDP Priority Area                  | 5.9 Governance and Public Sector Management                                 |
| Vision 2050                         | Strategic Focus Area – 3.8.3 Institutional Development and Service Delivery |



**Chief Secretary Manasupe Zurenuoc and former Minister Development Cooperation Stuart Schaefer AHC**

## Assistance to Agency for:

- Support PM&NEC to prepare timely and high quality briefing material for the Prime Minister and other Ministers.
- Strengthen financial accounting systems and processes.

| Activity   | Expected Outputs   | Expected Outcomes   | Status of Support  | Evaluation of Progress  |
|--|--|---|--|---|
| <b>Policy and Legal Adviser</b><br>Contract<br>21/10/2012 to 30/06/2015  | Legal and policy briefing material prepared.   | Improved decision making and implementation of NEC decisions consistent with government priorities.<br>Policy advice provided on the basis of quality policy analysis, research and consultation.<br>NEC decision implementation improved and monitored for implementation.<br>Quality and strategic coordination of other EPSP adviser in DPM&NEC to maximise capacity building opportunities with counterparts. | Assisted the Chief Secretary to manage emerging issues such as the proposed Lae City Commission and identifying issues and consulting with stakeholders to develop a shared understanding and agreed proposal.<br>The adviser continued to support the Chief Secretary to lead the state team to resolve issues arising from Ok Tedi Mining Limited.<br>Support is being provided to Department of Environment and Conservation to develop drafting instructions, in consultation with OTML, on an Ok Tedi Environmental Management Act.<br>The adviser has assisted staff to better understand the Ok Tedi laws.<br>The District Development Authority work is a priority of the PM and the Government under the Alotau Accord. The adviser has assisted in getting the law passed. The adviser will now work with DPLGA to roll-out the implementation of the DDA legislation. | <b>A significant element of this role is supplementation / substitution with multi-agency institutional strengthening. In terms of placement outputs / outcomes these vary depending on the requirements of each new policy issue being addressed. There is no legal policy capacity within the Office of the Chief Secretary; hence there will remain a void in the absence of advisory support.</b><br>The adviser continues to provide ad hoc advice when needed on a broad range of matters. Frequently government priorities change or alter and it is necessary to change focus.<br>NEC has now appointed three new Directors who will bring significant technical expertise in mining and environmental management to the Board.<br>Ok Tedi is no longer self-regulated but regulated in a manner similar to all other mines in PNG. |
| <b>Finance Planning &amp; Management Adviser</b><br>Contract<br>21/11/2011 to 31/08/2014<br>New placement contract<br>01/02/2015 to 30/11/2015 | Financial issues in Auditor General and internal PM&NEC audit reports addressed; basic systems, processes, templates developed and financial compliance monitoring conducted.<br>IFMS implemented.<br>Procurement centralised.<br>Internal Audit branch and Internal Audit Committee operational.<br><b>TOR to be updated, pending approval, for new placement to also include support of implementation of GoPNG priority</b> | Improved management of financial resources and better compliance with PFMA and financial instructions.<br>Financial management (internally) and trust accounts operating, leading to improved planning, allocation of and access to resources to support staff.<br>Improved accountability and transparency of spending of funds<br>More effective use  | <b>Completed:</b> <ul style="list-style-type: none"> <li>• Review and update of Corporate Plan, two revisions completed.</li> <li>• Annual Reports completed – 2011, 2012 and 2013 tabled in Parliament.</li> <li>• Internal Audit Committee established, meets quarterly, seven meetings held 2013-2014.</li> <li>• Risk assessment completed and risk register developed.</li> <li>• Internal Audits, eight completed.</li> <li>• Policies implemented – advances management, asset management, vehicle management, travel.</li> <li>• Centralised IT-based Asset Management System implemented.</li> <li>• Financial control weaknesses identified by Auditor-General's Office addressed (expenditure controls, cash book maintenance, bank</li> </ul>  | <b>Outputs from previous placement 80% completed – delays to DoF roll-out of IFMS have prevented 100% completion of outputs and hindered sustainable improvement in staff skills and systems.</b><br>Placement to recommence February 2015.   |

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|--|--|--|--|--|
|  | <p><i>projects overseen by PM&amp;NEC, e.g. DDAs, APEC Secretariat, etc.</i></p> | <p>of resources in a given timeframe, preventing waste of GoPNG funds.</p> | <p>reconciliations, etc.).</p> <ul style="list-style-type: none"> <li>• Budget and reporting systems implemented – 2013, 2014 &amp; 2015 budgets submitted on time.</li> <li>• Monthly finance reporting commenced 2014.</li> <li>• Payroll cleansing project completed.</li> </ul> <p><b>Not Completed – outputs for new placement:</b></p> <ul style="list-style-type: none"> <li>• IFMS implementation. DoF delayed rollout. Work has commenced, will implement 2015.</li> <li>• Financial compliance (trust account cash books, bank reconciliations, etc.) interim solutions implemented, dependent on manual systems and manual integration of GoPNG systems (Alesco and PGAS); not sustainable until IFMS can be implemented.</li> <li>• Centralised procurement, impractical to progress until IFMS, with its associated controls, is implemented.</li> <li>• Internal audit remains adviser dependent, requires recruitment and training of suitable officers.</li> </ul> |  |
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# Department of Personnel Management

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|--|---|
| <b>Governance Support Agreement signed</b> | 24 September 2014   |
| <b>Activity start date</b>                 | April 2014  |
| <b>EPSP Result Area</b>                    | Area 1 – A More Skilled and Effective Public Sector Workforce   |
| <b>MTDP Priority Area</b>                  | 3.6 Human Resource Development and Training   |
| <b>Vision 2050</b>                         | Strategic Focus Area - 3.8.3 Institutional Development and Service Delivery and Human Capital Development, Gender, Youth and People Empowerment |



L to R: Secretary Kali with Alfred Wapiri

## Assistance to agency:

- Corporate Planning
- Human Resources
- Inclusion and equity mainstreaming
- Public Employment Non Citizens Act review GESI Champion
- For the whole of government working group HR COnNECT program assistance for following areas has been identified:
  - HR management information system
  - Training for using the HR MIS and cleansing data.

| Activity   | Expected Outputs  | Expected Outcomes   | Status of Support   | Evaluation of Progress   |
|--|---|---|---|--|
| <b>HR Adviser</b><br><br>Contract 02/07/2013 to 30/06/2015     | Capacity Enhancement Programs (CEP) for Senior Executive Managers and HR Practitioners on HR Business Processes provided.<br>A monitoring and evaluation framework for conducting PS HR Policy reviews and audits established.<br>A reporting framework to identify areas of compliance and non-compliance established.<br>Audit strategies to improve governance and control of Personnel Emolument (PE) expenditure reviewed and developed.<br>HR reforms, processes and policies implemented.<br>Audit strategies reviewed to improve governance and control of GoPNG personnel emoluments expenditure (Component 3 of the HR COnNECT).<br>Develop and deliver a sustainable HR Capacity Enhancement Program for GoPNG executive management and HR practitioners (Component 4 of HR COnNECT) | Improved HR Policy and process knowledge of Senior Executive Managers and HR Practitioners to effectively deliver HR services across the Public Service.<br>An enhanced and coordinated, systematic approach used by DPM for monitoring and evaluating HR policy compliance and non-compliance by Q2 2015.<br>Strategies developed to address areas of HR compliance and non-compliance by end 2014.<br>Governance and control of GoPNG personnel emoluments is achieved.<br>DPM has effective HR reform, processes and procedures to meet service delivery obligations.<br>More effective reporting of information to GoPNG and targeted service delivery outcomes such as regular reporting on non-compliance and capacity development activities for Agencies and Provinces. | HR COnNECT Project Plan for Components 3 and 4 revised.<br>Assisted Deputy Secretary Policy on the development of policy for the recruitment and selection criteria for the appointments of Departmental Heads, Provincial Administrators and CEOs of statutory bodies in the public service.<br>Assisted Deputy Secretary Reforms on the development of a new Workforce Planning model.<br>Establishment of a Staffing & Establishment working group for the Staffing & Establishment Review pilot in Oro province.<br>Working group has developed a detailed plan, governance framework and reporting mechanism to support the pilot.<br>Commenced roll-out of Business Process Manual to senior managers and HR practitioners within public service, provincial administrations and including major hospitals.<br>HRAS staff assisted DoT during Budget Screening process to assessing future budget requirements (2015) for agencies, provinces and public hospitals. | <b>HR COnNECT Program Plan reviewed and updated following completion of independent review and acceptance of recommendations. Revised plan includes activities through to end of 2016.</b><br>TOR currently being reviewed to reflect changes identified in response to HR-COnNECT Review, e.g. project management responsibilities and conduct of Pilot Staffing & Establishment review at Oro Province. Pilot will also include Education elements in the province.<br>Successful initial rollout of the Business Processes with the Sandaun provincial Administration and West Sepik Provincial Health Authority. However, initial M&E assessment required to determine value for money and cost savings for this activity.<br>Staff continue to demonstrate greater confidence and commitment in undertaking roles as HR practitioners and providing advisory support to other agencies, provinces and stakeholders as a result of outcomes from the HR COnNECT program.<br>Adviser and counterparts are continuing to support other agencies, provincial administrations and major hospitals in relation to Components 3 and 4 of the HR COnNECT Program. |
| <b>HR MIS Adviser</b><br><br>Contract 04/05/2012 to 30/06/2015 | Finalise data cleansing for Phases 1 and 2<br>Identify, develop and implement   | Integrated HR payroll system fully rolled out to hospitals and provincial administrations.  | Site roll-outs of the HR COnNECT GoPNG Alesco HR payroll system are continuing as per the project plan. The project   | <b>HR COnNECT Program Plan reviewed and updated following completion of independent review and acceptance of recommendations. Revised plan includes activities through to end of</b>   |

| Activity   | Expected Outputs  | Expected Outcomes   | Status of Support   | Evaluation of Progress   |
|--|---|---|---|--|
|  | integrated reporting tools for provinces. System controls tightened to ensure they are not compromised. HR Systems Enhancement developed and implemented.   | <p>Improved data available to senior DPM management and provincial HR managers within hospitals to make evidence based and informed decisions around HR decisions. Improved reporting of HR matters by provinces and hospitals. Corruption of the HR payroll eliminated by effective system controls.</p> <p>Development of leave management processing and documentation gathering. Development and documentation of HR management reports to facilitate better decision making and improve overall control by DPM and agencies.</p> | <p>plan has also being further adjusted to allow for delays experienced at provincial sites. 56 national departments, 17 hospitals, 19 provincial administrations and 3 provincial health authorities now date cleansed with 1PPP switched on. Provincial HR reporting tool ready to be deployed to provincial sites. Phase 1 data cleansing almost stalled with few new sites cleansed and with 1PPP switched on. Scoping completed for second phase of data cleansing targeting incorrect payment of allowances. Data cleansing will commence in Q1 2015. Staffing and Expenditure reviews to be trialed at Oro Province during Q1 2015. Assistance to APSC in Q1 2015 specifically in producing data requirements for the project. Funding approved for report to monitor the 1PPP function. Report is with the system vendor for programming and is expected to go into production in Q1 2015. Total of 40 provincial officers participated in the Alesco HRMIS training and are now certified. Skills learnt during the training will allow staff to process transactions in the HRMIS accurately and efficiently.</p> | <p><b>2016.</b> TOR currently being reviewed to reflect changes identified in response to HR-CONNECT Review, e.g. project management responsibilities, additional phase of data cleansing and support to Pilot Staffing &amp; Establishment review at Oro Province. Data cleansing phase 1 (Establishment/1PPP) has slowed as the final agencies are tackled. This was to be expected as generally the "more difficult" and uncooperative agencies remain. Anticipated that DPM Secretary will write to agencies requesting improved cooperation. The provincial reporting tool allowing agencies a simplified view of their employee data and flag data for correction. This has been developed between HR CONNECT and PLGP advisers. Reporting tool awaiting approval by executive management prior to trialing. Alesco certification training has been supplied to approximately half of the provincial administrations and hospitals to date. Program funding may impact on delivery of training; any reduction in training could potentially lead to processing mistakes being made and will require ongoing monitoring of provincial transactions. Funding and support will be reviewed early 2015 when findings from the pilot will be known as will the extent of GoPNG funding for the project. Further progress has been made with NDoE now supporting HR CONNECT activities within their department. HR CONNECT advisers and counterparts are expected to make presentations to the NDoE executive management by end Q4 2014.</p> |
| <p><b>HR CONNECT Project Management Adviser</b></p> <p>Contract August 2013 to December 2014</p> <p>Adviser role also included support to corporate planning</p> | <p>Corporate plan implemented.</p> <p>Annual plans and work plans developed and embedded in M&amp;E framework.</p> <p>Annual management reporting system revitalised.</p> <p>Project management Plans for HR CONNECT activities developed and implemented.</p> <p>Manage and lead the program in accordance with the milestones defined within the project plan and within established funding, liaison and reporting frameworks.</p> <p>Transfer of project management knowledge, tools,</p> | <p>DPM has effective and efficient service delivery to line agencies.</p> <p>HR data available, transparent.</p> <p>Improved planning and budgeting.</p> <p>Effective management of projects within DPM</p> <p>Effective implementation of HR payroll in hospitals and provincial administrations.</p> <p>Integrated HR payroll system is rolled out to hospitals and provincial administrations.</p> <p>Improved data available to senior DPM management and provincial HR managers within hospitals to make evidence based and</p>  | <p>Placement Completed</p> <p>DPM Revised Corporate Plan approved and implemented.</p> <p>Corporate Report Card produced as a mechanism to track performance and agency outputs against key result areas identified in the Corporate Plan.</p> <p>Activity completed end December 2014. The HR CONNECT Review made a number of recommendations including the cessation of this adviser role as well review of roles of other HR CONNECT advisers.</p>   | <p><b>100% of placement outputs delivered. Placement completed 31 December 2014.</b></p> <p>DPM addressed the need to adjust its organisational structure and staffing profile to ensure it best meets and supports implementation and new GoPNG initiatives and reforms.</p> <p>Adopting a structured reporting format has provided a shared understanding among those responsible for driving the implementation process of the issues and interdependencies to be considered in successfully delivering on change.</p>  |

| Activity  | Expected Outputs  | Expected Outcomes  | Status of Support  | Evaluation of Progress   |
|---|---|--|--|--|
|   | <p>skills and their application to DPM staff.</p> <p>On-going regular conduct of risk and issue assessments, including identification and implementation of risk mitigation strategies for the program.</p>   | <p>informed decisions around staffing.</p> <p>Improved project management capacity within DPM.</p>   |  |  |
| <p><b>Public Employment (Non-citizens) Act Review Consultant (Short term periodic)</b></p> <p>Contract November 2013 – May 2014</p> | <p>Review of PENCA with findings integrated into an updated framework of PENCA through engaging all relevant stakeholders.</p> <p>Updated and endorsed drafting instructions, explanatory notes and related documentation associated with changes to PENCA.</p>                                 | <p>Increased technical capacity within DPM to conduct a review of the Public Employment (Non-citizens) Act 1978 (PENCA).</p> <p>Increased confidence and technical capacity within DPM to facilitate stakeholder engagement to consider an appropriate framework for the regulation of non-citizen Technical Advisers who work within GoPNG.</p> <p>Increased technical capacity within DPM to prepare drafting instructions, explanatory notes and related documentation associated with potential changes to PENCA.</p>  | <p>Providing periodic support to DPM to develop to new framework.</p> <p>Facilitated meetings between DPM, DFAT and other stakeholders in an effort to ensure all parties understand what impact the new framework will have if it's introduced.</p> <p>A draft proposal has been prepared and will (most likely) be considered by the standing committee of all PNG Aid Donors at its regular meeting in May 2014.</p> <p>DPM has undertaken to incorporate feedback from stakeholders and provide further opportunity for comment before the new framework is introduced.</p>  | <p><b>Adviser placement completed.</b> Outputs not completed due to lack of feedback from DPM.</p> <p>Executive management have a greater understanding on impact if new framework is introduced.</p> <p>Review identified the need for greater consultation and discussion between key stakeholders.</p>  |
| <p><b>Whole-of-Government (WoG) Gender Equity and Social Inclusion Adviser</b></p> <p>Contract October 2012 to 30 June 2015</p>     | <p>Equity and Inclusion principles and practices are integrated into internal DPM and DPLGA core functions, processes, policies and activities.</p> <p>Public Service human resource functions, processes, policies and activities integrate equity and inclusion principles and practices.</p> | <p>Improved communication and coordination between DPM and key central agencies, DPLGA and pilot provinces with implementation of GESI policies and practices across the Public Service.</p> <p>Increased capacity development opportunities for agency focal points and support staff and key provincial stakeholders understanding of GESI within each agency and across the Public Sector.</p> <p>Significant and measurable progress made towards mainstreaming gender and equity principles and practices into policy and workplace activities of key central agencies.</p> | <p>GESI champion working with the WoG GESI adviser to support DPM and other agencies in implementing GESI policy and other planned activities across the departments, other agencies and provincial administrations.</p> <p>GESI Help Desk launched for both GPA and WNBPA.</p> <p>DPM through Circular 8/2014 gave directives for creation of GESI branch and positions within agencies.</p> <p>DPM GESI branch operating and expected to be fully staffed by end 2015.</p> <p>Number of initiatives progressed by agencies receiving support from DPM and adviser.</p> <p>Agencies include ICCG, DNPM, DoT, IRC, PMNEC and DoF.</p> <p>Discussions held with NDoE to progress stalled NDoE GESI Desk (2007), NDoE Gender Policy Committee and mainstreaming strategies.</p> <p>Coaching and mentoring continuing with MAN and CoP and leading to a number of initiatives</p> | <p><b>Final reporting on the provincial pilot roll-out of GESI due by end Q1 2015</b></p> <p>Final monitoring and evaluation for the provincial roll-out of GESI has been completed and ongoing data collection is being coordinated through representatives from both pilot provinces.</p> <p>Key counterpart to adviser departed for studies. Successful candidate commenced and is participating in and continuing with GESI activities. Other officers apart from the key counterpart are encouraged to participate to minimise loss, gaps in knowledge.</p> <p>Launching of the PS GESI Help Desk in WNBPA, GPA, DoF, DoW buses have allowed high profile people to add validity to GESI implementation. the launching of the PS GESI help desks also have strengthened the commitment of the provinces to implementing GESI, improving mainstreaming and improving communication and coordination with the lead agency DPM and DPLGA.</p> <p>Agencies and Provinces are now coordinating and progressing their GESI activities. Officers are now challenging issues and bringing them forward to action hence demonstrating independency and evidenced based decision making in carrying out initiatives.</p> <p>DPM have reported an increase in number of agencies seeking advice and support on mainstreaming implementing GESI within their agencies core business Continuous progress has been made on activities identified by the</p> |



| Activity  | Expected Outputs   | Expected Outcomes   | Status of Support   | Evaluation of Progress  |
|---|--|---|---|---|
|   |  |   | carried out by the members within their agencies.<br>GESI policy presentations made to several organisations and institutions including UPNG and World Vision.  | Adviser and relevant agencies however there has been slow progress with other agencies despite continuous attempts by Adviser and EPSP to connect with the agencies.<br>GESI continues to be re-conceptualised as a new approach to whole-of-government activity within EPSP. |
| <b>GESI Champion</b><br>Contract November 2014 to 30 June 2015<br><b>Role to become an in-line DPM position</b> | <p>Increase integration of equity and inclusion principles and practices into internal DPM, other key stakeholders and targeted provincial administrations core functions, processes, policies and activities.</p> <p>Establish strong and effective public sector Male Advocacy focal points in government agencies and women's human rights organisations to address gender based violence in PNG.</p> | <p>All GoPNG agencies develop workplace GESI policy consistent with DPM Secretary circular.</p> <p>Focal points established in all GoPNG agencies consistent with DPM Secretary Circular re focal points.</p> | <p>GESI Champion commenced Q4 2014.</p> <p>GESI Champion to participate in the GBV conference in Sydney Australia in Q1 2015.</p> <p>Implementation plan developed Q4 2014 for gender team. GESI Champion yet to report against allocated activities.</p> | <p><b>Commenced 4<sup>th</sup> quarter 2014</b></p>   |

## Department of Finance

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| <b>Governance Support Agreement signed</b> | September 2014   |
| <b>Activity start date</b>                 | April 2014   |
| <b>EPSP Result Area</b>                    | Area 2 - Improved Use and Management of Public Financial Resources |
| <b>MTDP Priority Area</b>                  | (TBA)  |
| <b>Vision 2050</b>                         | (TBA)  |



*Department of Finance senior management with former DoF Secretary Steven Gibson (middle)*

### Assistance provided to agency:

- Operations
  - Trust accounting
  - General ledger
  - Information and communication technology (cost-benefit)
  - Review of Public Sector Audit Program (PSAP)
  - Review of Provincial Capacity Building and Enhancement Program (PCaBE).

| Activity   | Expected Outputs  | Expected Outcomes   | Status of Support   | Evaluation of Progress   |
|--|---|---|---|--|
| <b>Trust Accounting Adviser (Long Term)</b><br>Contract January 2015 – 30 Nov 2015             | Suitable HR resources secured, training needs analysis completed, assessment of internal systems and processes that influence cultural change around performance completed. | Improved understanding of accountability requirements of Trust Accounting Branch.<br>Improved whole-of-government accountability of public funds.<br>Improved record keeping and reporting from TAB to GoPNG stakeholders.  | Successful candidate nominated.<br>Adviser scheduled to commence Q1 2015.                                     | <b>0% completed.</b><br>Mobilisation scheduled for Jan 2015.   |
| <b>General Ledger Adviser (Long Term)</b><br>Contract from commencement in 2015 to 30 Nov 2015 | Suitable HR resources secured, training needs analysis completed, assessment of internal systems and processes that influence cultural change around performance completed. | Enhanced quality assurance of the financial processes and procedures of GL.<br><br>Improved statutory and management reporting.<br><br>Improved management of interface between the IFMS and other GoPNG financial systems. | Selected applicant rejected employment offer.<br>Role re-advertised<br>Adviser scheduled to commence Q2 2015. | <b>0% completed.</b><br>Discussions and consultations progressing between DoF, SGP lead adviser and PMO. |
| <b>Cost Benefit Consultant (ICT)</b>   | A cost-benefit analysis of PGAS/IFMS completed with costed recommendations for improvement, roll-out and advocacy.  | Improved understanding in DoF of role and operational relevance of IFMS and PGAS accounting systems at provincial and district levels into the foreseeable future.  | Support for this activity to ICT Division has been implemented through a consultancy funded through IMF.      | <b>Not applicable</b>  |

# Department of Treasury

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|--|--|
| <b>Governance Support Agreement signed</b> | September 2014   |
| <b>Activity start date</b>                 | April 2014   |
| <b>EPSP Result Area</b>                    | Area 2 – Improved use and management of public financial resources |
| <b>MTDP Priority Area</b>                  | TBA  |
| <b>Vision 2050</b>                         | TBA  |



*Department of Treasury Secretary Simon Tosali with the Chief Secretary, Manasupe Zurenuoc*

## **Assistance provided to the agency:**

- Budget process review
- Economic policy coordination and governance
- Financial and corporate management.

| Activity  | Expected Outputs  | Expected Outcomes  | Status of Support  | Evaluation of Progress   |
|---|---|--|--|--|
| <b>Budget Process Review Consultant (Short term periodic)</b><br>Contract June 2014 to December 2015  | Budget review report conducted by representatives from key GoPNG agencies with recommendations. Budget Reform Implementation Plan. NEC Submission including recommendations for improvements to the budget development and delivery processes. Training plan. M&E Plan.                   | Improved understanding of strengths and weaknesses of budget planning processes. Enhanced and efficient budget planning process with monitoring mechanisms. Improved understanding of roles and responsibilities and relationships between stakeholders involved in the delivery of national budgets.  | Contract complete, although only one output delivered; Discussion Paper; Enhancing the Budget Process of PNG.<br>Treasury to prepare NEC Submission.<br>Training and monitoring plans to be prepared by Treasury, depending on acceptance of review recommendations.   | <b>100% complete.</b><br>Not all outputs delivered; however, principal document outlining comprehensive plan and recommendations included in the discussion paper.   |
| <b>Economic Policy Coordination &amp; Governance Adviser (Periodic)</b>   | Establish an economic policy think tank. Agency corporate plan developed that integrates policy development with operational processes and procedures.  | More efficient and effective agency that integrates research based policy development with effective operational processes and controls.<br><br>Improved coordination between DoT and other GoPNG agencies such as NEC, as well as links to business association, industry bodies, universities and international development partners to improve economic policy advice.  | Terms of reference drafted.  | <b>0% progress.</b><br>EPSP have written to DoT Secretary requesting advice on whether or not to commence recruitment for this role.   |
| <b>Financial Management Adviser</b><br>Contract February 2013 – 30 June 2015<br><br><b>GSA activity changed to expand role from Financial management to broader corporate services role, new activities include, assist with: Transition to new Treasury building. Development of</b> | 'Whole of Executive' planning, briefing and reporting framework and processes developed within Strategy and Corporate Services Divisions. Support for the creation of an internal audit committee. Monitoring and direct input to Treasury budgeting processes. Support centralisation of | Improved internal communications at the Executive and Divisional levels. Improved operational performance and reporting including improvement in resource management/budget preparation with IFMS. Improved execution and budget using IFMS. Improved resource management per allocated budget. Enhanced Strategic and Corporate planning for Treasury. Establishment of internal audit processes. Enhanced internal communications and data | Ongoing training through IFMS and internally for Asset Management officers on the Asset module in IFMS. First review of draft procurement policy and support centralised procurement and asset management in Corporate Services Division completed. Continued work with Finance & Accounts staff in monitoring of monthly reporting. Significant effort was demonstrated in lead up to end of financial year processes ensuring that all procurement actions are completed in timely manner. Key counterpart, Chief Internal Auditor (CIA) commenced Q4 2014. Draft Internal Audit work plan, draft Fraud Control Policy and supporting procedures reviewed. Support being provided to CIA on addressing issues identified by recent | <b>2015 budget submitted in IFMS, procurement and asset management centralised, minor progress on other activities.</b><br>Progress delayed by ongoing delays in 'fill and spill' recruitment process, hence delays in skills development and no tangible progress in internal audit capacity. Delay of 22 months for the recruitment of key counterpart, Chief Internal Auditor. DoF will provide support for the establishment of an Internal Audit Committee. Improvements observed in analysis of operational outcomes, with positive feedback from Secretary and Executive. |



| Activity  | Expected Outputs  | Expected Outcomes   | Status of Support  | Evaluation of Progress   |
|---|---|---|--|--|
| <b>new IT domain</b><br><b>Working party for fit-out of new building</b><br><b>Recruitment to new org structure</b><br><b>Incorporate new graduate development program</b><br><b>Executive reporting</b><br><b>Approval for new activities and revised TOR not yet approved</b> | key corporate functions including procurement and asset management.<br>Assist with creation of internal audit function. | management.<br>Greater level of competencies of primary and secondary counterparts. | field work undertaken by AGOs as part of their interim 2014 audit of Treasury.<br>Ongoing work with Finance and Accounts staff to address delays in payment processing.<br>Additional assistance given for development and implementation planning for the new Treasury IT domain. | Enhanced expenditure controls following implementation of centralised procurement and asset management.<br><b><i>Role currently being reviewed to support DoT with its organisation re-structuring</i></b> |

## Department of National Planning and Monitoring

|  |                     |
|--|---------------------|
| <b>Governance support agreement signed</b> | (pending signature) |
| <b>Activity start date</b>                 | April 2014          |
| <b>EPSP Result Area</b>                    | (TBA)               |
| <b>MTDP Priority Area</b>                  | (TBA)               |
| <b>Vision 2050</b>                         | (TBA)               |

### **Assistance provided to the agency:**

- Monitoring and evaluation

| Activity  | Expected Outputs  | Expected Outcomes  | Status of Support  | Evaluation of Progress   |
|---|---|--|--|--|
| <b>Monitoring and Evaluation Adviser</b><br>Contract October 2014 to 30 June 2015 | National M&E Steering Committee established.<br>National/Provincial/District and sector stakeholder consultations to develop MEF program logic and M&E processes held<br>National MEF and sector MEFs including rationale, methodology, roles and responsibilities, data collection and reporting templates and timelines developed.<br>MEF Implementation strategies developed and activated.<br>Agency ICT capacity to support MEF reviewed and report submitted with recommendations including training needs analysis | Enhanced understanding by government of service provision achievements and limitations across all GoPNG agencies.<br>Greater monitoring of budget execution and assessment of benefits from increased spending on service delivery.<br>Increase transparency and ability of government to identify misuse and waste of resources resulting in improved effectiveness of spending and service delivery. | Adviser commenced Q4 2014 Baseline analysis and work plan submitted.<br>M&E Framework outline drafted and endorsed by the task Force members and the Secretary.<br>Second draft of the national Policy M&E framework has been reviewed and validated by the national sector agencies and development partners.<br>DNPM M&E task team reviewed and assessed the preliminary toolkit and templates.<br>The Preliminary Framework Implementation Strategy is incorporated in the draft national Policy M&E Framework.<br>Draft M&E Framework was consulted by national agencies.<br>Regional consultations on the M&E Framework are scheduled to commence in Q1 2015.<br>Regional consultations will be followed by pilot testing of the Framework and Toolkit development and follow up training for key officers of sector agencies, provinces and districts. | Progress on track, although Provincial consultations / workshops delayed due to funding restrictions in 2014.<br>MEF anticipated to be operational by Q3 2015.<br>Leaders' Summit in February 2015 will discuss the draft MEF. |

# Annex 7

## Emerging Risks

| Risk   | Likelihood | Impact | Mitigation approach  |
|--|------------|--------|--|
| <b>Government level risk</b>   |            |        |  |
| Turnover in agency secretaries causes a lack of continuity in engagement with EPSP   | H          | M      | On-going political economy analysis will reveal likelihood of agency engagement and ongoing support for program activity implementation  |
| PMG: membership continuity and commitment does not increase and ownership of the program by PMG reduces program effectiveness  | M          | M      | The Program Director and Deputy Director maintain a high level of interaction with PMG members to ensure they are aware of and engaged with program activities as far as practicable                             |
| PMG-PMO communication and interaction is not maintained at a high level, leading to misalignment between program management and PMG in relation to program activities and operations | L          | H      | Program Director and Chairman, PMG, agree on regular meetings and consultation mechanisms through which the chairman and PMG members are aware of and consulted on program operations when PMG is out-of-session |
| <b>Agency level risk</b>   |            |        |  |
| Senior GoPNG staff concerned about transition to Governance Facility and continuation of support from AHC  | M          | M      | PMO and AHC ensures that agencies are informed of policy developments in Australia aid through regular and effective briefings   |
| <b>Program level risk</b>  |            |        |  |
| The Program is fragmented and agencies concerned about lack of a clear direction for support   | M          | M      | PMO to communicate changing priorities of Australia aid to agencies and to ensure that activities contained in GSAs will be completed  |
| Loss of advisory and management staff resulting from uncertainty of nature of Governance Facility and further opportunities for employment   | M          | M      | AHC to release information about the Governance Facility as soon as practicable  |
| <b>Coherence risks</b>   |            |        |  |
| Concerns about the coherence across partner programs   | M          | H      | EPSP and PLGP working closely in provinces and districts. AHC to take a clear role in ensuring that relevant information is shared across all partners   |
| Lack of alignment with other AHC programs and donors   | M          | M      | Relationship building has commenced but needs to be strengthened   |
| Poor communication and policy/program alignment with AHC post  | L          | H      | Bi-weekly meetings with AHC counterparts have recommenced. Program Director and senior management team maintain regular direct contact with AHC  |

**Key:** L = low M = medium H = high