Investment Design: Solomon Islands Education Sector Program 2

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Solomon Islands Education Sector Program 2 (ESP2)	
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Abbreviations

AASC	Australia Awards Steering Committee
APTC	Australia-Pacific Technical College
AAPS	Australia Awards Pacific Scholarships
AAS	Australia Awards Scholarships
CDD	Curriculum Development Division
CEDAW	Convention for the Elimination of all forms of Discrimination Against Women
DFAT	Department of Foreign Affairs and Trade (Australia)
ECE	Early Childhood Education
EDPCG	Education Development Partner Coordination Group
EGRA	Early Grade Reading Assessment
EOPOs	End-of-Program-Outcomes
ESCC	Education Sector Coordination Committee
ESGC	Education Sector Governance Committee
ESP2	Second Education Sector Program
ESSP	Education Sector Support Program (2011-2014)
EU	European Union
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
GPI	Gender Parity Index
HRD	Human Resource Development
KPI	Key Performance Indicators
LoA	Letter of Arrangement
LPMU	Literacy Program Management Unit
MDPAC	Ministry of Development Planning and Aid Coordination
MEHRD	Ministry of Education and Human Resource Development
MoFT	Ministry of Finance and Treasury
MP	Members of Parliament
MTDP	Medium Term Development Plan
NEAP	National Education Action Plan
NESU	National Evaluation and Standards Unit
NDS	National Development Strategy
NZ-MFAT	New Zealand Ministry of Foreign Affairs and Trade
PDD	Professional Development Directorate
PESDA	Pacific Education and Skills Development Agenda
PLA	Performance Linked Aid
Prep	Preparatory year
PS	Permanent Secretary
SABER	Systems Approach for Better Education Results (World Bank)
SSAG	Skills Strategic Advisory Group
SPBEA	South Pacific Board of Educational Assessment
SIG	Solomon Islands Government
SISTA	Solomon Islands Standardised Test of Achievement
SMT	Senior Management Team
SINQF	Solomon Islands National Qualifications Framework
SINU	Solomon Islands National University
SIQA	Solomon Islands Qualifications Authority
SSU	Strategic Support Unit
STMS	School of Technical and Maritime Studies
SWAp	Education Sector Wide Approach
TA	Technical Assistance
TEC	Tertiary Education Commission
TVET	Technical and Vocational Education and Training

1   Executive Summary

The Solomon Islands Education Sector Program aims to promote economic growth, stability and poverty reduction in Solomon Islands through investment in skills development at three key levels: foundation skills (literacy and numeracy), skills for employment and economic activity, and high level skills. It is fully aligned with the Australia-Solomon Islands Aid Investment Plan, Australia's Pacific Education and Skills Development Agenda (PESDA), the Solomon Islands National Development Strategy (NDS) and the Solomon Islands National Education Action Plan.

The program consolidates progress in system development from the past investments to deliver measurable results on the ground, through an emphasis on implementing current strategies, rather than introducing new initiatives. Key to improving implementation is a strong commitment in the program to linking policy to resources, as well as strengthening resource management and accountability to achieve results.

Investment Case

The case for Australia's continued engagement in Solomon Islands is articulated in a commitment to build on the stability in which Australia has invested heavily and to facilitate the transition to good governance, economic growth and poverty reduction. Australia's strong and effective partnership with New Zealand through joint financing of the education SWAp since 2011, and the provision of international and Pacific scholarships makes Australia one of the largest donors in the sector. Sustaining and enhancing support for education and training will optimise the potential for past investments in institutions and capacity building to yield practical results over the next 4-8 years.

Australia's scholarship funding in collaboration with New Zealand over more than a decade has made a positive impact on economic growth through the development of advanced skills in the public and private sectors, and built lasting connections between Solomon Islands, Australia and across the Pacific region. Beyond support for scholarships, however, substantive Australian engagement in the education sector is relatively recent through participation in an Education Sector Wide Approach (SWAp) in 2011, a three-year investment from 2012 of approximately A$31 million to support the Solomon Islands Government to improve education access and quality.

More recently support for basic education and the Australian Awards scholarships program has been supplemented by a progressive engagement in skills development, in line with the PESDA strategy. There has been ongoing support for Solomon Islanders to access the Australia-Pacific Technical College (APTC) courses, as well as supporting APTC partnership with a local training provider. Australia has assisted with the proposed system design of the Solomon Islands Qualifications Authority (SIQA) and the National Qualifications Framework (SINQF) and Tertiary Education Commission (TEC) which will involve the private sector in tertiary and TVET provision once institutionalised. Australia's comparative advantage in the skills development sector in the region positions it well to take forward past investments, including from the EU, and to progressively expand its engagement in skills development in the country.

The thematic focus on skills at three critical levels of the system provides a coherent basis for Australia to support achievement of its objectives in the region, and integrates well with its country program and support to other sectors. Through this program Australia will support the delivery of results from investments in basic education, TVET provision and scholarships, through financing select elements that are most critical to contributing to economic growth and stability, and through strengthening resource management and expenditure controls.

The Program

The program is planned in an eight year timeframe to achieve the End of Program Outcomes, with measurable progress at the end of Phase 1, which runs from 2015 to 2018. The scope of coverage is nation-wide, although activities in Phase 1 will include more focused pilot initiatives to develop fit-for-purpose interventions that reflect the realities of the Solomon Islands context. The program theory of change is premised on a commitment to progressive expansion of engagement on the basis of well tested initiatives that will feed back into policy and strategy. The theory also provides for increased use of incentives to promote innovative approaches to addressing long standing challenges.

In terms of scope, Phase 1 (2015 – 2018) will focus on the early years of basic education (including Year 3 of ECE/Prep), skills development at the certificate level, and higher education scholarships, backed by strengthening the Ministry of Education and Human Resource Development (MEHRD) systems and processes. In line with the PESDA Delivery Strategy, the program will progressively expand engagement in junior secondary education and early childhood education (ECE) in the medium term. The program will invest in interventions to improve the quality of teaching and learning at the school level, to improve curriculum, student learning materials, book distribution, teacher training, school supervision, student assessment and infrastructure. The resource management efforts will focus on expediting implementation of select existing strategies, especially in linking policy implementation to financial and human resource management and expenditure control, and in improving the management of infrastructure and school grants funding.

This program brings together three sub-sectoral areas of intervention (foundation skills in basic education, skills for economic growth and more efficient and targeted scholarships for high level skills) with a fourth area of intervention focusing on supporting the delivery of these results through more effective policy making, strategic planning and implementation and more efficient resource management. This is articulated in five End-of-Program-Outcomes (EOPOs):

1. more **children complete basic education** regardless of socio-economic status, location, gender or disability;
2. children in basic education **achieve improved learning outcomes**, especially in literacy and numeracy;
3. TVET graduates have **more relevant and higher quality skills and qualifications** and contribute to national and provincial economic development;
4. scholarship graduates have the **skills and knowledge needed to increase national productivity** and competitiveness;
5. **resources are managed more efficiently and effectively** according to a coherent strategic plan and budget.

Program Structure

The program is structured into four components, three centred on the level of skills, and one focused on the strengthening of resource management. The four components are summarised in Table 1 below:

Table 1: Overview of Program Components

Component A: Foundation Skills in Basic Education (Literacy and Numeracy)
Sub-component A1: Improved learning outcomes in Primary Education
Sub-component A2: Expanded and more equitable access to Basic Education
Component B: Skills for Economic Growth
Sub-component B1: Skills for the formal economy (SINU-STMS)
Sub-component B2: Provincial Skill Development
Sub-component B3: National System Development
Component C: Higher Education Scholarships
Sub-component C1: Australian Awards Scholarships Program

Component D: Policy, Planning and Resource Management
Subcomponent D1: Policy, planning risk and information for management
Subcomponent D2: Human and financial resource management

Component A: Foundation Skills in Literacy and Numeracy (± $ 36 million over 4 years) will consolidate the foundational skills of early literacy and numeracy that have been built through the SWAp program for basic education, particularly over the past four years. This component will continue to work through co-financing (with New Zealand) of targeted sector budget support for selected elements of the National Education Action Plan (NEAP), but will sharpen its focus on early literacy and numeracy, and on delivery at the level of the school. With this perspective the component will include support for:

- operationalising the planned approach to school-based ***professional development of teachers***, especially in early literacy and numeracy,
- strengthening ***standards-based school leadership*** and management,
- improved ***school supervision and school inspection***,
- ***expanded school grants*** linked to greater parent and community engagement in school development planning, materials use and school improvement, supplementary targeted grants to address gender, inclusion and geographic disparities,
- ***Innovation grants*** for Education Authorities and schools for literacy and professional development,
- improving and providing ***quality learning materials***, especially in the lower grades,
- ***strengthening learning assessment***, including early grade reading and maths assessments,
- targeted support for ***infrastructure rehabilitation and additional classrooms***.

These areas of intervention bring together the key elements required for improving learning outcomes at the level of the school and the classroom. They will be complemented through support in Component D for policy and strategic planning and more effective resource and expenditure management.

Component B: Skills for Economic Growth (±A$ 16 million) consists of three sub-components to strengthen TVET provision. The largest investment (over 70% of the resources for this component) will address skills development in the formal economy:

- ***Skills for the formal economy:*** focuses on skills development in support of the formal economy through the SINU School of Technology and Maritime Studies
- ***Provincial skills development:*** Pilot programs in support of provincial development and the informal economy through targeted short courses in selected provinces
- ***National systems development***: leading to a structured approach to quality assurance of the national TVET system

In line with the PESDA strategy, a longer-term program of support for the Solomon Islands TVET Sector is envisaged over 10 years, and a process of progressive engagement is planned. This design focuses on the initial 4 year period and could be regarded as a preparatory period within which models of effective TVET practice will be developed, trialled and prepared for roll-out in subsequent years. The program supports specific courses that are critical to economic growth rather than a more traditional focus on capacity-building of individual institutions. Experience in the sector in Solomon Islands, and in the region more generally, has demonstrated the importance of careful development of fit-for-purpose approaches to TVET rather than large scale roll-out of models developed in other contexts. This progressive engagement approach will also ensure that as the national education and training systems and institutional frameworks are further developed, they will be informed by lessons emerging from these early initiatives. By the end of the four year period there should be sufficiently robust frameworks and approaches, and well established institutional and human resources, to permit a larger scale roll-out in Phase 2, to 2022.

Component C: Higher Education Scholarships (±A$ 16 million). This component will finance provision of 50 – 60 scholarships annually, at a cost of around A$3.7 million per year. Consistent with the global Australia Awards goals, the Component is designed to:

- equip individuals with knowledge and skills in designated priority sectors and fields of study;
- reduce skills and knowledge gaps in organisations that are key to achievement of the Australia Solomon Islands Aid Investment Plan objectives; and
- develop people-to-people linkages between the Solomon Islands, Australia and the Pacific region.

To date the SI Australia Awards program has been managed at the Honiara Post, by DFAT personnel, with some collaborative aspects involving the Solomon Islands Government, and eligibility checks, shortlisting and ranking by the South Pacific Board of Educational Assessment (SPBEA). This component makes provision for the contracting of a managing contractor to administer the most labour intensive elements of the program, while retaining DFAT decision-making on strategic issues affecting the scholarship program.

Component D: Policy, Planning and Resource Management (±A$ 2.6 million). Implementation in the sector has been hampered by a clear lack of institutional capacity in the education system to translate strategic objectives, plans and policy statements into initiatives that deliver results. Implementation has also been weakened by confused processes and weak resource management and control. A consequence of this has been adoption of unaffordable policies and uncontrolled expenditure in some areas which has distorted sector fund allocations, resulting imposition of external controls which have further hampered implementation. The component consists of two subcomponents:

- **Policy, Planning, Risk and Information Management** - which provides assistance to the MEHRD executive management team to incorporate systematic policy analysis and assessment of costed policy options, subsector modelling and strategic budgeting, supported by better access to management information from existing and planned information systems, including SIEMIS and SIG scholarships management;

- **Human, Financial and Resource Management** - which provides for support to strengthen joined-up leadership and management at central, EA and school level, as well as more effective financial and asset management, and continued strengthening of procurement systems, construction management and HRM and payroll systems.

Delivery Approach

The program will be delivered through a mix of modalities. There will be continued provision of earmarked sector budget support, in partnership with New Zealand, through the existing and forthcoming SWAps, with modifications that involve contracting-in of agents and managing contractors to expedite and more effectively control major works and high value procurements. Other modifications will be captured in a Direct Funding Agreement between Australia and SI and will include shifting tranche payments on a reimburseable basis, and the ability to subtract tranche payments for fraud. Continued and more sharpened use of performance incentives will help ensure that donor resources are additional and do not displace government expenditure. Performance incentives will also help to strengthen the performance of schools, training institutions and education authorities to achieve targets, innovation and efficiency, as well as supplementary resources to support gender equity and inclusion.

Management of the Skills for Economic Growth component will be contracted out to a managing contractor under the direction of DFAT, working in consultation with MEHRD and key stakeholders. The ongoing management of the Australia Awards scholarship

program will also be contracted out to a managing contractor, with key decisions regarding award being retained by DFAT Honiara, and independent ranking and eligibility check via SPBEA.

All components involve an element of technical assistance (TA). Given the relatively weak technical and management skills base, and thin capacity on the ground in MEHRD, the design proposes a range of international, regional and national, short term, intermittent and long term consultants. Some TA will be contracted directly by DFAT, while others, both international and local, will be contracted and managed by MEHRD using earmarked sector budget support funds. Some TA will be contracted and managed by managing contractors. The design provides a TA Plan which incorporates key principles for engagement and management of TA, performance standards and a list of presently identified TA, with detailed TORs for those that should be contracted in Year 1. The TA Plan will be a living document that is reviewed 6 monthly.

Implementation Arrangements

Implementation arrangements take into account that various sub-components are at different stages of detailed planning. Some initiatives in the SWAp are essentially continuation of activities under way, while others will involve field testing of methods and approaches, and still others need to incorporate the findings of studies and initiatives currently under way. As Year 1 of the program is also the final year of the current SWAp and the NEAP, the activities for 2016 and beyond will need to be revisited and adjusted in 2015 on the basis of the final assessment of the NEAP (2013-2015) and the design of the next NEAP (2016-2020) and its supporting financing arrangements under the SWAp.

As a result, Year 1 of program implementation will involve mobilising capacity (TA and contractors), while working with counterparts to refine the activities planned for Years 2 to 4 as part of the next National Education Action Plan (NEAP). Implementation arrangements therefore provide for an element of flexibility, although there is clear agreement on the main parameters of the planned support, and on the focus on implementation rather than new initiatives. Components B and C (Skills for Economic Growth and Higher Education Scholarships) have detailed implementation plans that involve outsourced or insourced contractors, hence subject to tri-lateral discussion. Implementation of these components can begin as soon as funds become available. Preparatory work is already under way.

Program Governance and Management, Budget and M&E

Due to the different stakeholders involved, there are different governance and management arrangements for Components B and C. Components A and D will fall under the existing governance arrangements for the Education Sector Support Programme described in the Letter of Arrangement between MEHRD, NZ-MFAT and DFAT. These will also be captured in a new Direct Funding Arrangement between Solomon Islands and Australia for the next SWAp period. The overall program, components A to D, will be managed by the DFAT education team in Honiara, which includes two program managers and five locally-employed staff under the direction of a Counsellor covering health, rural water and education investments. The DFAT education team consists of three FTE on basic education, two FTE on skills and two FTE on scholarships.

The design provides an initial M&E Framework which will inform a comprehensive M&E Plan to be developed by the M&E team under the supervision of the M&E Coordinator/Adviser. Monitoring and evaluation of the activities that fall under the NEAP, financed through the SWAp will be monitored by the MEHRD team using its M&E specialists in the Strategic Support Unit, and supervised and supported by the M&E Coordinator/Adviser. M&E of the Skills for Economic Growth and the Higher Education Scholarships will be managed initially by the relevant managing contractors, and their input coordinated by the M&E Team against the M&E Plan.

2   Analysis and Strategic Context

This section provides an overview of the context in which the program is set, and the development problem that it is designed to address. Drawing on lessons learned from activities undertaken by the partner government and other development partners, it outlines the strategic rationale for Australian support to the country and how this support complements investments already under way. A more detailed description of the country and sector context is contained in Annex 1.

2.1   Country Context and Sector Issues

Solomon Islands, a small island state in the South West Pacific, is now well into the transition from post conflict recovery to a more stable development path. It has a rapidly growing and relatively young population of just over half a million, about one fifth of whom live in urban areas, distributed over approximately 1 000 widely scattered islands. Despite access to abundant natural and maritime resources Solomon Islands remains poor and continues to face serious economic challenges. Gross Domestic Product (GDP) per capita is US$1,901 placing it on the list of least developed countries and it ranks 143 out of 181 countries on the Human Development Index, behind Kiribati, Vanuatu and East Timor. The majority of the economically active population is involved in subsistence/cash crop agriculture, with just over one tenth engaged in the formal economy and approximately one third in a growing informal economy. Substantial skills shortages in the formal economy hamper economic growth and limit economic activity.

Decades of limited provision of formal education have left the country with a low adult literacy rate of around 17%. The majority of primary school-aged children are enrolled in formal schooling, but completion rates remain relatively low because of a legacy of overage enrolment and high drop out and push out rates. The education system is experiencing substantial pressures to expand, including a rapidly growing and largely unregulated early childhood subsector, an expanded definition of UBE for 9 years of schooling resulting in substantial growth in junior secondary schooling, a relatively small senior secondary system, and very high demand for higher education delivered through a national university and affiliated institutions and scholarships for regional and international tertiary institutions. TVET is delivered through the universities, a network of 43 training centres and a few private providers, but it remains a very small subsector, with fewer than 2 400 enrolled in training programs outside the universities, most of which are in poorly equipped rural training centres and offering unrecognised qualifications.

There remain persistent equity challenges in access between provinces and in rural and remote locations. The country has made steady progress in narrowing the gender gap in enrolment which is now small and shrinking at lower levels of the system, but increases steadily through senior secondary, TVET and higher education levels. These disparities reflect wider gender dynamics in a society with high levels of gender-based violence and male dominated access to economic opportunities. Provision of learning opportunities for persons with disabilities is very limited at all levels of the system.

The most urgent challenge to education in Solomon Islands is quality, with over one third of 4th year primary students not achieving minimum curriculum standards in functional literacy and numeracy. This undermines learning across the system. The second major quality challenge is the relevance of skills for employment and economic growth, with a substantial mismatch between the skills provided by a largely supply-led education and training system and those required in the labour market and wider economy.

These challenges are not new, and the government with its development partners, including Australia, have been working together to address them. Political economy analysis which has informed this design found that "*MEHRD is generally trying to do its best, but faces many challenges, including: capacity and resourcing limitations; lack of clarity*

around roles and responsibilities for education sector administration throughout the education system; a heavily politicised bureaucratic environment; governance shortcomings; and at times difficult relationships with national government counterparts". The analysis notes that the focus of politicians has been on the senior secondary and, especially, the tertiary sector since scholarship promises are believed by MPs to assist their re-election chances. This emphasis by politicians on the later years of education - and the inability of constituencies to effectively hold MPs accountable, due in part to a 'bigman' culture - has meant that there has been a lack of pressure for increased spending on the first 9 years of basic education (up to Year 3 of secondary school), with the result that the share of basic education in total education spending has not risen in recent years. This design addresses this issue by focusing squarely on investing and improving outcomes in early years education.

Despite these challenges, important progress has been made in the education sector in building institutional frameworks and in strengthening the system to address the quality challenge. Management information systems have been established and initial steps are being taken to improve data validation, strengthen data analysis for policy and management, and train officials in their use. There is now a strong commitment to getting the foundations of literacy and numeracy in place, and greater focus on learning outcomes, particularly in primary education, with the establishment of a robust and credible learning assessment system. At the strategic level there is a commitment to aligning the key factors for delivering quality outcomes. Together these constitute an integrated school improvement approach:

(i) a ***focus on action*** at the level of the school and classroom
(ii) institutionalising school level ***teacher professional development***
(iii) stronger ***school leadership*** and management
(iv) increased ***parental participation***
(v) provision of ***quality learning materials*** in a strengthened curriculum
(vi) improved ***learning conditions***.

The establishment of a functioning system of grants to schools provides a foundation for engaging parents and communities not simply in addressing operating costs and minor repairs, but in improving the performance of schools in achieving learning objectives as part of school development planning.

In the training and skills development sector there has been progress over the past half-decade in identifying the institutional infrastructure to strengthen the relevance and quality of skills and qualifications. A national qualifications framework and qualifications authority will help to introduce and institutionalise competency-based training and quality assurance, and provide a framework for engagement with the private sector in delivering skills that meet labour market demand and contribute to economic growth. Moves have been initiated to establish the institutional architecture to integrate TVET into a more coherent tertiary education and training system with more effective partnership between private and public sector employers and training providers, to build a more demand-driven skills development system.

These advances at the system level, however, have yet to be manifested in sustained improvements in schools and classrooms or in the quality and relevance of skills delivered. Factors affecting implementation include a very challenging geographic context and political and governance constraints which limit equity and efficiency in resource allocation, management and accountability. At the sector level this is manifested in limited ability to control expenditure across the sector and align budgets with divisional policies and strategic plans. A further constraint on effective administration is articulation of management communication and accountability across the levels of the system from the capital through education authorities to the level of the school and training centre. The progress made in identifying broad strategies and frameworks is not routinely articulated through clear and

unambiguous legislation, regulations, policies and procedures, manuals and guidelines. Some legislation is ambiguous on key issues, and policies are not always clearly evidence-based and informed by analysis of resources and implementation capacity. Many policies lack clear implementation strategies linked to budgets and accountabilities. There is a lack of stakeholder consultation, systematic incorporation of lessons from pilot initiatives and communication of policies to stakeholders.

2.2 Development Problem/Issue Analysis

2.2.1 Development Challenge

The goal statement of the Australian Aid program in Solomon Islands identifies the development challenges that confront Solomon Islands:

"*Australia's international assistance in the Solomon Islands aims to develop a peaceful, well governed and prosperous Solomon Islands achieved by focusing with the Solomon Islands government on improving safety and security, strengthening economic governance and fostering broad-based growth, improving government accountability, improving service delivery in urban and provincial areas and building stronger and more peaceful communities.*"

This goal is complemented by the SIG Medium Term Development Plan (MTDP) 2014 – 2018 which responds to a range of national development strategy objectives among which are the following four are specifically relevant to the education sector:

- **Objective 1:** To alleviate poverty and provide greater benefits and opportunities to improve the lives of Solomon Islanders in a peaceful and stable society
- **Objective 2:** To provide support to the vulnerable
- **Objective 4:** To ensure that all Solomon Islanders have access to quality education and for the country to adequately and sustainably meet its manpower needs.
- **Objective 5:** To increase the rate of economic growth and equitably distribute the benefits of employment and higher incomes amongst all the provinces and people of the Solomon Islands (MTDP 2014)

Strengthening the quality and coverage of human resource development constitutes a necessary but not sufficient condition for the achievement of this development goal. The greatest development challenge underlying these aspirations is the stimulation of economic activity that creates increased growth, more employment and greater prosperity. While improved human resource development particularly through education and training does not in and of itself create economic growth, it is a necessary condition for its attainment and constitutes an important pillar of the national development strategy. More effective exploitation of Solomon Islands' natural and human resources is only possible if the required skills are available.

Greater economic activity and growth is both a critical factor in, and hostage to, social stability and the effective management of conflict. While the tensions from 1998-2003 were the product of a wide range of factors, the presence of large numbers of young people with limited access to formal employment opportunities was a significant contributory factor to the instability, and continues to function as a potential destabilising issue in the society. Education and training constitute the main pathway to employment and greater household prosperity, and therefore are a critical factor in promoting stability.

Inequitable access to social services, particularly between provinces, is a powerfully destabilising force in any society, and strategies to ensure more equitable access to education and training opportunities constitute an important element of the national development strategy. Inequities in education and training also pose serious efficiency challenges to economic and social development, as discrimination based on gender, ethnicity or location reduces the pool of talent which has access to employment and development opportunities.

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Economic growth and stability are also critically dependent on fair and effective governance. Improved education and training is necessary to identify and develop the knowledge skills and attitudes required for good governance, and is in turn dependent on more effective governance to ensure the most efficient and effective use of the resources available for education and training. Both scholarships and skills development of the future leadership cadre are critical in contributing to improved governance.

This program targets four key elements that are critical to development of the human resources and economic activity that will promote economic growth and stability:

- *building of foundation skills*, especially literacy and numeracy, and maintaining and developing them through enhanced basic education[1];
- *strengthening skills for employment* critical to economic growth and development through improvement of the quality and relevance of TVET courses and qualifications;
- *better management and targeting of scholarships programs* to meet the most important high level human resource requirements for national productivity and competitiveness;
- *improved human resource management by the MEHRD*, including the recruitment, training, posting , retirement and dismissal of teachers, is key to improving the overall functioning of the education system.

2.2.2 The Design Development Process

This design was developed by a core team of four specialists working under the direction of the DFAT team in Honiara, and with guidance from a DFAT Reference Group which met three times with the team to discuss issues, review progress and comment on possible directions, including during field missions. Follow-up consultations with individual members of the Reference Group, and extensive interaction with the Honiara based DFAT team during two country visits over three weeks provided important inputs to the process.

The design built on extensive work that had been undertaken by DFAT mobilised specialists in the area of skills for economic growth and scholarships, both of which prepared draft component designs in advance of the engagement of the design team. In addition, DFAT has been supporting the design with the MEHRD of a province-based literacy project in Central Province and Choiseul Province using a research and development approach which provided important elements of the approach to literacy and numeracy embedded in the design. Each of these elements had been reviewed and discussed with MEHRD and relevant stakeholders in Solomon Islands prior to the initiation of the design.

MEHRD was a full partner at all stages of the design process. Meetings were held with Senior Ministry officials including the Permanent Secretary to ensure that the design team was reflecting the priorities of the Ministry. In response to these meetings, Sub-Component D which focuses on specific support to MEHRD was added to the design including support to the newly-created Strategic Support Unit. A series of meetings was held with the heads of divisions including the National Evaluation and Standards Unit (NESU), the Curriculum Development Division (CDD) and the Professional Development Directorate (PDD) to discuss the program at the sub-component level which led to discussions on the phasing of critical activities related to literacy and assessment. Two stakeholder workshops were held: the first to explain the structure of the overall design and get views of priority activities under

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[1] "Basic education" in Solomon Islands refers to the phase from Grade 1 to Grade 9 (end of junior secondary) and does not include ECE or adult and nonformal learning which are more frequently included in the EFA definition.

the key components and the second to get feedback on the draft design. Feedback from this consultative workshop was incorporated into the design.

2.2.3   Issues Affecting the Design

The development of this program is affected by a number of key issues which have been taken into account in the design. They include the following:

2.2.3.1   Design Flexibility

Some flexibility is required in the design to accommodate any shifts in emphasis because the current NEAP (2013 to 2015[2]) will complete during the first year of this second Education Sector Program (ESP2) program. Current indications are that the priorities identified in this program design are likely to remain high priorities in the next NEAP (2016 to 2020).

2.2.3.2   A broadening focus

The SI PESDA Delivery Strategy provides for a measured and progressive widening of the scope of interventions to include greater focus on early childhood education (ECE), junior secondary and tertiary sectors over an eight-year program frame[3]. The current NEAP is the first to envisage a full service sector from ECE to higher education and skills development, but proposes a focus on expansion of ECE and nine years of basic education and TVET as core priorities. This ESP2 program will retain the primary focus on foundation skills of literacy and numeracy and support consolidation of these gains throughout basic education, but, crucially, also support skill development aligned to economic growth, and improved effectiveness of the tertiary sector and scholarships programs. However, as reflected in this program design, the largest share of resources will continue to be directed at the foundation levels in basic education.

2.2.3.3   Consolidation and incorporation of existing initiatives

Program activities in the first year will focus heavily on consolidating the emerging knowledge and lessons from the wide range of pilot or research initiatives currently under way or planned. This includes:

- Review of the National Education Action Plan in 2014
- School grants review (adequacy, out of pocket expenditure, school board governance triggers)
- Book and school resources review (including production and distribution chains, school targeting)
- Assistance to Ministry to develop new construction management model for school infrastructure
- Extension of Solomon Islands Standardised Test of Achievement (SISTA) literacy assessment work – debrief schools and use to inform teacher training
- A program of analytical work during 2014 which includes:
  - Line Ministry Expenditure Analysis and Budget trend analysis
  - SABER Workforce Development Baseline
  - Education Authority Pilot Review

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[2] There are early indications that MEHRD may extend the current NEAP to 2016.

[3] The ESP2 design envisages an 8 year time-frame, with more detailed elements of the design focused on the first four years. The initial brief for the Skills for Employability design which is incorporated into this design as Component B Skills for Economic Growth initially envisaged a 10 year time frame. The detailed elements of the design focus on the first four years.

- o Vernacular Pilot review
- o Literacy Pilot baseline
- o Employer Survey
- o Poverty mapping

The work in 2014 built on a program of studies and analyses conducted in 2013, including the following:

- A Political Economy Analysis of Education in Solomon Islands
- ACER Study of Solomon Islands Standardised Tests of Achievement (SISTA)
- An Assessment of NEAP 2010 – 2012
- Technical Notes on ECE, Quality of Basic Education, School Grants and SBM, TVET/Tertiary
- Implications of SISTA for Literacy Research and Development Pilot

A summary of the key findings of these studies is contained in Annex 2: Summary of Key 2013 Studies

The output of these initiatives will be integrated into the development of a solid and evidence-based NEAP 2016 – 2020 and the SWAp that will support it. To the extent that preliminary findings of these studies were available during the design of this program, they have been incorporated. However, much of the output of this research and these studies needs to be incorporated into policy analysis so that realistic, costed policy options can be derived and considered for adoption and implementation. The Strategic Support Unit (SSU), once established will be the location for this policy analysis and policy development, and will require sustained technical assistance.

While the NEAP provides a broad planning framework, the Ministry and development partners collaborate on the development of a rolling plan revised bi-annually and subjected to Joint Annual Review. During 2015 Australia will continue to finance ongoing activities through the earmarked budget support to the current SWAp, balancing fiduciary controls with the need to focus more on realising outcomes. Many of the program activities will have rolling workplans and action plans that are managed as a normal part of ongoing program management under the SWAp. For instance, school grants will adopt a reform action plan for rollout in 2015-16 to implement review recommendations. The new construction management model will be developed and procured by MEHRD and rolled out in 2015-16, both areas funded through budget support. Contracting out infrastructure assistance is expected to accelerate delivery of improved learning conditions.

2.2.3.4   Shifting the focus from policy development to implementation

The ESP2 program focuses heavily on implementation to achieve measurable gains in key skills. This is reflected in school improvement initiatives that bring together the key ingredients at the level of the school and classroom to achieve measurable learning gains. Experience will then be analysed and fed back into policy and strategy development.

Across the system, there will need to be continued support for strengthening financial management and accountability for results, to ensure that the gains at the school and community level are sustained:

- At headquarters level, this implies strengthening the finance and audit functions, and enabling the ministry's Senior Management Team (SMT) to utilise financial information;
- Improved and more efficient procurement are key to supporting implementation, across the program activities including curriculum materials, teacher training, classroom construction and purchase and distribution of textbooks.

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- In the Basic Education subsector, this calls for increased focus on policy implementation at the level of the school and classroom, by bringing together the key elements of school effectiveness and quality teaching and learning;
- In the TVET sub-sector, the emphasis of investment will be on supporting the delivery of selected courses and qualifications aligned to economic growth priorities, strengthening the institutional arrangements to ensure quality and relevance, and incorporating the lessons learned into policy and practice.
- Regarding scholarships, the emphasis will be more efficient and effective delivery of the Australia Awards Program and AAPS programs and greater relevance to economic growth of fields of study in which scholarships are granted.

2.2.3.5   Sub-sector prioritization

In line with the PESDA SI Education Delivery Strategy, ESP2 will prioritise early literacy and numeracy in basic education, skills development especially at certificate level in TVET, and scholarship support in higher education. In the first phase, involvement in ECE will focus on school readiness, and support for refinement of the ECE policy to align it with national aspirations and available resources. Whether the focus on pre-literacy as part of school readiness will be inculcated in the Preparatory (Prep) year of the primary schools or in the third year of ECE (or both) is one of the policy issues that will be addressed in the policy refinement. The program will also continue to support strengthening key aspects of Basic Education, including Junior Secondary Schools, especially through support for infrastructure development to accommodate the predicted expansion that will result from the cancellation of the Year 6 entry examination for JSS. In line with the Delivery Strategy and the NEAP priorities, Senior Secondary schools will not be directly supported by the program.

Achievement of sustained and measurable learning gains in the school and TVET subsectors will require more than the four years of Phase 1, although some impact on outcomes can be anticipated after four years. Similarly, experience of the past three NEAPs has demonstrated that advances in equitable access, especially in junior secondary and secondary schooling, and in skills development, take time to deliver in a context as challenging as Solomon Islands. In each of the previous NEAPs, progress on expanding access and advancing equity has been made, but the ambitious targets have not been reached. In the schooling sector this is partly because the challenges become more demanding as the last 10% or 5% of children is more difficult to access. The need to shift to a more demand driven approach to skills development requires a substantial change in mindset and organizational culture. Engagement with a new and wider range of stakeholders, including the private sector, transforming institutions designed for a supply driven model, and building the human capacity to provide the skills and to manage delivery is a long term challenge that many industrialised countries have not yet fully achieved. While some progress can be expected within four years which will signal change and trace the path forward, it will require eight or more years to achieve substantial and sustainable change in the way skills are developed, and the system financed.

For this reason the four year outcomes for the program are framed within an overall eight-year program timeframe.

2.2.3.6   Increased stakeholder participation

The need for increased stakeholder participation in education governance and management is an important issue taken into account in this design in order to increase accountability and, where appropriate, share costs. At the basic education level this calls for greater involvement of parents in planning and monitoring whole school development, and more information on school budget issues, including school grants, and on school performance, including student assessment and teacher performance assessment. In the TVET and Higher Education subsectors it implies the involvement of employers and

productive sector stakeholders in the development of training courses and in the overall governance and direction of the post-secondary education and training system.

2.3 Evidence-base/Lessons Learned

The substantial amount of sector work, analysis and evaluation that has taken place (much of it ongoing) provides a rich source of lessons for the design of the program, and input from this work is incorporated wherever possible into the program design. Many countries both regionally and internationally are addressing similar issues to Solomon Islands while the NEAP itself has been subject to regular and robust reviews. This section focuses on a number of overarching lessons from these reviews as well as broader lessons from the region and internationally that have helped shape the discussions of the design with key stakeholders.

2.3.1 County-level Lessons

Policy Formulation and Implementation

Over the past few years, a substantial number of policy goals have been proposed by the SIG and policy documents developed across the system. Many of these remain aspirational statements as they have not been adequately costed, and so cannot be reflected in budget planning. For example, the current language policy follows international best practice by proposing that all early learning and literacy takes place in the mother tongue. However, the implications of this in terms of resources, teacher postings, teacher training and attitudes of communities has not been thought through and there is no costed implementation plan. Likewise, the policy providing for universal access to three years of ECE is aspirational and unaffordable for Solomon Islands in the medium term without substantial reductions in resources for other sub-sectors. Policy commitments of this kind without adequate costing can incur substantial unplanned costs, accompanied by frustration and loss of credibility for the government, and loss of focus on what **can** be achieved[4].

Many of these aspirational policies have failed to make an impact at school level. School grants were intended to relieve the burden of fees but have not led to fee-free education in many cases. According to early evidence from the school grants review. Many schools continue to charge parental contributions and on occasions exclude children who are unable to pay. School boards can have significant influence over teacher selection and expenditure of school grants. However, early indications from the school grants review show the influence of these boards appears to be highly variable with decision making often entirely in the hands of the school director, vulnerable to undue influence of local political dynamics ("*bigman*" culture).

While a large number of policies have been drafted in relation to the general education sub-sector, this has not been the case with TVET. ***In the absence of an agreed policy framework within which to operate, it is very difficult for personnel with limited TVET experience to interpret a reform agenda***, to see the inter-relationships between component parts and to develop a coherent approach to program implementation. There are also habits to break around delivering a supply driven model for the last 50 years since the colonial era through either government or churches with no linkage to industry needs.

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[4] The forthcoming UNICEF policy review of ECE will be informed by a costing exercise of the various options for service delivery in this sub-sector.

TA Planning and Use

While TA is a critical component of any set of interventions to support the education system, experience has shown the importance of good selection and management of TA, and clear planning to ensure effective utilization of the outputs of TA. Since the start of the SWAp in 2004, there has been generated a plethora of reviews, reports and other documents, often without systematic technical assistance. Many Advisers have been exemplary in building capacity, especially at individual level. However, given the rapid turnover of staff within the Ministry, there is need to pay greater attention to other functions that TA might perform. While the importance of institutional capacity building has received a great deal of attention both regionally as well as within the Solomon Islands, in a ministry of education as small as MEHRD it will be necessary to buy in short-term expertise to perform certain tasks such as studies or reviews as long as the product of these is in a form that permits it to be incorporated into policy development. Care needs to be taken to ensure that MEHRD can manage all the TA it receives both in terms of the people and the output of their missions. This program provides for a more systematic approach to incorporation of lessons learned from pilots and studies into practice, and to the transfer of skills from TA to supported personnel.

2.3.2   Lessons Learned within the TVET sector

Strengthening TVET policy through targeted interventions

A focus on the development of an improved national training system as a pre-condition for improved employability of Solomon Islanders at home and abroad has not proven to be the most effective approach. Rather, through targeted interventions, models will be developed to improve employability and inform understanding of what an effective national TVET system might comprise which in turn could be articulated into national policy.

A consultative and collaborative approach to TVET policy development

It takes time to build consensus among key stakeholders on the shared vision that underlies a shift to a more demand-led, competency based and quality-assured TVET system. There is a need to build a common vision and increase ownership of policy outcomes where there is a lack of technical understanding related to what such a system might look like, and how it might work. Creating structures and legislation to facilitate the transformation of the system is a necessary, but not sufficient condition for success.

Qualitative and Quantitative analysis of skills demands

Shifting to a demand driven training system requires both a quantitative and qualitative understanding of skill demands. Labour market studies to identify current and projected skill demand should inform competency standards and course selection processes.

2.3.3   Lessons from International Experience

There are a number of lessons which can be derived from international best practice and successful as well as failed initiatives to implement that practice across the region.

For example, ***Solomon Islands language policy reflects international best practice.*** However a number of countries in the region with similar policies have recently reverted to English only.[5] Practical and contextual issues need to be considered including resources

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[5] e.g. Papua New Guinea

and teacher postings. Sociolinguistic attitudes should also be taken into account. Exploring a range of approaches based on well monitored and evaluated piloting should provide for greater flexibility to accommodate local realities. Pilots will explore the use of incentives to support adoption of best practices rooted in contextual realities.

A focus on successful practices both within the country and in the region and internationally is an important balance to diagnosis of limitations and weaknesses. While programmes in the past have focused on weaknesses or perceived weaknesses in the system and attempted to address these, it is important that this is done in the context of what works as evidenced both internationally and in Solomon Islands. Effective policy builds on strengths of the system. Although a third of children are failing to learn to read and do simple maths according to the SISTA, this leaves two-thirds who are succeeding, despite the language challenges. The program will look at why this is and how these lessons can be captured and shared. The various pilots planned and/or underway should provide useful insights, as long as strategies are in place to ensure the lessons from these pilots are integrated into wider practice.

2.4 Strategic Setting and Rationale for Australian engagement

The ESP2 builds on Australia's current commitment to the Education Sector Support Program (Education SWAp), a four-year investment from 2011 of approximately AUD$31 million to support the Solomon Islands Government to improve education access and quality. The Ministry of Education (MEHRD) is the lead SWAp partner, and works with other ministries to provide oversight and to administer sector-wide policies, operational plans and budget. New Zealand has been the Coordinating (lead) Development Partner in the education sector since the first Education Sector Support Program in 2004.

Current Australian funding for ESSP SWAp ends in December 2014, and in terms of its current Aid Investment Plan, Australia will continue to support the education sector. This program draws on a series of reviews of the implementation of the SWAp, and is framed by the SI PESDA Delivery Strategy outlined in 2013 as an Annex to the PESDA.

Following on from the PESDA delivery strategy, further design work was undertaken in 2013 to produce a draft design component for new investments in Skills for Employability in the Solomon Islands. The European Union (EU) supported the TVET sub-sector from 2007, but its support ended in 2013. Australian support for the TVET subsector in this program is initially limited in scope but will expand on the basis of experience gained from initial pilot initiatives. It is fully aligned with Australian commitment to PESDA, and links well with the SI NEAP. This draft design formed the basis of the Skills for Economic Growth component.

Following development of the Delivery Strategy a decision was made to incorporate the Australia Awards (Solomon Islands) program, for which a draft design document had been developed in 2013, into a consolidated DFAT education program.

All three project components (basic education, TVET and scholarships) are directly aligned with the GoA's overall aid strategy for 2011-15 (in particular for promoting opportunities for all) and to the Solomon Islands Sector Investment Plan. The Program is also aligned with SIG Human Resource Development (HRD) identified priorities, and supports the Solomon Islands National Development Strategy (2011-2020). The design process, and in particular the in-country design missions, allowed for an opportunity to discuss the 'theory of change' embodied in the design, the proposed program components and draft outputs with the Permanent Secretary and senior officials in MEHRD. This allowed the team to verify alignment with SIG priorities, and MEHRD operational plans.

While there have been significant strides in system building and some progress towards access and equity targets, impact at the level of the school has been modest. Implementation has been hampered by challenges in resource management in terms of allocation and management of both human and financial resources, resulting in inappropriate

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distribution of recurrent expenditure, under-expenditure of capital budgets, and unplanned recurrent expenditure, especially on SIG scholarships. The limitations in resource management in terms of planning, allocation (budgeting), expenditure control and accountability are exacerbated by lack of clarity on key policy issues, such as ECE, which are not adequately analysed in terms of costs and affordability. Policy implementation has also been hampered by slow Ministry procurement and payment processes, exacerbated by changing legislation and procedures at central agency levels.

The support to the sector provided through the SWAp programs since 2004, initially by New Zealand and since 2011 through co-financing with Australia is by far the largest and most significant donor support to the sector. The second largest area of support has been through scholarships for study outside Solomon Islands, again financed (separately) by New Zealand and Australia, but closely coordinated.

MEHRD and the development partners have invested heavily in identifying the factors responsible for implementation delays and inefficiencies, and have made significant progress in identifying strategies to improve the performance of the Ministry in implementing the earmarked sector budget support activities. These strategies need to accommodate effective externally introduced controls with measures to build the capacity of the system so that, as capacity increases, external controls can be relaxed progressively. The Design Team concludes that continued use of earmarked sector budget support through cofinancing arrangements should constitute a substantial element of the next program, balanced against other financing mechanisms in areas where institutional capacity or experience is more limited. Abandonment of sector budget support would constitute a serious setback for strengthening of the system, sustainability over the longer term, and invalidate much of the achievements of the past 11 years.

The design incorporates a capacity development strategy that is grounded in an understanding of political economy factors, takes into account good practice in developing capacity in fragile environments and is inclusive in its approach. The design recognises that the Ministry of Education has struggled to manage conflicting system and political pressures. It therefore incorporates a specific component (Component D) that focuses on building up MEHRD's capacity to manage its human, data and financial resources, including technical advisers. Capacity development support will explicitly aim to improve the policy-making process, thereby enabling TA inputs to be channelled into improved policy-making, as well as strengthening critical information systems to enable management to have a better line of sight to key targets and outcomes, including gender and provincial level targets.

Under this design, the slightly over half of the total AUD$71 million allocation over the first four years of the program will be expended through the earmarked budget support through the current and planned ESSP (SWAp), jointly financed with New Zealand MFAT, with appropriate controls over expenditure and procurement. This SWAp involves pooling of donor funds and represents the most significant donor partnership in support of the sector. Annex 10 provides detailed more information on the range of current and recent initiatives in education and training in Solomon Islands. There are many relatively small programs implemented by local and international NGOs. More substantial investments include support for ICT in education (Asian Development Bank), EU support for the TVET system (ended in 2013). The World Vision support for the early childhood sector constitutes the most consistent support for ECE.

The proposed ESP2 investment fills some critical gaps in the international support for the highest priority areas in the sector, especially in the focus on early literacy and numeracy (and alignment with pre-literacy and school readiness in ECE/Prep), support for skills development and better management of scholarships for improved alignment with national development requirements. The investment builds on a long history of effective partnership with New Zealand. There is potential for innovative linkages with the ADB

financed ICT in education initiative, and a need to ensure that World Vision programs for ECE are aligned with realistic policies and are cost effective.

3   Investment Description

3.1   Logic and Expected Outcomes

The theory of change underlying this program builds on the relationships between human resource development and broader economic growth, stability and good governance. The program focuses on improved education and training as the key element of human resource development, recognising that other important dimensions of HRD are addressed through complementary initiatives in health and social development.

The program consists of four components which taken together form a broadly integrated program to produce a measurable output in terms of skills that will have the most significant impact on economic growth and stability. It spans a broad range of subsectors from early childhood education to the tertiary sector, in alignment with the MEHRD NEAP commitment to full sector coverage. However, in order to enhance focus, and in line with the priorities identified in PESDA, the first phase focuses exclusively on strengthening basic education, pioneering demand driven approaches to skills development and careful targeting of scholarships. Cutting across these subsectors in the component which focuses on building capacity across the system to enhance delivery of results on the ground, and eliminate resource bottlenecks and inefficiencies. This includes strengthening policy on ECE and JSS to ensure balanced development of the system. While secondary schools are not prioritised in this phase, the design team believes that during the next four years the sector analysis and background studies into the secondary education sector should be initiated, with the possibility of limited but strategic engagement in the second phase.

The extent of integration of the components is constrained by the wide range of stakeholders involved in the three subsectors, and by the capacity of the ministry to execute innovative programs. Thus Components A and D largely use familiar SWAp governance and management arrangements, while the skills and scholarships components, where there is less institutional capacity for innovation, and which involve a wider range of stakeholders have slightly different governance and management arrangements (using managing contractors), all of which is coordinated through enhanced Education Sector Coordination and Sector Governance committees. There are strong linkages between the training and basic education subcomponents, and especially with regard to the foundation skills of literacy and numeracy. The program will sharpen the focus on disciplines and fields of study even more tightly aligned with economic development and competitiveness, education will remain an important sector for scholarship support.

3.1.1   Overall Strategic Focus

There are two key strategic features of the program design: (i) strengthening capacity to deliver results on the ground, and (ii) a particular focus on skills that are critical to learning, economic growth and national competitiveness.

The program design focuses on delivering results at the level of the school, training or tertiary institution. A commitment to impact at the school level was a feature of the last two NEAPs (2010-2012; 2013-2015), but while progress has been made in building systems, there is still a substantial gap between policy and practice, hampered by the absence of strong systems for policy implementation. This is particularly true at the level of the school, where bottlenecks for implementation such as infrastructure contracting, procurement and weak school-based management hamper action at school level. The TVET work to date, through the support of the EU, focused heavily on establishing system architecture and had less direct impact at the level of individual training institutions. The Australian Awards program has had plans in place to improve management, candidate selection and alignment with development needs, but proposed reforms have not been fully implemented. Important institutional assets from these investments include management information systems

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(SIEMIS, SIMS, OASIS), the learning assessment systems (SISTA, PILNA, PABER), and the quality assurance institutional arrangements (SINQF, SIQA). These provide a good foundation for strengthening impact on the ground.

Sustained support to improved effectiveness and efficiency of the management of resources, particularly the financial and human resources will be critical to delivering results. This includes addressing serious limitations in resource management, particularly in financial oversight, procurement, imprest, payment control and in human resource management.

The main approach will be to set targets to achieve results at school and institutional level, and then incorporate the lessons emerging from such activities into the policy framework and institutional arrangements. To achieve this there is also a need to build capacity in areas that have limited the effectiveness and efficiency of investments – including financial and human resource management, strategic planning and monitoring and evaluation. The newly established Strategic Support Unit (SSU) will have a key role in incorporating lessons from pilots and early implementation into ongoing adjustment of the approaches, and will be supported by the M&E system in this.

The focus on skills that are relevant to economic growth and national competitiveness begins with the foundation skills (literacy and numeracy) in basic education. Building on preliteracy skills developed in ECE, these are acquired in early years (Years 1-3) but must be consolidated and integrated into learning practices throughout basic education if they are to be sustained. The *Skills for Economic Growth* components builds on these foundation skills to support development of skills that will enhance employment and economic activity in the formal economy and in rural areas. A focus of the Scholarships component is to ensure efficient targeting and management of scholarship funds to develop the high level skills needed for economic development and national competitiveness, and to enhance the opportunities for employment of graduates in development enhancing areas, and strengthen connections with Australia and the Pacific Region.

Skills in this design are understood in the wider sense to incorporate knowledge and attitudes which enhance learning, employability and economic activity, in addition to the technical and occupational skills.

3.1.2   Overall Goals and End-Of-Program Outcomes (EOPO)

The whole program is embedded in the Australian Aid in Solomon Islands program approach with the goal:

Australia's international assistance in the Solomon Islands aims to develop a peaceful, well governed and prosperous Solomon Islands achieved by focusing with the Solomon Islands government on improving safety and security, strengthening economic governance and fostering broad-based growth, improving government accountability, improving service delivery in urban and provincial areas and building stronger and more peaceful communities.

Within that, the specific program goal is based on the Aim of the current National Education Action Plan (NEAP) that "*All Solomon Islanders will develop as individuals and possess knowledge, skills and attitudes needed to earn a living and to live in harmony with others and their environment.*"

Attainment of this goal requires impact in three key areas, which are directly aligned with the three NEAP Strategic Goals:

  (i)   wider access to all levels of education and training regardless of socio-economic status, location, gender or disability (NEAP Goal One: Equitable Access to Education);

  (ii)   knowledge and skills and attitudes that are directly relevant to individual growth and productivity and national economic development (NEAP Goal 2 - Improved Quality of Education);

(iii)   more balanced, efficient and effective allocation and management of financial, human and institutional resources (NEAP Goal 3 - Reform of Education Management).

To contribute to this outcome, ESP2 will accord highest priority to five End-of-Program Outcomes (EOPOs):

  (i)   *more children complete basic education* regardless of socio-economic status, location, gender or disability;

  (ii)   children in basic education *achieve improved learning outcomes*, especially in literacy and numeracy;

  (iii) TVET graduates have more *relevant and higher quality skills and qualifications* that are in-demand in the labour market, and contribute to national and provincial economic development;

  (iv)   scholarship *graduates have the skills and knowledge* needed to increase national productivity and competitiveness;

  (v)   *resources are managed efficiently and effectively* according to a coherent strategic plan and budget.

Figure 1 below illustrates how these end-of-program outputs (EOPO) contribute to the achievement of the NEAP Goal. These are mediated through the three NEAP Goal impact areas. There is a direct relationship between the five EOPOs and the NEAP Access/Equity goal, and the NEAP Quality goal. The specific relationships between these are indicated in the diagram.

The prioritization of equitable access to basic education reflects the commitments of both governments to meeting the EFA Targets and MDG Goals in education, and is also critical because of both the destabilising effects of inadequate or inequitable access to basic services, and loss of effectiveness resulting from limited access to the nation's human resources. Completion of primary education is an MDG goal[6] and is also prioritised by SIG because of the important implications for efficiency and effectiveness of reducing drop-out and repetition. Elimination of gender disparities in education, apart from being an MDG goal, is also an undertaking of both governments in their commitment to CEDAW.

The improvement of learning outcomes in basic education is a core priority of the MEHRD and has been identified as a priority in the last three NEAPs, as a response to growing evidence that learning outcomes from basic education are poor. This commitment led to a strengthening of policy and institutional arrangements for the assessment of learning outcomes both through improving the existing assessment and examination systems and introducing new learning assessment programs such as SISTA and regional initiatives such as PABER. Building on this investment in system strengthening, the country is now in a better position to assess learning outcomes in a systematic and objective manner.

In line with the NEAP, ESP2 prioritises acquisition of literacy and numeracy skills, as the foundation skills for all further learning, and critical for personal development and productive employment. Strengthening of the quality of learning throughout basic education is necessary to retain and develop these foundation skills and ensure that they impact on further learning, contribute to individual growth and development, and provide a basis for productive economic activity in the subsistence, informal and formal economies. For this

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[6] The government's focus on quality and improved learning outcomes, and its prioritisation of greater system integration and effective linkages between subsectors also positions it well for the post-2015 MDG agenda.

reason the program, while prioritising early literacy and numeracy skills, also supports quality improvement in basic education through, especially, investments in teacher professional development, school leadership and management, adequate and appropriate learning materials, and efficient and targeted delivery of infrastructure.

Figure 1: End of Program Objectives
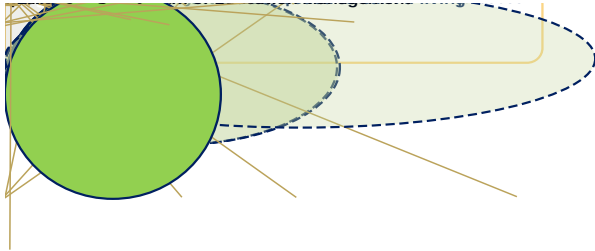
The commitment to improving the relevance and quality of skills and qualifications provided by the TVET subsector is a high priority which aligns with the PESDA, the National Development Strategy and the Solomon Islands PESDA Delivery Strategy, and is necessary to complement the investment in foundation skills in basic education. While there is a wide range of possible interventions to support the development of knowledge, skills and attitudes for employment, the limited engagement of Australian Aid in the TVET subsector in SI in the previous decade points to the need for a selective and focused approach. The *Skills for Economic Growth* component focuses initially on some practical initiatives in training and skills development for both the formal and informal sectors, from which lessons can be learned to integrate back into policy and practice. This is complemented by strengthening of systems and institutional arrangements, including the finalization and operationalization of the National Qualifications Framework and the Solomon Islands Qualifications Authority. The program focuses on ensuring relevance and quality of specific courses and qualifications, rather than substantial investments in whole institutions or across-the-board capacity building, while supporting the articulation of the institutional arrangements for quality assurance of training into the wider governance and management of the tertiary education subsector, and more substantial and strategic collaboration with the private sector.

The focus on relevance of skills and knowledge to national and provincial economic development is also a feature of the end of program outcomes in the scholarships component, along with a drive to ensure more effective targeting and management of both the national and the Australia Awards scholarships. The program will help to ensure that the

ongoing and substantial investment in the Australia Awards scholarships is more transparently and equitably targeted to priority areas needed to increase national productivity and competitiveness, and build improved people to people linkages between Solomon Island graduates and Australian and regional networks.

Underlying all End-of-Program Outcomes is a commitment to improving the efficiency and effectiveness of resource management, grounded in a capacity development strategy. The financial system is highly centralised with all payments being centralised at MoFT, other than school grants which are paid direct from the centre to school bank accounts. However, existing limitations in capacity and systems to plan, budget and allocate resources, to manage and control expenditure, and to monitor and report on expenditure and outputs are key factors in the weakness of school and classroom results. The program will therefore dedicate resources to improving financial management (through TA to support process and system improvements), school infrastructure and materials procurement (through supporting a Unit to undertake procurement of major works) and management of human resources. Besides direct support to headquarters PFM capacity, the program will also support (see below) improved MEHRD technical competence in a range of crucial service delivery areas (curriculum development, teacher training, inspectorate functions), which are crucial for improved resource use.

Key assumptions in this link between EOPOs and impact include the assumption:

- that the literacy and numeracy skills developed in the early years of schooling will be sustained after the first three years so that they become lasting lifeskills applied to all further learning. Evidence shows that early literacy gains can be lost if not sustained and used for at least four to six years.
- that skills themselves do not create employment but availability of skills in demand in the labour market strongly increases the likelihood of employment, especially if the skills can be found locally instead of only offshore;
- that skills that equip people to enter the informal sector can stimulate economic activity, especially where the potential for formal economic activity (e.g. tourism) is high;
- that more equitable access to education and skills will help reduce a source of social tension that undermines stability;
- that by starting with well-designed pilot initiatives to develop locally appropriate strategies, the organizational cultural shift from supply driven skills development to more demand driven approaches can be institutionalised over time. The eight year time frame provides greater space for this shift in organizational culture.

3.1.3   Program Outputs and Intermediate Outcomes

The Theory of Change envisages a set of some 12 Intermediate Outcomes which would contribute to the End of Program Outcomes. These intermediate outcomes are presented as the product of some 28 Program Outputs which flow from the program's components and subcomponents. These are represented diagrammatically in Figure 2, below. The program outputs link directly to subsectoral intermediate outcomes, as well as to cross-cutting system support which will strengthen the management and governance of the sector. The subsectoral intermediate outcomes impact on and/or are mediated by the crosscutting intermediate outcome of effective and efficient governance and management of the system.

All the main outputs from the basic education component are NEAP high priority areas of engagement that are being addressed under the current SWAp and have been identified in the design process as the highest priority areas of engagement for Australian Aid support. They include targeted investment in infrastructure, improved learning resources, school grants, teacher professional development, training for school leaders, and support to

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key units in MEHRD, especially the Literacy Program Management Unit (LPMU), the Strategic Support Unit (SSU), NESU and the Inspectorate. The ESP2 support, either directly or through the SWAp, builds on achievements to date and lessons emerging from the reviews and research that has been undertaken to inform this design and the next NEAP and SWAp. A larger version of this diagram is contained in Annex 4: Theory of Change Diagrams.

Figure 2: Intermediate Outcomes linking Program Outputs to EOP Outcomes
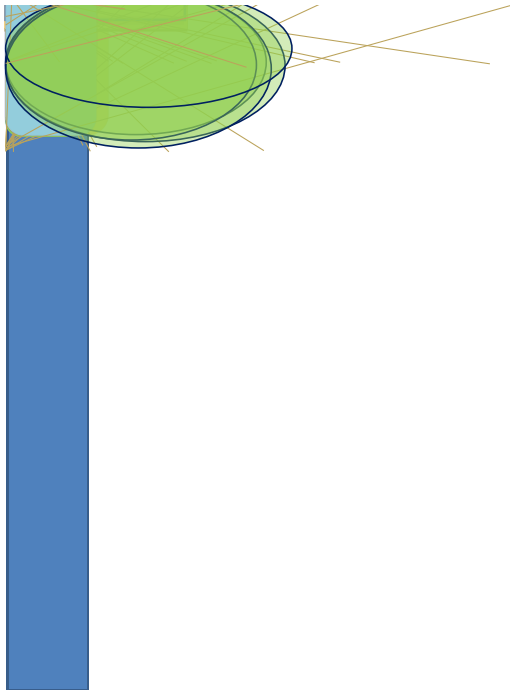
The main outputs of the Skills for Economic Growth component consist of carefully targeted support for development and delivery of courses combined with support for strengthening key elements of the TVET system. The system development support will build relationships, knowledge, information management systems and quality assurance mechanisms that will improve the quality and relevance of courses and qualifications. TVET is a new area of engagement for Australia in Solomon Islands, and the design draws on systematic analysis of the context initiated in 2012 as part of the PESDA initiative, and developed in close consultation with MEHRD and stakeholders.

The scholarships component focuses on improving the management of the Australia Awards program that has been in operation in Solomon Islands for many years. The main outputs include improved promotion, selection, mobilization and management of on-award and post-award support, combined with more comprehensive stakeholder consultation to ensure readiness of employing organizations and better integration and networking of graduates.

The resource management component will help to strengthen governance and management of the system to ensure more efficient and effective achievement of the program outcomes. Outcomes include improvement of student performance data and management information systems (SIEMIS)[7], strengthening of procurement, financial, and

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[7] The SIEMIS team will continue to collaborate with regional initiatives to improve the quality of EMIS systems and to ensure more effective data utilization for policy, implementation and monitoring.

HR management capacity within the ministry. The latter will include setting up a Procurement Unit to manage school construction and other major procurement activities. There will also be a range of performance incentive mechanisms to focus resources on the achievement of key outcomes, including timeliness of infrastructure procurement, improved management and transparency of SIG scholarships, increased efficiency of investments, and greater equity. The activities to produce these outputs are described in the most relevant component activity descriptions in the sections below.

In this linkage between outputs, intermediate outcomes and end or program outcomes, the theory of change includes assumptions that:

- focusing on bringing together improved teacher professional development, better school leadership and management, parental participation in school governance, effective assessment of learning and improved learning conditions will lead to improved learning outcomes. International experience with school improvement initiatives supports the case, stressing that parental involvement in schooling is one of the most critical factors;

- the cultural context and local power relations (such as "*bigman culture*") do not distort the accountability dynamics that are crucial to school improvement. The piloting is intended to help identify locally appropriate approaches that will help ensure wider participation and accountability through increased transparency, and communication;

- the school grants will help to engage parents in management of the school, and sharing of information on student performance will strengthen parental involvement in the learning of their children, and in monitoring teachers attendance etc. International evidence suggests that even illiterate parents can become more involved in learning of their children if they have access to simple understandable information about the schools and their children's performance;

- good information about labour market demand can stimulate demand for courses that are more aligned with employment opportunities. This requires a degree of flexibility in the providers to offer courses based on demand rather than the availability of trainers on staff, or facilities;

- organizations that have better knowledge of skills and abilities of scholarship graduates will be better placed to offer employment/promotion opportunities, and deploy the graduates in areas that draw on their skills.

3.2 Overview of Components and Activities

The program is structured around four components that are aligned with the high priority subsectors. The focus of each component is the development of knowledge skills and attitudes that have been prioritised on the basis of the context and sector reviews, and aligned with Australian and SIG strategic priorities. Each component has a number of subcomponents with a number of outputs and activities under each subcomponent.

There are some different design features of the four components that derive from the financing and management arrangements:

Component A: Foundation Skills in Basic Education will largely be financed through the Sector-wide Approach (SWAp), and implemented through the MEHRD management system.

Component B: Skills for Economic Growth will largely be financed directly by DFAT, and managed by a designated team within MEHRD, with support from a managing contractor, with some minor roles in TA management from the SWAp, or directly contracted by DFAT,

Component C: Higher Education Scholarships will be financed directly by DFAT, and mostly managed by TA under supervision of the DFAT team in Honiara.

Component D: Policy, Planning & Resource Management will be financed through the SWAp.

Table 2 below provides an overview of the program structure by component and sub-component.

Table 2: Program Components and Sub-Components

Component A: Foundation Skills in Basic Education
Sub-component A1: Improved learning outcomes in Basic Education (esp. literacy and numeracy)
Sub-component A2: Expanded and more equitable access to Basic Education
Component B: Skills for Economic Growth
Sub-component B1: Skills for the formal economy (SINU-STMS)
Sub-component B2: Provincial Skill Development
Sub-component B3: National System Development
Component C: Higher Education Scholarships
Sub-component C1: Delivery of Australian Awards Program
Component D: Policy, Planning and Resource Management
Subcomponent D1: Policy, planning and information for management
Subcomponent D2: Human and financial resource management

3.2.1   Component A: Foundation Skills in Basic Education

Literacy and numeracy are foundational to the entire learning experience of the child. However, in Solomon Islands, SISTA results show that many children are failing to master curriculum objectives in these areas. Children who fail to learn to read in the early years are unable to progress through the system since instructional content is largely accessible through print. In this sense literacy forms a gateway to later learning, which is denied to those who cannot read with fluency[8]. The effect of poor numeracy on people's lives is often much less obvious than poor literacy but there is substantial evidence that numeracy is essential to maximize children's life chances and enable them to make a positive contribution to society. The need for numeracy in the workplace is greater than ever. Research from other contexts shows that people with poor numeracy skills are twice as likely to be unemployed as those competent in numeracy.[9]

3.2.1.1   Strategic focus

This component supports specific interventions to improve equitable access to quality learning in basic education. It builds on areas targeted in the National Education Action Plan and focuses specifically on initiatives to improve the teaching and learning of reading and mathematics in lower grades as a foundation to all learning. Rather than looking at single-cause outcomes for the improvement of literacy and numeracy outcomes, this

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[8] RTI (2010)

[9] KPMG calculated that the total lifetime costs for an annual cohort of 35,843 children with very poor numeracy (the lowest-performing 5%) could be up to £2,389m, compared to a cost of £89m for additional support to raise the numeracy skills of these children through the Every Child Counts programme.

component adopts an integrated and holistic approach at both the school and system level targeting teacher training and development, quality assurance, school leadership, resources and assessment.

The component brings together at the level of the school a range of interventions that are known to impact most on learning outcomes. This includes improved teacher quality, stronger school leadership, more effective learning assessment, better learning materials and increased parental involvement in school governance and learning. There are current initiatives in place addressing each of these critical elements, but progress has been limited in operationalising them in a way that brings them together in the school. The theme that will help to focus these interventions is improved literacy and learning.

In terms of literacy and numeracy, the focus will be on the early years. While the existing learning assessments at Years 4 and 6 are important in evaluating the competence of children at these grades, assessing the reading skills of children in the early grades of primary school is critical because it allows for timely interventions to ensure that they do not fall behind in reading. Remediation is much more difficult and costly as children get older.

The component will focus on improving equitable access for the hard to reach. This includes those students in communities situated a long way from schools, those with physical and learning disabilities, and girls who are finding it hard to access the upper levels of education.

The component recognises the reality of the range and variety of educational and linguistic issues across the provinces of Solomon Islands. The vernacular pilot and Australian pilot programme initially address causes of low literacy in specific provinces. A process whereby EAs can apply for funding in support of initiatives to improve literacy within their own authorities is in place to allow for innovative solutions to localised problems.

Sub-Component	Outputs	Activities
A1. Improved Basic Education learning outcomes (especially early literacy and numeracy)	A1.1 Linkage of early literacy policy and practice	Support to LPMU; identify and address evidence gaps; pilot innovative approaches
	A1.2 Professional development of teachers (especially literacy and numeracy)	Design and institutionalise school and cluster-based professional development program Support upgrading of teacher qualifications Innovation grants to EAs for teacher training and PD especially in support of literacy.
	A1.3 Standards-based training for school leaders	Prioritise training needs, develop training materials, conduct training, evaluate outcomes
	A1.4 School supervision	Provide training and support for inspectors, especially in early literacy and numeracy,
	A1.5 Provision and distribution of selected learning resources (especially literacy and numeracy)	Implement textbook procurement and distribution reforms. Select learning materials, (especially in literacy and numeracy), procure /produce, distribute
	A1.6 Strengthened learning assessment	Support to NESU; support for SISTA; development of EGRA and EGMA
A2. Expanded and more equitable access to Basic Education	A2.1 Targeted infrastructure development	Support Infrastructure unit. Construct additional classrooms and facilities, especially in primary schools and junior secondary schools
	A2.2 School grants	Incorporate findings of school grants review; finance school grants; review progress
	A2.3 Targeted incentive or supplementary grants to EAs and schools	Design, pilot and implement additional grants to address gender disparities, inclusion of disabled and disadvantaged, and engage with employers on gender equity in training and appointments.

3 provides a summary of the main activities and sub-activities identified for each sub-component in Component A. This aligns Outputs with main activites and sub-activities.

A detailed description of the Component and relevant activities is included in Annex 3, Detailed Description of Investment Interventions

Table 3: Component A – Outputs and Activities

Sub-Component	Outputs	Activities
A1. Improved Basic Education learning outcomes (especially early literacy and numeracy)	A1.1 Linkage of early literacy policy and practice	Support to LPMU; identify and address evidence gaps; pilot innovative approaches
	A1.2 Professional development of teachers (especially literacy and numeracy)	Design and institutionalise school and cluster-based professional development program Support upgrading of teacher qualifications Innovation grants to EAs for teacher training and PD especially in support of literacy.
	A1.3 Standards-based training for school leaders	Prioritise training needs, develop training materials, conduct training, evaluate outcomes
	A1.4 School supervision	Provide training and support for inspectors, especially in early literacy and numeracy,
	A1.5 Provision and distribution of selected learning resources (especially literacy and numeracy)	Implement textbook procurement and distribution reforms. Select learning materials, (especially in literacy and numeracy), procure /produce, distribute
	A1.6 Strengthened learning assessment	Support to NESU; support for SISTA; development of EGRA and EGMA
A2. Expanded and more equitable access to Basic Education	A2.1 Targeted infrastructure development	Support Infrastructure unit. Construct additional classrooms and facilities, especially in primary schools and junior secondary schools
	A2.2 School grants	Incorporate findings of school grants review; finance school grants; review progress
	A2.3 Targeted incentive or supplementary grants to EAs and schools	Design, pilot and implement additional grants to address gender disparities, inclusion of disabled and disadvantaged, and engage with employers on gender equity in training and appointments.

3.2.2   Component B: Skills for Economic Growth

While a longer-term program of support for the Solomon Islands TVET Sector is envisaged over 10 years, a process of progressive engagement is planned. This design focuses on the initial 4 year period and for all intents and purposes could be regarded as a preparatory period within which models of effective TVET practice will be developed, trialled and prepared for roll-out in subsequent periods.

The design focuses on three key elements of the TVET sector:

- The major focus (over 70% of the component budget) is on skills development in support of the formal economy through the SINU School of Technology and Maritime Studies

- Pilot programs in support of provincial development, industry needs and the informal economy through targeted short courses in selected provinces
- National systems development leading to a structured approach to quality assurance of the national TVET system

3.2.2.1   Strategic focus

Integral to the progressive engagement principle, the design is intended to be flexible in implementation with a heavy reliance on regular review of lessons learned and continuous improvement processes. It will be participatory in nature, operating to strengthen existing processes and practice cumulatively at a sustainable pace that is consistent with the availability of resources. Consolidating and incorporating lessons derived from pilots and early implementation will be a key responsibility of the managing contractor, and is integral to the M&E approach.

As such, the design is scalable at a number of levels and its scope can be adjusted according to circumstances without jeopardising its overall intent. Given the design focus on the identification of priority skill demands as a determinant of investment it is possible, dependent on budget availability, to expand or contract the number of priorities being addressed at any one time. For example at SINU-STMS if sufficient funds are available it may be possible to focus on a number of priority skill demand areas simultaneously. Conversely if only limited funds are available the focus may be confined to only the highest priority. Similarly provincial activity may be scaled up or scaled down.

Program implementation will concentrate at institutional level on determining priority skill demands and developing strategies to respond rapidly to these priorities. The expected benefits from this targeted approach are twofold. First, graduates in high skill demand areas will emerge at an early stage with increased opportunity for employment. Second, models of a flexible, responsive and quality based TVET system will have been established from which learning, refinement and roll-out can occur. Lessons derived from institutional activities, especially the development of industry endorsed competency based courses, will in turn inform national TVET system development.

The skills development component will also support engagement of SI in the Skilling Youth in the Pacific (SYP) program. Over time this component will be able to co-finance with SYP and complement the purchasing model under SYP for diploma and above level courses. This co-financing is available in the out-years from 2016 onwards.

Table 4 provides an overview of the Component with three subcomponents: Skills for the formal economy (SINU-STMS), Provincial Skills Development, and National System Development. Within each subcomponent are a number of outputs together with a brief description of the key sub-component activities.

Table 4: Component B Outputs and Activities

Sub-Component	Outputs	Key Activities
B1. Skills for the formal economy (SINU-STMS)	Output B1.1 : SINU-STMS Development Committee (SSDC)	Establish SSDC; Agree TOR with SINU, Convene SSDC at critical points in implementation cycle; Provide secretariat for SSDC
	Output B1.2: Labour market analysis and Quality Improvement Plans (QIP)	Labour market analysis; identify skill development priorities, identify relevant courses and qualifications, develop QIPs, SSDC approval
	Output B1.3: Priority course development with industry support	For identified priorities - Industry Advisory Groups; Rewrite existing courses in competency based terms and/or develop new competency based courses; SINU Board of Studies and Senate approvals

Sub-Component	Outputs	Key Activities
	Output B1.4: Inclusive teaching and learning materials development	For identified priorities - upgrade or develop gender neutral resources; female role models included in illustrations; external materials (e.g. APTC)
	Output B1.5: Trainer training	For identified priorities - Pedagogic and technical skills upgrading for instructors through APTC (Cert IV TAE, Cert III technical areas)
	Output B1.6: Facility improvement for priority course areas	For identified priorities - equipment, tools and consumables; minor workshop refurbishment (lighting, power supply, layout)
	Output B1.7: Student records system	Upgrade to accommodate competency based student assessment
B2. Provincial Skills Development	Output B2.1: Pilot Provinces selection	Initially Malaita with Western to follow; establish coordination mechanisms with Provincial Government, productive sector agencies, industry, providers
	Output B2.2: Skills demand in pilot provinces	NHRDTC - Provincial Focal Points; Provincial economic development plans, industry plans; Youth at Work, Seasonal Workers
	Output B2.3: Delivery of courses in priority skill demand areas	For identified priorities - identify suitable providers; course and skill set development; trainer training; resources; tools and equipment; partner-ships – disabled people's organisations, other donors; student records
B3. National System Development	Output B3.1: National Tertiary System Design	Support development of system architecture and associated policy
	Output B3.2: Legislative and regulatory framework	Support drafting of legislation – Education Act, Solomon Islands Qualifications Authority ACT; associated regulations and guidelines
	Output B3.3: Establishment of the Solomon Islands National Qualifications Authority (SINQA)	Capacity building; technical assistance; develop Qualifications Framework; policies and procedures – registration, accreditation, audit

More details on the outputs and activities are contained in Annex 8.

3.2.3 Component C: Higher Education Scholarships

Access to post-secondary education and training in Solomon Islands is among the lowest in the Pacific and higher education opportunities are limited. Australia is working with the SIG to identify labour market demands and the most effective investment in this area. This approach is complemented by the Australia Awards program which includes Australia Awards Scholarships (AAS) and Australia Awards Pacific Scholarships (AAPS). In summary, these scholarships:

- Provide **approximately 40 scholarships annually**, at a cost of A$3.7 million per year;
- Provide **awards courses in select high priority areas of study**: engineering, environmental sciences, economics, business, midwifery, occupational therapy, biomedical sciences, public health, nutrition, urban development, pharmacy, community development, construction project management and public policy;
- Have been **managed at the Honiara Post**, by DFAT personnel, with some collaborative aspects involving the Solomon Islands Government, and eligibility check and ranking by the South Pacific Board of Educational Assessment (SPBEA).

This design provides for the outsourcing of most aspects of scholarships management to a suitable managing contractor. This is done on the basis of a review undertaken in 2009-2010 of the joint AusAID-NZAID-SIG Awards programs, followed by a series of reviews and design initiatives which culminated in the Australia Awards Solomon Islands Design Document (Draft Version 1.1) finalised on 28 November 2013. This full component design document is appended as Annex .

Consistent with the global Australia Awards goals, the **Component objectives** are:

- to equip individuals with knowledge and skills in designated priority sectors and fields of study;
- to *reduce skills and knowledge gaps in organisations that are key* to achievement of the Australia Solomon Islands Aid Investment Plan objectives; and
- to develop people-to-people linkages between the Solomon Islands, Australia and the Pacific region.

Under AAPS tertiary undergraduate and postgraduate studies are provided at Pacific regional institutions such as the University of the South Pacific (USP) in Fiji (and at campuses in Vanuatu and Samoa), at the College of Medicine, Nursing & Health Sciences under Fiji National University, the Papua New Guinea University of Technology (Unitech), and the University of Papua New Guinea (UPNG) in Port Moresby.

DFAT in Honiara currently works closely with SIG in the joint management of some pre-award components of their respective scholarship schemes (and to a lesser extent with NZ MFAT). The SIG National Training Unit (NTU) prepares the opportunities list which provides the basis for DFAT selection of priority areas, and SPBEA then ranks applications for selection. There is also collaboration with SIG and New Zealand Ministry of Foreign Affairs (NZ-MFAT) awards, following collaborative promotion and awareness-raising for all types of scholarship opportunities.

This design recommends maintaining the strategic relationship with SIG at both the strategic and operational level – and in doing so plan to achieve a higher level of counterpart capacity building. While experience in working closely with SIG in the management of the Australia Awards program in the past has shown a number of challenges relating to prioritisation, transparency, etc., and some of these issues are identified in the risk matrix (in Annex), the benefits of the strategic relationship are considered to outweigh the risks, and the component provides for continuing this relationship.

Table 5 below provides a summary overview of the outputs and key activities of the program.

Table 5: Component C -- Outputs and key activities

Component	Outputs	Key Activities
C1 SI Australia Awards Scholarships Program	Output C1.1 Strategic engagement with key stakeholders	Identify key stakeholders, analyse interests and authority, and involve as appropriate
	Output C1.2 Scholarships promotion and communication	Prepare and implement specific promotion programs for inclusion groups Develop and maintain website Provide counselling to applicants
	Output C1.3 Application management and selection	Distribute, check and record applications Shortlist and interview Arrange IELTS testing
	Output C1.4 Placement and offer management	Negotiate placements Notify applicants
	Output C1.5 Mobilization and travel	Arrange travel, convene pre-departure briefings,

	Output C1.6 On award management and support	Review awardees' progress, provide support to awardee dependents
	Output C1.7 Reintegration and management support	Conduct re-entry workshops, Facilitation of introduction of reintegration planning into key SIG agencies

Full details of objectives, outputs and activities are contained in the full SI AAS component design in Annex 9.

3.2.4   Component D: Policy, Planning and Resource Management

In the Solomon Islands implementation of policy has been, and continues to be, a significant challenge. MEHRD lacks a depth of human and resource management skills, as well as policy analytical capability, for example in the area of early childhood education, where current policy statements are not being implemented (to abolish the Prep year) and an aspirational policy to provide publicly-funded ECE is not costed. Similarly, the expansion to nine years (or ten if Prep year is included) of Basic Education has not been systematically costed, and has the potential to distort sector budget allocations and squeeze resources for primary.

Australian support through the existing SWAp has been used to put in place advisers to ensure improved procurement, payment and expenditure control procedures. However, sector budget support has not, to date, delivered results in core human and financial resource management areas such as assisting the Ministry to formulate improved divisional budgets, assisting the Ministry's senior management team to better monitor in-year spending and to improve the ministry's management of its human resources.

There are three key areas that the new program will support, which have been discussed with and are supported by the Ministry (following discussions with PS):

- *boosting core ministry management and administrative capacity*, through the Budget and PFM Adviser working with the Senior Management Team to ensure that divisional priorities and policy intentions are costed, assessed for feasibility and reflected in ministry sub-sector budgets;

- *strengthening the ministry's capacity to use existing financial, human resource and management information data*, such as contained in SIEMIS, SIMS and the AX finance system;

- *ongoing support an improvement in the ministry's ability to comply with Financial Management and Procurement procedures*, manage tenders, infrastructure planning and execution, manage funds and account for expenditure.

Consistent with Australia's principles of engagement in the Pacific, this component will seek to build rather than supplement capacity. It will involve participatory procedures (such as on-the-job training, rather than theoretical training), and focus on strengthening existing processes and practice cumulatively at a sustainable pace that is consistent with the availability of resources.

There will be two sub-components, focusing respectively on:

- the improved use of management information systems, strategic planning tools and research to formulate and implement policy;

- support to the ministry's management team, EAs, school principals, and finance, procurement and audit staff to improve human and financial resource management.

Table 6 provides a summary overview of component outputs and key activities.

Fuller details of objectives, outputs and activities are contained in Annex 3 (Detailed Description of Components).

Table 6: Component D - Outputs and key activities

Component	Outputs	Activities
D1. Policy, planning and information for management	D1.1 Increased strategic planning, policy analysis and research capacity	Support establishment and operation of SSU; finance studies; provide TA for policy analysis and development
	D1.2 Information systems	SIEMIS: Data verification & training HRM/Payroll information systems FMIS: Support for utilisation of AX system in financial planning, budgeting & payment and commitment management Learning outcomes: support to NESU
D2. Human and financial resource management	D2.1 Management training at central, provincial/EA and school level	On-the-job training for MEHRD Senior Management Team School leadership training Training of Education Authorities and School Boards
	D2.2 Support and training for financial management, procurement and internal audit	FM training, procurement and audit support and training,
	D2.3 Strengthening human resource management	HRM training Recruitment and dismissal procedures

3.3   Gender and Equity Issues

The situation analysis revealed four principal dimensions of inequity in the Solomon Islands: income, gender, location and disability. These dimensions of inequality are often compounded so that females from poor households in rural or remote locations are less likely to have access to learning opportunities, even more so if they are disabled. Interprovincial inequities, especially where they overlap with linguistic or ethnic patterns, are a potent source of instability and an important concern for SIG.

3.3.1   Income inequality

Key among these is the important issue of household income, which has been shown to be a key determinant of participation at all levels of the system. This is true even at the primary level, because while tuition fees have been in principle abolished, other direct costs are routinely levied by schools on enrolment and attendance, and there are frequent documented cases of exclusion of children for non-payment of parental "contributions" or other fees levied by the school[10]. Indirect costs of schooling, such as transport, food and school uniform are also a factor in exclusion at all levels. Above primary education, income-related exclusion is explicit, as fees are officially levied, and non-payers routinely excluded. Unfortunately there is very little data on household income or poverty levels of learners, and collecting this information is not routinely included in policy research.

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[10] See Draft White Paper

The program does not, therefore, provide for specific outcomes or targets on this criterion, but commits to supporting the inclusion of income related data in future policy research and analysis to permit systematic monitoring in the future. This includes assisting the SSU to compile data derived from household surveys and poverty studies to provide a basis for more explicit focus on household poverty as a dimension of discrimination in education participation.

The major policy intervention in the program designed to off-set the effects of household poverty is the school grants program, to reduce the household costs of schooling to parents. The school grants review confirms that there is little evidence as yet of substantial reduction of direct costs to parents, although it remains clear that without the grants, direct costs to parents would be higher. An important recommendation of the reform of the school grants program is a more specific targeting of the grants to ensure that they finance the key operational costs that parents would otherwise have to subsidise through contributions, and are linked more systematically to credible School Development Plans[11]. In the meantime, the Ministry will be encouraged to strengthen its enforcement of the policy against exclusion of children from basic education for non-payment of fees, levies or other contributions. It will also be encouraged through the development of a School Grants Reform Action Plan, to improve its own responsiveness to schools in terms of the timeliness of grants and acquittal processes.

The next major source of public financial support for school attendance is the allocation to Members of Parliament (MPs). Very few bursaries or scholarships are available to school children from the ministry and development partners, but MPs have access to a range of discretionary funding envelopes through which they are able to financially assist their constituents, including constituency development funds (SBD5 million or approximately AUD780,000 at latest estimate) and an education grant of SBD200,000 per annum. The purpose of the former is to enable MPs to directly support grassroots needs such as local infrastructure projects (including school buildings), while the latter is intended to respond specifically to constituents' education needs. Available evidence indicates that the allocation of these funds tends to be based more heavily on MPs' political interests than on equity concerns[12]. There is no explicit policy framework to guide politicians in the allocation of these funds in the education sector, nor effective accountability mechanisms. While the allocation of these funds is beyond the direct control of the MEHRD or education sector, the policy dialogue supporting this program will continue to advocate for clearer guidance and incentives to MPs for more equitable application of the funds in education, and more effective accountability.

3.3.2 Gender equity

Gender is an important dimension of discrimination that is manifested in different ways at each level of the system. This discrimination reflects wider gender dynamics in a society with high levels of gender-based violence and male dominated access to economic opportunities. There is a high level of commitment in principle from the SIG and the development partners to addressing gender disparities, and the MEHRD has been supported in the current SWAp to develop a gender strategy, as reflected in the PEDSA Annex. Some progress has been made in developing this, but finalization, formal adoption

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[11] The review of the school grants system provides for a number of strategies to strengthen management of the program and ensure more effective targeting, accountability and audit of funds. These are currently under discussion with government, and will be incorporated into implementation strategies as agreement is reached.

[12] SI Education Stakeholder Analysis (2013) Unpublished document.

and implementation of its provisions has not been systematic or mainstreamed, although there are key champions of gender equity in many positions in the system. This program seeks to build on this potential and provide greater momentum to the finalisation and implementation of a gender policy and strategy for education in Solomon Islands.

An important asset for this is the existence of gender disaggregated data on almost every relevant indicator in the SIEMIS and related information systems. The data exists in information systems, but is not routinely analysed to reveal specific dimensions of discrimination, nor in the monitoring of strategies to address them. The ESP2 support to the strengthening of information systems focuses in particular on the analysis of data for diagnostic purposes, and on training of managers and policy makers on the use of the data in policy analysis. The M&E Framework also makes specific provision for performance indicators on gender equity, so that progress in addressing gender issues will be routinely monitored.

Figure 7 in Annex 1 *shows that in terms of access, gender disparities are relatively small in the early years of the schooling system, but widen substantially through the years*. The gender parity index (GPI) fluctuates between 0.91 and 0.95 in primary, drops to 0.87 by the end of junior secondary and stands at 0.65 by the end of secondary schooling. Once in school, girls tend to perform at a similar level or better than boys, although disparity emerges in favour of boys at the senior secondary level. Gender disparities tend to reflect other dimensions of discrimination, so that the GPI in rural and remote schools is lower (favouring boys) than in urban schools, and the ratio of girls to boys among the children with disabilities enrolled in schools is 0.87. Gender bias and stereotypical roles of girls and women are reflected in many learning materials and in the attitudes and expectations of many teachers.

The program will support the Ministry in its efforts to reduce gender disparities across the board, and especially in the higher schooling levels and in remote locations, to meet its target of eliminating all forms of gender inequality in primary and secondary education. The 1.0 GPI target for this in the current NEAP is 2015, and although some progress has been made especially at the lower levels of the system, a new target date will be set in the deliberations in 2015 for the next NEAP.

Specific strategies to support achievement of this goal include support for construction of girls' dormitories to increase enrolment of girls in junior secondary, support for strategies to encourage right-age enrolment and reduced drop-out (older girls are more likely to drop-out than older boys), ensuring gender awareness is included in teacher training, and support for elimination of gender bias and gender stereotypes in learning materials. In addition, the program includes provision for supplementary equity incentive grants to schools with innovative proposals to address gender or other disparities.

Gender disparities in enrolment in TVET and higher education are substantial. The National Development Plan set as a target the increase in the GPI in tertiary education from 0.80 in 2007 to 0.95 by 2015 and 1.00 before 2020. Table 17 in Annex 1 reveals GPI at the national university of 0.77, and 0.60 in USP. The 2015 target will not be met, and the next NEAP will call for further efforts to meet the 2020 commitment. In the TVET sector gender disparities are even greater, at 0.53 in RTCs, 0.26 in the Don Bosco program, and an average across the TVET and higher education sector of 0.61. The APTC is the only program with a GPI higher than 1 (1.12), but this highlights a further dimension of gender inequity in that this enrolment reflects traditional gender patterns in occupations.

Component B will provide incentives to encourage female enrolment in non-traditional technology and trades training, ensuring traditionally female occupations are considered when determining labour market priorities. Program advisers will encourage training providers to examine opportunities to increase female enrolment and completion rates through career counselling, study assistance and welfare support for young women training and working in male dominated environments. With support from the Australian Government Post in Honiara (perhaps through linkages with the Pacific Women Shaping

Pacific Development initiative and the DFAT Communications for Development pilots) a communications strategy specifically targeting young women should be developed and implemented. The use in promotional materials of positive role models of Pacific women working in non-traditional occupations is one strategy that could be used to encourage enquiry about training requirements and career prospects. Finally, consideration will be given to merit based scholarships (either full fee or partial fee) for young women considering a career in a non-traditional technology or trade area. Part of the skill development fund will be set aside for distribution to the STMS or participating RTCs as a bonus for each female completion in a non-traditional area.

Component C will monitor involvement of women in leadership positions and offer on-the-job mentoring. While gender disparities in the tertiary sector are significant, the Australia Awards program has a good record on gender equity, and actually reflected a slight positive discrimination in favour of women in 2013 and 2014. There are valid concerns about ease of access to an award by potential female and male applicants from the provinces, and from people with disability – both of which often combine to produce extreme personal poverty. The scholarships component managing contractor will develop and maintain a brief, practical Inclusion Strategy that promotes gender equality in the delivery and management of the program, so that:

- awards are promoted to young women while they are still at school and use any media outlets that specifically target a female audience;
- promotional material stresses that female applicants are targeted and that the aim will be to award the same number of scholarships to women as to men;
- key agencies are encouraged to nominate equal numbers of female and male candidates;
- gender balance before short-listing is achieved, through comparing applicants within separate male and female pools;
- the program website is gender inclusive;
- gender-sensitive pre-departure briefings are implemented - that address treatment of gender in Australia and the Pacific and give access to information on the cost of living, children's school and child-care facilities in potential university host cities; and
- reintegration and review workshops' content and delivery, and alumni activities are gender sensitive and inclusive.

The Ministry is committed to increasing the proportion of women in leadership positions. A 2011 study[13], revealed that only 14.5% of primary school principals and 7.3% of secondary school principals were female. Only 30.4% of employees in the administration of the MEHRD are females. Females are significantly underrepresented in senior positions in MEHRD. Teaching staff in tertiary, vocational and technical education is predominantly male. MEHRD has made some progress in this regard recently, and with the restructuring of positions the share of mid-level positions occupied by women has increased, and the MEHRD is ahead of most government ministries in this respect. However, there remain considerable challenges, and the program will continue to support the ministry in finalising and implementing its gender strategy.

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[13] Shalom Akao and Jane Strachan (2011) A Gender Analysis of the Education Sector in the Solomon Islands. Unpublished paper.

3.3.3   Geographic disparity (location)

The two main dimensions of inequality with regard to geographic disparity are the urban/rural/remote location divide, and the interprovincial inequities. Factors responsible for this include the population density and accessibility / distance of schools to communities, plus poverty and limited economic opportunity limiting demand. The quality of education was also shown to be a factor, with one study identifying loss of interest in schooling to be the most significant factor responsible for drop-out or non-attendance. This reflects a combination of supply-side factors (such as availability of school places, distance to school, presence of teachers, quality of learning environment) and demand side factors, especially cost of schooling, loss of interest in schooling due to lack of quality or lack of opportunities for further study or employment, domestic labour demands and over-age girls leaving for marriage.

The NEAP includes a range of supply side strategies to improve availability of school places for children, especially in rural and remote locations, but has limited strategies to address demand side issues, except for school grants intended to reduce household costs. Targeting of infrastructure support to address areas of greatest, including boarding costs for junior and senior secondary schooling, will help to address supply side constraints. The school grants review has recommended a one-off grant to schools for rehabilitation costs in an effort to reduce the infrastructure backlog, and help to ensure that a greater share of school grants is committed to operating costs and investments likely to enhance learning outcomes. The program could support the development of policy and procedures to facilitate this initiative if it is adopted. The information system will be strengthened in its analysis of provincial and urban/rural/remote disparities to permit a more targeted approach to the problem, and support will be provided to explore, with other development partners, strategies to address demand side issues in education participation.

The program will continue with weighted school grants to compensate the schools in the most inaccessible and isolated locations. Care will also be taken when selecting sites for literacy pilot programmes, targeting more remote schools with specific challenges, such as schools which scored poorly in the SISTA assessments in Choiseul Province. The vernacular pilot will continue to work with the Sa'a and Arosi languages in South Malaita and Makira to trial approaches in which children from minority languages can be taught in a language they understand.

3.3.4   Education and Disabilities

Provision of learning opportunities for persons with disabilities is very limited at all levels of the system. A policy on inclusive education is in the process of being drafted and there are indications that the new education law currently in development is broadening its definition of disabilities to also focus on those with learning disabilities. Australia will continue to support local organizations such as People with Disabilities SI to provide input and advice to the MEHRD on its disability policy and implementation.

The program will support the finalization and implementation of the inclusive education policy currently being drafted. This will include a systematic analysis of policy options, costs and implementation strategies, and the development of a sound communication strategy based on a thorough analysis of stakeholders and interests. It will also ensure that the needs of those with disabilities are taken into account when designing buildings and will strengthen SIEMIS data collection and analysis to inform policy.

Mechanisms to improve skill development opportunities for those with disabilities through partnerships between the pilot RTCs and two disability specific centres to develop models whereby the vocational training experience gained at these specialist centres can be extended into the more mainstream program delivery offered by the RTCs. The program will also work to reduce barriers to people with disability who are qualified to undertake university study from applying for a scholarship and successfully completing their course of study.

The program will work to reduce barriers to people with disability who are qualified to undertake university study from applying for a scholarship and successfully completing their course of study. The program can promote and support people living with disability in the SI, either directly through award of scholarships to people with a disability or to people who primarily care for, advocate and work with people living with a disability. The Australia Awards scholarship program will be managed in accordance with DFAT guidance on disability, and reflect any legal and other regulations that may be applicable in the Solomon Islands. In addition, the scholarship component will also require the managing contractor to:

- consult with local disabled peoples' organisations for advice and assistance to develop target applicant profiles inclusive of both women and men with disabilities;
- prepare adequate and appropriate information on the available awards (in an accessible format) and disseminating it to people with disability, as well as to people within their representative/ support organisations (such as those that primarily care for, advocate and work with people living with a disability), including any careers/vocational guidance counsellors within the school system;
- use promotional materials that portray people with disabilities actively studying;
- ensure that application forms and selection processes contain no inherent barriers to people with disability;
- design and maintain a website that is disability inclusive; and
- include data on disability in analyses, M&E and reporting on applicant, selection and success trends; and
- ensure the program office is accessible and has appropriate facilities for students with disabilities.

3.4   Delivery Approach

***The approach* is fully aligned with government priorities, systems and processes** as defined in the current NEAP 2013 – 2015 and the 2007 – 2015 Education Strategic Frameworks.

The approach builds on lessons learned through the Education Sector Wide Approach (SWAp), originally developed in 2004 by MEHRD, the New Zealand Agency of International Development (NZAID) and the European Commission (EC) and which Australia first joined in 2010. These include issues related to budget execution, financial reporting and procurement, capacity development and the use of technical assistance.

The approach taken is in line with partnership principles contained in the Solomon Islands Australia Aid Investment Plan, which supports Australia's strategic objectives in stability, growth and human development, with a priority focus on human resource development and private sector development. The approach reflects these partnership principles. In particular, it seeks to:

(i)   support the country's pursuit of sustainable economic growth strategies;

(ii)   support Solomon Islands' efforts to improve service delivery, particularly in rural areas; and

(iii)   align Australia's aid with Solomon Islands' decision-making, finance and procurement systems.

3.4.1   Delivery options

The following implementation modality options were considered during the design phase:

A move towards full (un-earmarked) sector budget support was recommended during previous designs. This modality has the advantage of putting responsibility and decision-

making with the government and reinforces accountability to domestic political institutions rather than to donors[14]. This would mean untied aid for SIG to use in support of its development plan. However, in order for this modality to be effective, the country needs reliable planning, well-developed and effective systems for public financial management (PFM) and procurement. Previous NEAPs have been somewhat overambitious, the SIEMIS system does not yield reliable data, while strategic budgeting, procurement and budget execution has been a challenge.

Continued earmarked budget support which involves extensive use of government systems with funds earmarked for specific sub-sectors or activities where Australia feels interventions which will make most impact. This enables aid to flow through government channels while still enabling Australia to contribute meaningfully to policy dialogue and have sufficient leverage to bring about improvements in transparency, effectiveness and corruption control. However, experience has revealed the importance of strengthening and clarifying control systems and capacity within ministries to ensure that expenditure is tracked and managed efficiently. Some modifications will be made to the arrangements for earmarked budget support to improve the management of fiduciary risks. A Direct Funding Agreement will be agreed between Australia and SI which will shift payments on a reimburseable basis and with the ability to subtract fraud from tranche payments and recover funds from SI Government.

Direct DFAT Activity Management - while the Honiara Post will have overarching responsibility for program implementation it does not have the resources or the in-house experience to manage a program of this scale, across multiple partners, and the risks associated with recruitment and supervision of specialist international and national technical assistance.

Existing Solomon Islands Partnership Facility (SIPF) through contract amendment - the SIPF could manage international recruitment of technical advisers (TA) but is not in a position within its current TOR to manage program implementation especially the contractual and financial risks associated with the proposed Skills Development Fund and related procurement of training provider services, trainer training and facility and equipment upgrades. A contract amendment would be required but given the scale of the Program it is unlikely that this would be compliant with Commonwealth Procurement Guidelines. SIPF also concludes in December 2015 and would not meet the timeframes required.

Use of managing contractors In line with the Paris Declaration on Aid Effectiveness, Australia has been moving away from project type approaches under a managing agent.[15] However, there is a place for this type of approach when there is a need for an intervention to achieve specific objectives within specified resources, especially where there is limited capacity within MEHRD. The associated risks of creating a parallel system have been acknowledged and strategies to mitigate this are included in the design.

Use of supplementary grants to schools (and innovation grants to EAs) that will be managed through the current school grants management system to support teacher professional development, literacy, to target areas of special need, and to provide performance incentives to meet specific targets related to access, equity or inclusion of the disabled. These will be financed through the targeted sector budget support.

Targeted Use of TA While traditionally longer-term TA has been used to build capacity as well as support programmes in a ministry as small as MEHRD, there will also be need to buy

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[14] NORAD (2004), From Earmarked Sector Support to General Budget Support: Development Partners Experience

[15] ODE (2011), The Quality of Australian Aid: An Internal Perspective

in short-term technical assistance and local TA where expertise is needed in a particular area.

3.4.2   Mixed Modality

After consultation with MEHRD, the mixed modality approach, tailored by component was selected as most appropriate based on:

- Value for money
- Past history and lessons learned particularly in the areas of:
  - High value procurements and procurement of major works
  - Budget execution and reporting
  - Use of performance incentives
  - Previous use of technical assistance
- The complementarities between the different forms of aid
- Governance implications and the capacity of MEHRD to manage programmes

The selection of implementation modalities is based on a review of the benefits and risks of each modality for each component. A summary of the assessed benefits and risks of using the recommended modalities is provided in Table 7 below. Major procurement and funding for Components B and C of the proposed programme is proposed to be managed by contractors following GoA approved procedures. The main fiduciary risks therefore lie in the areas of earmarked budget support and direct grants to schools.

Fuller consideration of the specific risks associated with each modality, and in particular the budget support and direct grants to schools is provided in Annex 7, together with more detailed strategies to mitigate these risks and optimise the associated benefits. The form of sector budget support recommended in this design incorporates a range of internal and external safeguards to ensure tighter expenditure control and management, with the understanding that the external control measures will be progressively phased out as government demonstrates that its own controls and procedures are sufficiently rigorous. This will require regular assessment of FM and procurement performance.

Similarly, the use of managing contractors includes a range of hybrid approaches, which includes contracting in of management support by government, financed through the targeted sector budget support (as in the Procurement Unit), contracting by DFAT in close consultation with government (as in *Skills for Economic Growth* component), and direct contracting by DFAT (as in the Scholarships component).

Table 7: Risks and benefits of modalities

Main Modality	Identified Risks	Perceived benefits
Earmarked budget support	• Implementation delays due to capacity constraints in government • Procurement errors and delays in service delivery • Misallocation of funds due to limited capacity for financial planning and expenditure monitoring • Higher potential for fraud or misuse of funds	• Greater ownership and accountability, value for money by government for funds • Strengthening of government systems and institutional and human capacity • Consolidation of gains to date in using government systems • Incorporation of stronger controls, transparency and accountability into government practice
Targeted use of TA	• Delays in procurement of TA, especially where contracted by government • Limited skills transfer unless specifically incorporated into ToRs • Increased burden on government or	• Access to skills not currently available to government • Potential for building capacity in government • More direct accountability for

Main Modality	Identified Risks	Perceived benefits
	DFAT for TA performance management	performance
Managing Contractor	• Lack of government ownership of activities and accountability for results • Potential for contractors to be driven by their own accountability for results rather than system accountability • Limited skills transfer compromises sustainability • Increased complexity for integration of governance and performance management into overall program • Greater burden on DFAT personnel to supervise and manage performance of contractors. • Additional costs of program management	• Greater control of expenditure and limitation of potential fraud and/or misuse of funds • Strengthened quality control • Improved performance management and monitoring and evaluation • Greater transparency and more direct accountability • Potential for strengthening of government capacity if skills transfer is incorporated into ToRs of managing contractors • Ideal for introduction of new activities for which limited institutional capacity exists in government • Necessary for key activities which have constituted implementation blockages in the past.
Direct grants to schools or provincial offices	• Delays in distribution of funds hamper implementation of local level plans • Mismanagement of funds or fraud due to limited local level FM capacity • Increased administrative and control burdens on ministry field staff • Greater audit demands	• Local control of resources increases likelihood of funds addressing locally identified needs • Reduced role of field personnel in distribution and monitoring of centrally procured materials • Potential for greater involvement of communities in school management • Improved accountability and transparency resulting from greater parent and community involvement in planning and implementation.
Special funds	• Additional administration and complexity in establishing, managing and monitoring special funds • Limited ownership by government of activities financed outside of line budget	• Greater control of resources and expenditure • More efficient disbursement of funds • Simpler and more direct accountability and linking of funds to outputs and results
DFAT management	• Limited ownership by government of activities and outcomes • Increased administrative burden on DFAT personnel	• Direct accountability for outputs and monitoring of results • Ideal for activities linked to wider DFAT initiatives such as scholarships (using mix of direct and contracted management).

In light of these considerations, the modalities identified for this design provide for a mix that aligns the risks and benefits of the specific activities in each component with appropriate modalities. The proposed modalities are summarised in Table 8 below.

Table 8: Modality Selection by Subcomponent

	Component A Foundation Skills	Component B Skills for Economic Development	Component C Scholarships
Earmarked Budget Support	Overall implementation of Component A	Possibly some procurement of equipment and supplies	
Managing contractor	Major Procurement Unit run by a Managing Contractor	Overall management of the Skills for Economic Development	Australia Awards management
Targeted use of TA	1. TA provided through MEHRD-managed facility 2. TA commissioned by DFAT	TA managed by managing contractor	
Direct grants	1. Grants to schools managed by MEHRD 2. Targeted grants to Education authorities		
Special funds		Skills development fund	
DFAT management	Overall supervision of the ESP2 Program		Selection and award decisions

A SIG Education Sector PFM capability and capacity[16] sponsored by DFAT, carried out in 2012, reviewed SIG PFM procedures and capability and noted that since early 2010 Budget Support funds have been managed by the MoFT with systems that are similar to those they use for SIG funded expenditure. The report found that *"... subject to i) confirmation that reports on budget support are now being provided by due dates, and ii) that control of imprests has improved, it seems that the management of funds and reporting by the MoFT is satisfactory and it is exercising a satisfactory level of control.*" The report notes that a number of improvements in financial control have been made recently including:

- MoFT and Financial Controllers in both MoFT and MEHRD are monitoring and approving expenditures involving DFAT funding;

- MEHRD is fortunate to have a Financial Controller (ex-MoFT) and a Chief Accountant who both have sound knowledge of SIG Financial Instructions and government procedures, and the former has shown a willingness to initiate reviews and audits of areas of expenditure;

- an Internal Audit division has been set up in MEHRD;

- revisions to the School Financial Management Guidelines and Manual have taken place.

These positive changes have been maintained and have not been undermined since the report was written, although the Internal Audit Unit is only slowly finding its feet. The new Permanent Secretary is strongly committed to follow SIG PFM procedures. Disciplinary action has also been initiated since 2012 against ministry staff found to have breached Financial Instructions, which should send a positive signal relating to sound financial management.

The budget support modality can be strengthened, utilising the lessons from DFID with budget support in Africa. Budget support quarterly tranche payments will shift to a

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[16] Assessment of Government Partner's Financial Management Capability and Capacity , Solomon Islands Education Sector 2013-15, Matthew Abel, February

reimburseable basis, in arrears, with two tranche payments made upfront to governments for cash flow reasons, and subsequent tranche payments will be made on the basis of reimburseable expenditure and financial reports. In addition, to strengthen attention to fraud, there is the ability to subtract fraud from tranche payments and recover funds from SI Government. These lessons from DFID will be incorporated into this design.

3.4.3   Component A: Foundation Skills in Basic Education

This component will use a range of aid delivery modalities. In line with the Aid Investment Plan, continued use of pooled funding through the SWAp will be the key approach taken to supporting improvements in foundation skills. This will be complemented by targeted use of international and local TA. Building on lessons learned, infrastructure will be outsourced to a managing contractor with staff from the Asset Management Division seconded into the Procurement Unit in order to build capacity. Through the SWAp, financing of grants to schools will continue, and may be supplemented by additional grants to support teacher professional development, literacy, to target underachieving schools and as incentives to support specific targets in gender equity, inclusion or innovative approaches. If the recommendations of the School Grants Review for service agreements with Education Authorities (EAs) are implemented, support for grants to EAs will be considered, alongside the incentive grants to EAs for innovative approaches to teacher professional development in literacy.

Table 9: Component A - Activities and Modalities

Activities	Modalities
A1.1 Linkage of early literacy policy and practice	• Donor-sourced TA (full –time NZ-funded adviser) • Demand-driven use of short-term donor-sourced TA / MEHRD LTA • Targeted SBS for support conduct of reviews and pilots – logistics, travel, materials • Short term/intermittent MEHRD LTA and Australia / NZ funds for short term technical advice in vernacular, literacy and numeracy • Targeted SBS for competitive grants to Education Authorities • Direct grants to EAs including Innovation Grants
A1.2 Professional development of teachers (especially literacy and numeracy)	• Targeted SBS • Direct grants to EAs via SBS • Donor-sourced TA
A1.3 Standards-based training for school leaders	• Targeted SBS funding for materials, travel, costs of training provider?
A1.4 School supervision	• Targeted SBS in support of training and operational funds for flexi inspectors
A1.5 Provision and distribution of selected learning resources (especially literacy and numeracy)	• TA for early curriculum review and materials modification / production • Targeted SBS for procurement and distribution
A1.6 Strengthened learning assessment	• TA support to NESU; support for SISTA; development of EGRA and EGMA through TA, Twinning between NESU and Australian Council for Education Research
A2.1 Targeted infrastructure development	• Major Works Unit run by Managing Contractor with MEHRD Asset Management Unit staff seconded into the Unit for direct experience, financed via targeted SBS
A2.2 School grants	• Targeted SBS
A2.3 Targeted incentive grants to schools	• Targeted SBS [via school grants]
A3.1 Increased strategic planning, policy and research capacity	• TA to support establishment and operation of SSU; financing of studies

Activities	Modalities
A3.2 Information systems	• Donor and MEHRD TA on an as needed basis
A3.3 Management training at central, provincial/EA and school level	• MEHRD funded TA. • Targeted SBS funds for Training expenses via

3.4.4 Component B Skills for Economic Growth

National Education Action Plan (NEAP) does not adequately encompass all facets of the skills sub-sector (tertiary and TVET), although the Aid Investment Plan recognises the existing SWAp as the primary vehicle for addressing key challenges in the education sector it is acknowledged that the. For this reason and the fact that the PFM and procurement assessments in the tertiary education sector were critical, the Honiara Post has taken the view in its Delivery Plan Annexed to PESDA[17] that in the TVET/Tertiary sector the Australian Government will continue with its current mix of aid types to support a range of new TVET partnerships beyond government, and explore the use of other modalities such as managing contractors, preferably collocated with MEHRD to provide flexibility.

Table 10: Component B - Activities and modalities

Activities	Modality
B1.1.a Development of industry partnerships	Managing Contractor (either selective tender through AAS or open tender) - manage program risks - recruit and manage technical assistance (TA); - financial management of the Skill Development Fund (SDF) (with MEHRD); - support planning and implementation on a rolling annual plan basis - develop and implement comprehensive M&E framework and plan - periodic reporting
B1.1.b Labour market analyses	
B.1.1.c Identification of skill gaps and shortages in demand	
B1.2.a Identification of industry standards & adopting/adapting training standards in priority skill demand areas	
B1.2.b Help develop courses / qualifications in priority skill demand areas through SINU internal QA processes	
B.1.2.c Delivery of training (trainer capability, resources, facilities, consumables)	
B1.3.a Targeted training and skill interventions for women and girls	
B.1.3.b Targeted training and skill interventions for people with a disability	
B2.1.a Identification of provincial economic development priorities	
B2.1.b Identification of priority skill gaps and skill shortages	
B2.2 Enhanced trainer capability, resources, consumables support	
B2.3 Business development advice to provincial small enterprises	
B2.4.a Targeted training and employment interventions in rural / remote areas for women and girls	
B2.4.b Targeted training and employment interventions in rural / remote areas for people with a disability	
B3. National System Development B3.1: National Tertiary System Design Output B3.2: Legislative and regulatory framework B3.3: Establishment of the Solomon Islands National Qualifications Authority (SINQA)	

3.4.5 Component C: Australia Awards Scholarship

The option of outsourcing to a local or regional contractor is appropriate for the size of the Solomon Islands program; particularly in relation to outsourcing only administrative

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[17] Solomon Islands Education Delivery Strategy Annex to PESDA (DFAT – Australian Aid, 2013)

tasks in the first instance. Such an approach is consistent with DFAT policy: to develop and use local capacity where possible, and to achieve improved value for money; to apply local experience and knowledge; to establish and maintain productive local networks; and to improve the scope of the program - through appointing a contractor which has a strong understanding of the local social and political context in the Solomon Islands. The scope of services to be undertaken by the contractor, when appointed, can readily be delivered by a local/ regional contractor, provided there are clearly specified, well-sequenced activities undertaken throughout the (standard) annual scholarship cycle.

Table 11: Component C: Activities and Modalities

Component	Outputs	Key Activities
	Output C1.1 Strategic engagement with key stakeholders	Identify key stakeholders, analyse interests and authority, and involve as appropriate
	Output C1.2 Scholarships promotion and communication	Prepare and implement specific promotion programs for inclusion groups Develop and maintain website Provide counselling to applicants
	Output C1.3 Application management and selection	Distribute, check and record applications Shortlist and interview Arrange IELTS testing
	Output C1.4 Placement and offer management	Negotiate placements Notify applicants
	Output C1.5 Mobilization and travel	Arrange travel, convene pre-departure briefings,
	Output C1.6 On award management and support	Review awardees' progress, provide support to awardee dependents
	Output C1.7 Reintegration and management support	Conduct re-entry workshops, Facilitation of introduction of reintegration planning into key SIG agencies

3.4.6   Policy Dialogue

Australia is seen as a key partner by SIG as a result of interventions (including RAMSI) in Solomon Islands over many years, and the fact that many Australian Scholarship recipients are in senior positions within and outside government in Solomon Islands. Australia is well-positioned to advance the interests of the education sector - and protect its investment in the sector - through high level dialogue by the Head of Mission, Ministers, and visiting DFAT high-level officials supported by DFAT Program Managers and staff.

The SIGOV program and participation in the Education Sector-wide Approach allows Australia to understand and influence SIG program spending issues, and be in *'at the ground level'* in improving policy-making, as well as key systems and processes. ESP2 will aim to complement the SIGOV program through focusing on improving financial and human resource management in a key line ministry using lessons learnt from the SIGOV program, and working in a joined-up way, through DFAT post staff oversight of activities.

Key sector risk management issues (SIG scholarship expenditure, procurement issues, SIG education budget targets) have also been injected into the Core Economic Working Group Action Matrices, which enables Australia to gain further leverage on its in-country dialogue. Australia also negotiates an Education Performance Matrix annually with MEHRD which deals with policy targets and management of major risks. These are backed up by an annual independent assessment of progress. These targets coupled with an incentive payment increase leverage and are a site for policy dialogue, as well as a management tool for the MEHRD executive.

Political economy issues, such as the resources deployed by members of parliament, can have a significant impact on education at the local level, and yet remain beyond the

direct influence of the education authorities. Policy dialogue with the government can help to encourage reform of these policies, and/or the practices resulting from them, and Australia's role as a substantial supporter of the education sector strengthens influence in this area.

A working draft of the Policy Dialogue matrix is contained in ANNEX 16: Education Policy Dialogue and Partnership Engagement Strategy*.*

3.4.7   System-wide Capacity Development

ESP2 incorporates a system-wide capacity development strategy that embeds principles of good practice, indicators of capacity developed and sustained, with inclusivity embodied in its approach. This builds on the support previously provided by to the Solomon Islands by Australia through RAMSI, especially in infrastructure provision, financial and human resource management, and the successful use by MEHRD of the LTA Fund it manages.

International experience shows that ensuring TA provides sustained capacity development is not straightforward or always successful. As referenced in Section 2.3, there is a need to plan carefully the functions that technical assistance (TA) can perform in a small island developing state environment such as the Solomon Islands, and the 'footprint' or embedded capacity that such TA could, and should, leave behind on completion of specific tasks. Each element of the program therefore will employ a strategy of utilising TA and management contractors to deliver particular technical inputs, but these inputs will be seen in the context of building institutional capacity within the Ministry of Education across a broad spectrum including in areas such as:

- the policy-making process, including policy review and development;
- research and evaluation related to program development needs;
- information management, including SIEMIS;
- management of construction projects;
- teacher professional development and school leader training;
- technical skills training;
- development of national qualifications institutions and a national post-school national training system (SIQA etc).

Links within the ministry to executive management and to the policy-making process need to be deliberately and systematically strengthened in order to ensure that MEHRD will have the capacity to manage the TA. Work has already started on this process using short-term TA for example on policy costing and literacy, but this will be institutionalised through assistance to the Strategic Support Unit (SSU). The SSU is clearly positioned to oversee capacity strengthening as its mandate is to enable MEHRD management to plan strategically, and know whether the planned activities are achieving the required results.

The new structure of the Ministry is outlined in the diagram below. The program will strengthen a number of key divisions in the ministry, within each of the 'pillars' in the new divisional structure (Corporate Services, National Services, EA Services and Strategic Support). The Program's capacity development strategy aims to work with and through the SSU, but also provide a combination of long and short-term TA to the following divisions:

- Literacy, Teaching & Learning, Asset Management and others (through Component A activities)
- TVET and Tertiary Policy (Component B activities);
- Finance, Human Resources and Information Services (Component D activities)

The Program's Monitoring and Evaluation framework (Section 4.6.1) contains a set of 27 End-of-Program Output indicators that will be capable of monitoring the extent to which capacity has been developed and is sustained. One of the indicators specifically will

measure the extent to which competency and appropriate systems have been developed. The introduction of the ESP2 M&E framework and associated data collection and reporting systems will require that MEHRD's own monitoring and evaluation capability is developed. A part time (two trips per year plus desk support) M&E Coordinator with international experience will ensure that the ministry's M&E systems and processes are viable and produce valid and reliable information.

Inclusiveness is embedded into the capacity development approach. Section 3.3.2 on page 28 outlines how inclusiveness is embedded within the overall program approach. Program monitoring Component B will provide incentives to encourage female enrolment in non-traditional technology and trades training, ensuring traditionally female occupations are considered when determining labour market priorities. Component D will monitor involvement of women in leadership positions and offer on-the-job mentoring. All components will work to ensure teaching and learning materials are gender neutral and positive female role models are included as illustrations in course and promotional materials.

Figure 3: Organizational Structure of the MEHRD[18]

New Structure – Ministry of Education

| Internal Audit 4 | Permanent Secretary 308 | Deputy Secretary |

U/S 79 Corporate Services	U/S 96 National Services	U/S e 99 Education Authority Services	U/S 30 Strategic Services
Finance 25 (Procurement, Logistics, Contracts)	Schools 13 (ECE, Primary, Secondary)	Teaching Services 11	Strategic Support 11 Unit
Human Resources 25 (Teacher payroll (10) Supernumery) (10)	Literacy PMU LTA	EA Performance 2 & Evaluation	Tertiary Policy 2
Information 7 Services (SIEMIS)	Teaching and 43 Learning (CDD, NESU & TTDD) (23/14/6)	EA Coordination 2 & Improvement	TVET 5
Offic 20 Management (Printing Unit) (7)	Inspectorate 29	Asset 6 Management	SIQA 5
Education Attaché 2	National Library 11	Edu Authorities 51	Scholarships 7 (NTU/NSD)
		KG6-WP Ancillary 27	Community Educ ?

EA Inspectors & EA Finance staff managed by those Divisions

Super Division = [dashed box]

(brackets) indicate existing Divisions that will merge/no longer exist

Gender disaggregated data will routinely be collected for all indicators and equality indicators such as gender parity indices will serve to enable a feedback loop into evidence-based decision-making.

3.5 Resources

Initial estimates of the resource requirements for the program over the first 4 years of an 8-year program time frame are indicated in Table 12 below. The bulk of spending – AUD $9 million a year and around 54% of total program resources - is envisaged to be channelled through the existing SWAp, continuing Australia's strong support for basic literacy and numeracy (Component A), working through and strengthening government systems (Component D). The investment in skills (Component B) is a significant additional investment in the sector, and expenditure will build up over time to AUD $4m per year and

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[18] Most aspects of the revised structure have been approved in principle, and many are currently under implementation.

account for 22 per cent of the total envisaged Australian sector support. The balance (Component C) is accounted for by continuation of existing Australian scholarships similar to 2014 levels - A$3.7 million per year.

Funding of A$71 million over 4 years over the period 2015-2018 - equivalent to around SBD 490 million - compares to an anticipated total spend by SIG on education of around SBD 2,780 million over the same period[19], or around 19% of total SIG spending. Spending through the SWAp of A$9 million a year compares - around SBD 62 million. This level of spending is about a fifth of current SIG annual spending of SBD 285 million (around A$ 42.2 million) on areas covered under the SWAp.

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[19] Assuming 2014 budgeted spending levels are maintained over the period 2015-2018

Table 12: Initial estimates of Phase 1 (2015-2018) resource requirements

Component	Output	Total	%
Component A1: Improved Basic Education learning outcomes (especially early literacy and numeracy)	A1.1 Linkage of early literacy policy and practice		3.1%
	A1.2 Professional development of teachers		7.3%
	A1.3 Standards-based training for school teachers		1.3%
	A1.4 School Supervision		5.1%
	A1.5 Provision & distribution of learning resources		3.1%
	A1.6 Strengthened learning assessment		3.0%
	A2.1 Targeted infrastructure development		3.2%
Component A2: Expanded and more equitable access to Basic Education	A2.2 School grants		17.6%
	A2.3 Targeted supplementary grants to schools		2.9%
	Other		4.9%
Component A Total			**51.4%**
Component B: Skills for Economic Growth	Long Term Personnel costs		
	Short term Technical Assistance		
	LES		
	Establishment Costs		0.3%
	Operational expenses		1.7%
	Management Fees		
	Total Skill Development Fund		11.9%
Component B Total			**22.5%**
Component C: High Education Scholarships	Australian Scholarships (Bursaries)		20.7%
	Salaries		
	Office Establishment Costs		
	Operational costs		
	Program implementation costs		
	Managing contractor fee (% recurrent costs)		
	Total Outsourcing Costs		1.8%
Component C Total			**22.4%**
Component D	D1: Policy, planning & information for management	$1,446,809	2.0%
	D2: Human and financial resource management	$1,198,675	1.7%
Component D Total		**$2,645,484**	**3.7%**
TOTAL -ALL COMPONENTS		**$72,312,346**	100.0%

The cost projection methodology used for Components A and D was based on historical spending trends for similar items financed through the current SWAp. Projections provide for an estimate of the Australian share of expenditure, assuming that the cost-sharing ratio with New Zealand will continue into the next SWAp (from 2016). This will need to be revised and adjusted during 2015 as the component activities are revised to reflect the new NEAP and the financing arrangements agreed with New Zealand.

DFAT human resources to manage the design will include the education team in Honiara, which includes two program managers, and five locally-employed staff under the direction of a Counsellor covering health and education. This includes three FTE on basic education, two FTE on skills and two FTE on scholarships.

Costs for Component B (Skills for Economic Growth) and Component C (Australian Awards Scholarships) are based on activity-based budgeting and are detailed in Annex 8 and Annex 9 respectively. A more detailed breakdown of the year by year costs is contained in Annex 5.

4   Implementation Arrangements

4.1   Management and Governance Arrangements and Structure

Sector governance arrangements for the existing SWAp are outlined in a Memorandum of Agreement (October 2012) which delineates the shared vision, mission goals and objectives of the partnership, and outlines a set of Principles structured around the international principles for aid coordination and harmonization. An annex to the agreement outlines the roles of the Coordinating Development Partner (CPD) and the Education Development Partners Coordination Group (EDPCG) which provides a mechanism for the coordination and harmonisation of Development Partner support to the education sector. The highest reference body is the Education Sector Coordination Committee (ESCC) which is a broad based body consisting of all key stakeholders, and meets twice per year, including the June meeting to review the Joint Annual Review. The collaboration is governed by the Education Sector Governance Committee (ESGC), which agrees the ToRs and reports from the various Technical Working Groups established to undertake specific assigned tasks. The ESGC consists of senior representatives of key SIG ministries (at PS level), plus up to three representatives of Development Partners. Donor Coordination is facilitated through the EDPCG referred to above. These arrangements will be revisited in the SWAp review scheduled for 2015 and any updating and/or review will need to be agreed between all partners. Australia and New Zealand are the major donors in the sector, however, donor coordination and harmonisation should remain a focus as there are a number of education projects and interests between the larger donor group in Solomon Islands.

Figure 4: Education Sector Governance
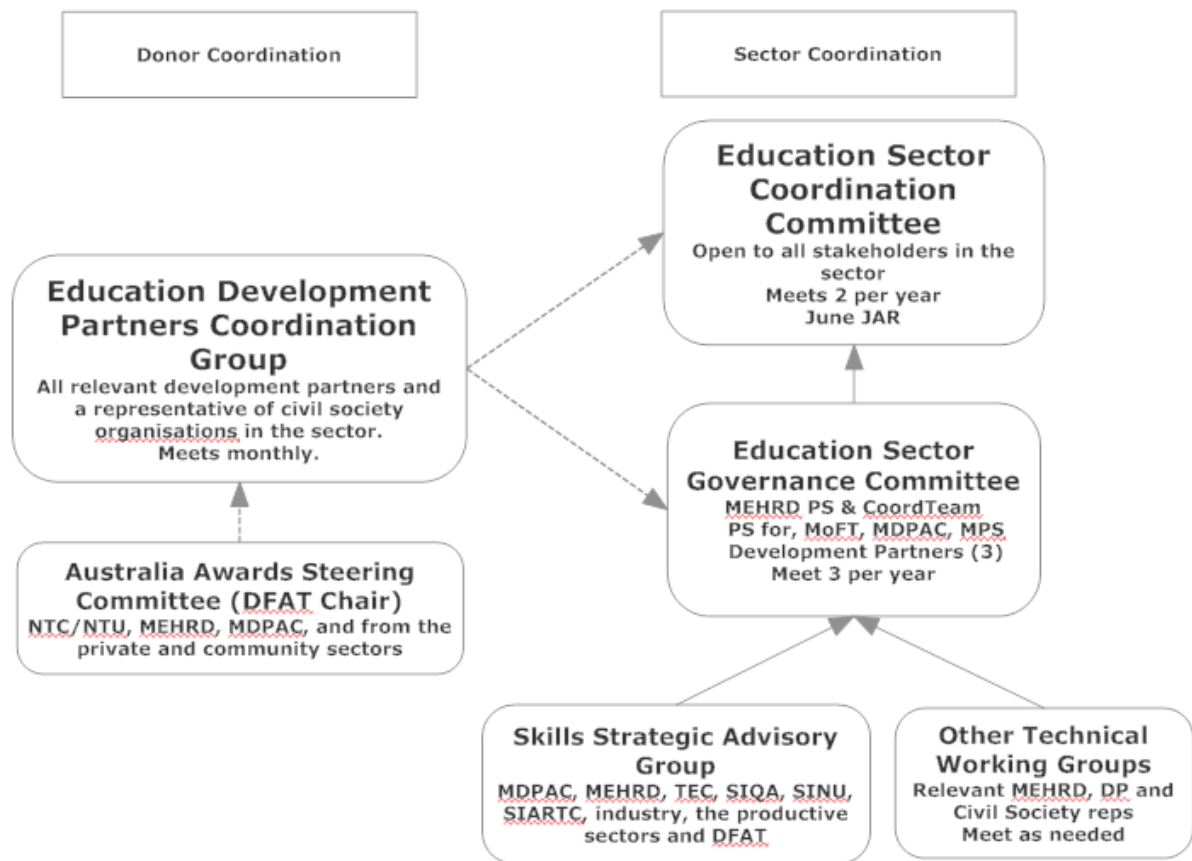
The relationship between the proposed Tertiary Education Commission (TEC) and ESCC or ESGC have not yet been defined. However, it is clear that the TEC when established should be represented in the ESCG and ESCC to ensure that deliberations about the Skills for Economic Growth and the tertiary sector program activities are reflected. It is proposed here that one of the TEC representatives should be from the private sector, to ensure that this important constituency is represented in discussions on the program. The Skills for Economic Growth component also makes provision for a Skills Strategic Advisory Group (SSAG), which could function as a subcommittee of the ESCG, and would report to the SIG and Donors through the ESCG. The role and function of this the SSAG is outlined in Annex 8.

Governance arrangements for the Scholarships component are, of necessity, slightly different, since this program is under the direction of DFAT, and none of the funds flow through the SIG. The component comes under the general direction of the Australia Awards Steering Committee (AASC)[20], chaired by DFAT, and with representation of senior representatives from a cross-section of stakeholders including DFAT, NTC/NTU, MEHRD, Ministry of Development Planning and Aid Coordination (MDPAC), and from the private sector and civil society. In order to ensure coherence of the scholarships activities with the basic education and skills components, the AASC will report through DFAT to the ESCG and ESCC.

Consideration was given in the design to consolidation of these governance and coordination bodies into a single mechanism. However, the design team concluded that a single body to represent the very wide ranges of stakeholders, interests and issues beyond the broadest level would be too cumbersome. The importance of a clear and strong role for

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[20] Referred to in the Scholarships Component Annex as the Project Steering Committee (PSC)

the private sector in TVET and tertiary education and the different accountabilities and management arrangements for the Australia Awards scholarships require second level coordination/steering bodies specific to each sub-sector, with provision for strong coordination through the ESCG and ESCC. The Joint Annual Review which will be conducted on all components as a single annual exercise brings these activities together, but a single consultative body representing such a full range of issues and stakeholders would be too cumbersome to provide the kind of qualitative feedback required.

Management of the jointly financed activities in the SWAp is the responsibility of the MEHRD, under the direction of the Senior Management Team (SMT) which consists of the Undersecretaries under the chair of the PS, and, by invitation, the Education Sector Adviser. The SMT meets every two weeks, and receives reports from the Sector Coordination Team, which includes Undersecretaries, PCRU Director, Financial Controller, Chief Admin Officer, Local Sector Coordinator and Education Sector Adviser. This body is responsible for day to day management of the NEAP/SWAp activities. The progress of the program is also discussed in the monthly Heads of Divisions Meetings.

Details of composition, ToRs and meetings are contained in Annex 12.

The ESP2 program is embedded within key elements of the Aid Investment Plan specifically:

- support Solomon Islands' pursuit of sustainable economic growth strategies;
- support Solomon Islands' efforts to improve service delivery, particularly in rural areas; and
- align Australia's aid with Solomon Islands' decision-making, finance and procurement systems.

Components B and C, both involve a central role for a managing contractor for implementation of the main component activities, and have slightly different arrangements for overall supervision and relationships with DFAT and MEHRD.

Figure 5 below provides an overview of the proposed management arrangements for both the activities financed through earmarked budget support under the SWAp and for activities financed directly by DFAT.

Figure 5: Proposed management structure
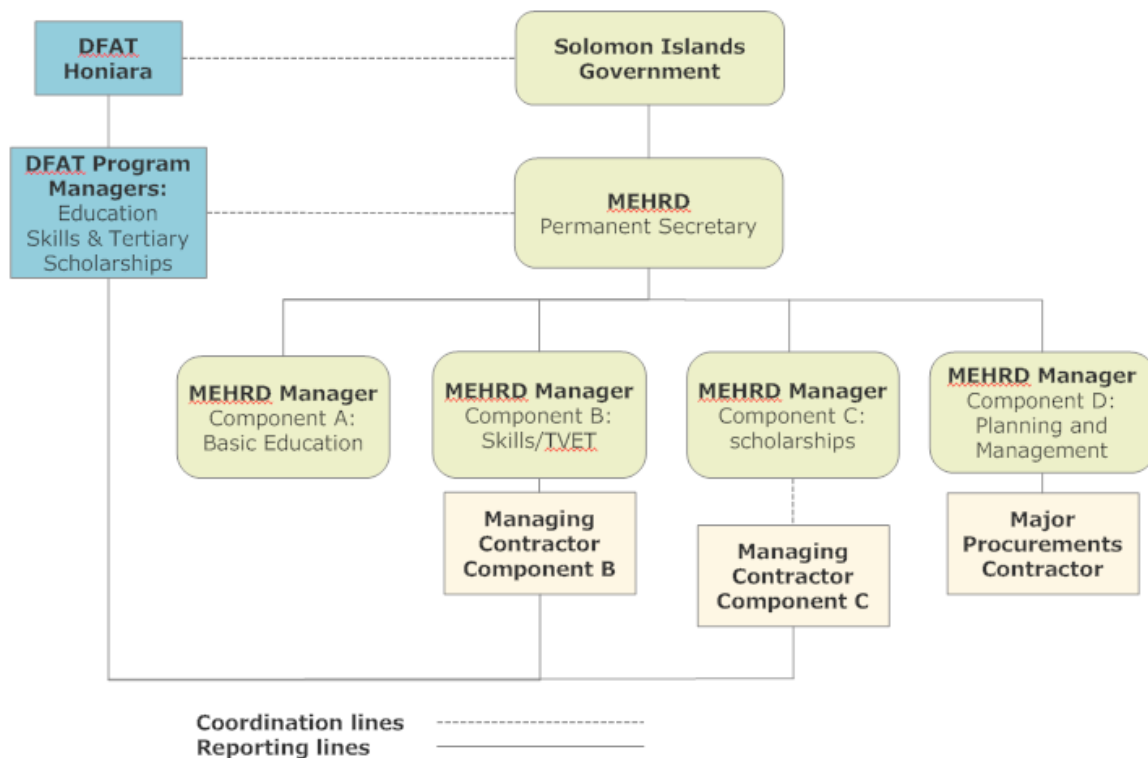
4.2   Implementation scheduling

The current NEAP runs from 2013 – 2015. During the course of 2015, the NEAP will be reviewed and a new five-year NEAP will be developed. Current New Zealand funding to the sector comes to an end in 2015 and NZ-MFAT will be engaging in their design process in support of the SWAp at that time. The implementation plan provides for some flexibility to allow for this as well as other changes related to Ministry restructuring. Some aspects of the first year of the programme are designed as a preparation for the following three years and the activities and their sequencing reflect this.

A number of activities during the first year of the programme will be a continuation of those already in place. Examples include:

- the Teachers in Training through Flexible and Distance Learning, which will continue to roll out to provinces outside Guadalcanal and Malaita
- the School Leadership Training addressing the School Leader standards, though in more targeted and prioritised way

Other interventions will build on studies recently completed or under way. This includes incorporation of recommendations from the School Grants Review and the Learning Resources Study and support to policy dialogue especially in the early years.

Activities are planned to support and strengthen new and existing functions within MEHRD including support to the SSU in its functions of coordination, research and monitoring and evaluation. Phasing of this support will need to be carefully managed as will literacy pilots to ensure that there is capacity within the LPMU to manage and monitor the activities. An initial Implementation Plan, with an overview or program activities over four years, and more detailed information for year one, is contained in Annex 12.

Components B and C (Skills for Economic Growth and Higher Education Scholarships) have more detailed implementation plans, as they are not constrained in the same way by the joint financing and SWAp. The implementation plans for these are incorporated into the mini-designs in Annex 8: Skills for Economic Growth Component-Design Document and Annex 9.

4.3   Incentives and Innovation

The program theory of change recognises that significant innovation in a sector as large and complicated as the education and training system is very challenging. Innovation and flexibility is required not only in developing policies, but also in developing practical and effective strategies to implement reforms at the system, school and community level. Changes in policy require credible situation analysis based on good evidence, review of the policy options, including costs and implementation implications, and a good analysis of the political economy that reveals which stakeholders and interests will support or resist change, accompanied by good communication and clear strategies to address stakeholder concerns.

Incentives play an important role in helping to influence the political economy and mobilise support for innovation. This is particularly the case in public provision of education where traditional practices are well embedded in public expectations, and innovation tends to be resisted.

Incentives have a role, too, in bringing together the key stakeholders to promote change at the level of the community and the school. Because few public resources tend to reach the level of the school, incentives at this level can have a significant impact on mobilising support for change. They also help to elicit creative and innovative solutions to problems at the local level which are not amenable to system-wide solutions. Given the wide range of different contexts in which learning is provided and skills are developed, solutions developed at the local level are far more likely to address local problems. Thus even strategies to promote teacher attendance or girls' participation may vary significantly from one context to another. This program is focused on aligning policy with resources at the level of the school to facilitate local initiative and local solutions.

4.3.1   Systematic support for innovation

The program is driving innovation with the government in the areas of accountability, partnerships and technology. Some examples include:

- support for SIG in development of a new Education White Paper and Education Act;
- supporting reform and registration of Education Authorities to strengthen the foundations for decentralization;
- piloting innovation grants to EAs to encourage use of creative approaches to teacher development for literacy;
- supporting reform of school grants with a focus on building accountability and participation;
- support for book distribution reform;
- new partnerships with the private sector by outsourcing infrastructure;
- new partnerships with NGOs to deliver early childhood education.

4.3.2   System level incentives

The current SWAp saw the introduction of a Performance Linked Aid (PLA) component of the partner funding. A Letter of Arrangement (LoA) was signed in early 2013 between the governments of Australia, New Zealand and Solomon Islands. It gives effect to the Solomon Islands Education Sector Support Program (ESSP). The Arrangement and funding start date was 8 March 2013; the funding end date is 31 December 2015 and the LoA end date is 31 January 2016. The agreement provides that a total of up SBD92m will be provided annually on the condition that at least 22% of the SIG national budget is spent on education in the previous year.

The LOA will be replaced under this new design by a Direct Funding Arrangement between Australia and MEHRD. The DFA will be more detailed than the LOA particularly around financial obligations and incentives. Up to SBD23m (representing a 20% bonus payment)

will also be provided annually on the achievement of all yearly targets set out in an agreed education performance matrix. All targets are subject to independent performance assessment on an annual basis to assess whether targets are reached before a payment is due. Partial payments are payable for partial progress. A key requirement is intended to ensure that donor support does not result in aid displacement of public expenditure. As a result, the MoFT routinely uses 22% as the envelope amount for the sector budget. Failure to meet this target would result suspension of the total donor support for the sector.

Independent assessments of performance against these targets[21] confirmed that the 22% condition was met in 2012 and 2013. The assessments confirmed that all performance targets had been met in 2012, and the conditional payment was made in full in 2013. However, the most recent assessment concluded that several of the annual targets set out in the performance matrix had not been met in 2013, and recommended that the 2014 SBD23m payment be withheld. The report also contained a number of recommendations for refinement of the PLA targets.

On review of this report, the Design Team recommends that PLA continue to be a component of the funding arrangements in the next SWAp, but that consideration be given to a number of adjustments:

(i)   In identifying finance related targets, there should be clarity on whether the reference is to budget or actual expenditure, and recurrent or development amounts or both. There was some confusion in MEHRD on these issues.

(ii)   Per capita public expenditure on primary education (misnamed "unit costs") as an indicator may present problems, and a simpler more widely used indicator may be primary expenditure as % of total sector expenditure. The displacement of public expenditure away from primary and towards ECE, JSS and higher education should continue to be monitored closely.

(iii)   Consideration should be given to targets related to access and equity, to complement the focus on quality and management.

(iv)   Previous quality performance targets have been procedural (SISTA baseline in place, etc.). If actual gains on learning outcomes are to be specified, the gains should be realistic since a wide range of factors can affect learning outcomes.

(v)   Consideration should be given to the possibility of partial payment for performance on individual targets, so that the system does not act as a disincentive for good performance on other targets.

An overview of the 2013 and 2014 targets is contained in Annex 15: Education Performance Matrix for 2015 and 2016, together with initial proposals for 2015 and 2016 targets.

4.3.3   Education Authority/Provincial Incentives

The very wide range in the size and capacity of the education authorities presents particular challenges for MEHRD's commitment to decentralization. The NEAP includes a commitment to more effective decentralization of authority to more effectively bridge the gap between MEHRD, which has responsibility for policy, and the education authorities which are technically responsible for delivery of education services to schools. A church education authority with very few schools or a provincial education authority in an urban area

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[21] ERF 2014 Solomon Islands Education Sector Support Program Independent Performance Assessment (Draft) May 2014.

faces very different challenges from those confronting a provincial authority responsible for schools over a wide range of rural and small island contexts. The key to successful decentralization is to ensure capacity and will to carry out the function exist at the decentralised level. Where capacity is very uneven, decentralization strategies need to be very flexible.

This program explores three main approaches to this challenge. The first is to use pilot exercises to help to test and refine strategies that are fit for purpose at the local level, the second is use incentives to encourage EAs to develop their own solutions to problems and the third is support for the Ministry to register and performance manage EAs. This will help strengthen accountability and overall performance. The piloting approach draws on an experiment in decentralised provincial management in two provinces, including delegating responsibility for appointment and management of teachers. The initiative has been assessed and found to be generally successful, and offers valuable lessons for the ongoing work in MEHRD on decentralization. A clear message from this is the importance of accompanying delegation of authority with good capacity-building and systematic monitoring to permit early detection of problems. It is also clear that different levels of delegated authority will be appropriate for different authorities, and thus the need for clear benchmarks of capacity and performance as a criterion for delegation.

This program supports a literacy initiative in (initially) two provinces which builds on this piloting approach, providing an opportunity for testing of a range of different strategies for building school and local level capacity to strengthen teaching of literacy. The initiative also provides for the use of innovation grants to provinces and Education Authorities, to stimulate the development of context-appropriate approaches to teacher professional development and teaching of literacy and numeracy. Initiatives which involve creative use of information communication technologies would be particularly appropriate at this level, especially in the areas of teacher professional development and reporting and analysis of learning assessment data. Given the different contexts of the EAs, the range of ICT and other innovations may vary from use of mobile phone and texting to use of internet and computer technologies, and the incentive grants permit a range of different approaches.

The school grants review, a draft report of which was shared with the design team just prior to finalising this design, provides for a number of reforms to improve the efficiency and effectiveness of the current investment in school grants. A key proposal in the review which will have significant impact on the school grants financed through this program is the establishment of service delivery contracts with EAs for the management of the school grants[22]. In order to qualify for a service delivery contract, each EA would need to meet a set of benchmarks demonstrating capacity to manage and account for the funds. EAs not meeting these benchmarks would continue to receive limited management grants, and direct supervision by the MEHRD (or a contracted party) would continue. This provides an incentive to EAs to strengthen their institutional capacity and human capabilities in order to qualify for the service delivery contracts. The model, if successful, could be applied to a number of other service delivery areas for EAs, building on the experience from the decentralization study.

4.3.4 School and Community Level Incentives

At the school/training institution and community level, incentives are also an important element in the strategy to improve implementation of the reforms. The most

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[22] Discussions with government regarding the specific recommendations of the review are currently under way, and these arrangements will be integrated into the implementation arrangements once they are finalized.

important direct incentives to schools are the school grants, which are paid twice per year to each school to support implementation of their school development plans. There is an incentive to expend and account for the funds well and timeously, as further grants depend on satisfactory acquittal of each year's expenditure. The school grants review makes practical recommendations on how the effectiveness of this system can be improved.

This program proposes the provision of supplementary grants to schools to serve as an incentive for innovation, for equity achievement and for schools with special requirements. Supplementary grants will be disbursed, managed and accounted for through the same mechanisms as are used for the main grants to schools. The grants are in three different types:

(i) ***Innovation grants:*** Schools will be invited to submit applications for supplementary grants for activities that are part of their school development plans, but which contain innovative approaches to teacher professional development, use of ICTs in learning and school management, and other innovations. Grants will be limited in number, and awarded on the basis of criteria balancing innovation and practicality.

(ii) ***Equity achievement grants:*** Schools that present credible proposals to address key equity issues, such as reducing gender disparities, increasing inclusion of learners with special needs, and reducing drop-out caused by lack of funds can apply for supplementary grants. Information on the grants will be made available to schools, together with templates for the proposals, and criteria for assessment.

(iii) ***Targeted special needs grants:*** The program will also make available each year a number of grants targeted at schools and communities that have particularly challenging environments, especially in remote rural or outer island locations. Schools in special need will be identified in the target provinces, and will be supported to develop simple proposals for additional grant funds to address particularly urgent needs (such as infrastructure destroyed by floods). Where possible schools will be encouraged to form partnerships with NGOs to develop their plans, and engage their support in implementation.

The Skills for Economic Growth component includes provision for incentive mechanisms to improve enrolment of females in non-traditional skills training. Among the mechanisms (most of which are described in greater detail in the section on Gender and Equity Issues), there is a proposal for merit based scholarships (either full fee or partial fee) for young women considering a career in a non-traditional technology or trade area. However it is not sufficient to simply encourage enrolment. Experience has shown that in the absence of study and welfare support, a high proportion of young women fail to complete their studies or transfer to more traditional female oriented areas. Part of the skill development fund could be set aside for distribution to the STMS or participating RTCs as a bonus for each female completion in a non-traditional area.

4.4 Child Protection

The DFAT Child Protection Policy 2013 will be used as the framework for ensuring that children are protected from exploitation and abuse of all kinds in the delivery of Australia's overseas aid program. The policy applies to DFAT staff members, all contractor and civil society organisations funded by DFAT, including: individual contractors, partners or organisations subcontracted by DFAT-funded contractors or civil society organisations, personnel of DFAT-funded contractors and civil society organisations, Australian Volunteers for International Development Program participants and partners, multilateral organisations and bilateral donor partners funded by AusAID.

When working in-country, DFAT staff and the personnel of contractors and civil society organisations implementing aid program activities are required to abide by local legislation, including labour laws with regard to child labour.

The current Letter of Arrangement with the Solomon Islands Government for education support has a clause that requires the recipient to abide by its laws and by application international instruments, including UN Convention on the Rights of the Child, the UN Convention on the Rights of Persons with Disabilities, and International Labour Organisation conventions.

4.5   Financial and Procurement Arrangements

4.5.1   Background and Context

As noted in the Delivery Approach section, the proposed ESP2 activities are fully aligned with government education priorities, systems and processes as set out in the Government's NEAP 2013 – 2015 and the broader Education Strategic Framework. This enables aid to flow through government channels while still enabling Australia to contribute meaningfully to policy dialogue and have sufficient leverage to bring about improvements in transparency, effectiveness and corruption control.

Australia recognises it needs to balance the development benefits of using Partner Government systems (including procurement systems) and the fiduciary risks of using those systems, whilst protecting Australian taxpayers money. Recognising that there is a need to maximise aid effectiveness, Australia has been moving away from project type approaches and towards use of Government systems where feasible.

4.5.2   Country Finance and Procurement Context

A recent Assessment of National Systems (ANS) for the Solomon Islands rated the overall PFM-related fiduciary risk level (including SIG procurement) as 'high'. It noted fiduciary risks in most areas of the PFM cycle, but particularly elevated risks in payments arrears, internal audit and procurement. Key procurement risks are detailed in a 2013 report by DFAT Director of Working in Partner Systems. However, the trajectory of change was assessed as '*positive*', and the report notes "recent encouraging improvements in the PFM system regarding budgeting, budget documentation, internal control, reporting and the recent completion of a Financial Management Information System"[23]. In addition, the ANS notes that, overall, SIG's PFM reform programme is considered to be '*credible*'.

Various audit reports have pointed to a number of substantive weaknesses regarding payments, procurement and the management of imprests. These audit reports have indicated a range of specific problems including: collusion with suppliers; the supply of false quotes; inadequate checking of applications for and retirements of imprests; and a lack of follow-up on late retirement of imprests. In addition, PFM and procurement arrangements regarding the use of SIG scholarship funds have been criticised as open to political interference, and subject to a lack of budget discipline.

A 'DG Direction[24]' on Controls of Expenditure of DFAT Funds through Partner Systems in Melanesia was introduced in October 2013 as a result of these weaknesses, and in reaction to instances of significant fraud in PNG and the Solomon Islands. This Direction effectively requires all procurement and spending using Australian Government funds to be approved by an Australian Government representative (staff or contractor).

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[23] Assessment of National Systems, Solomon Islands, Final Report, September 2012, page 6.

[24] The document was issued in 2013, before the DG post was eliminated in restructuring.

MEHRD now has ex-ante controls in place across payment checking, internal audit and all stages of procurement, utilising no-objection letter processes.

4.5.3   Finance and Procurement Arrangements

Procurement arrangements for the different elements of the proposed program - support to basic education, skills development and scholarship funding - build on existing fiduciary controls and have been designed based on an aim of maximising value for money, the capacity of MEHRD and Ministry of Finance and Treasury to undertake programs and lessons from existing procurement arrangements. A more detailed summary of the financial management and procurement risks on which these arrangements are based in provided in Annex 7.

Australia's aid through ESP2 to basic education will continue to utilise the Solomon Islands' own decision-making, finance and procurement systems. This recommendation takes into account the alignment of education support with SIG priorities, and the fact that Education Sector Wide Approach (SWAp) has been in place in the sector since 2004, with Australian support since 2011. The strengthened financial and fiduciary controls now in place (as detailed in the section above), together with managing contractor oversight over procurement, while slowing payment approvals significantly, are effectively addressing fiduciary / PFM weaknesses relating to MEHRD payments and procurement. A range of ongoing internal process improvements, including disciplinary proceedings against staff found to have breached financial instructions, the existence of dedicated PFM advisers (budget, financial management, procurement, internal audit) and additional fiduciary controls detailed above, mean that the clear developmental benefits of providing earmarked funding of specific line items in MEHRD's budget to achieve NEAP goals, outweigh the residual fiduciary risks. However, as planning, improved procurement and financial management systems are still bedding down in Solomon Islands, current safeguards will be retained and strengthened (see below) to ensure value for money and that authorised procurement and payment procedures are followed. Some modifications will be made to arrangements for earmarked budget support to improve the management of fiduciary risks ie tranche payments will be made on a reimburseable basis, in arrears, and fraudulent transactions (suspected and proven) will be able to be deducted from those tranche payments.

A summary of the proposed procurement arrangements is provided in Table 13 below:

Table 13: Proposed Procurement Arrangements

	Proposed Procurement Arrangements
Component A: Foundation Skills	MEHRD infrastructure contracts and procurement to be managed through a Procurement Unit with an insourced Managing Contractor. Staff from MEHRD's recently-created Asset Management Division to be seconded into the Procurement Unit in order to build capacity.
	Non-infrastructure expenditure funded through the SWAp partnership e.g. School Grants, teacher training, curriculum development & materials etc to be *managed using existing fiduciary controls* including:
	a) existing NOL procedures];
	b) MEHRD Deputy Financial Controller certifying payments working closely with MEHRD Finance Controller & staff;
	c) MoFT adviser and staff overseeing education sector payments with MEHRD staff having access to MoFT's AX finance system on a read-only basis;

	Proposed Procurement Arrangements
	d) MEHRD internal audit unit reporting on ministry expenditure and investigating potential fraud;
	e) Arrangements for independent external audit of MEHRD (and SWAp) expenditure either through Office of the Auditor General or independent private audit firms.
	f) Tranche payments to be made on a reimburseable basis in arrears, with the ability to subtract either proven or suspected fraudulent transactions.
Component B: TVET/Skills	Managing Contractor (either selective tender through AAS or open tender) - manage program risks - recruit and manage technical assistance (TA); - financial management of the Skill Development Fund (SDF); - support planning and implementation on a rolling annual plan basis - develop and implement comprehensive M&E framework and plan periodic reporting
Component C: Australian Scholarships	Australia Awards management to be contracted out to a Managing Contractor, with decision on Awards to be retained by DFAT. The scope of services to be undertaken by the contractor, when appointed, can readily be delivered by a local/ regional contractor, provided there are clearly specified, well-sequenced activities undertaken throughout the (standard) annual scholarship cycle.
Component D: Policy, Planning & Resource Management	Additional TA to be procured and managed under the existing TA procurement arrangements (DFAT-run and MEHRD TA facilities) which are functioning effectively)

4.6   Monitoring and Evaluation (M&E)

At this stage in the development of the M&E Plan, there needs to be some flexibility to allow for changes in the activities which would have an impact at the output level, but work within the agreed outcomes. The ESP2 program supports activities involving a range of actors and service providers, including government, managing contractors, development partners and other service providers. Inevitably there are activities that are not, as yet, fully designed and ready for implementation, while others build on activities already under way. For this reason, some elements of the M&E Framework are of necessity less advanced than others, and this initial M&E Outline provides for the necessary flexibility to permit refinements to the M&E Framework as clearer agreements are reached on actual implementation details, and as lessons are learned to inform modifications to the planned activities. This section provides an overview of the proposed M&E Framework, with sub-tables for each component in Annex 6. It also offers a brief description of the key studies that will be undertaken as part of the M&E to yield additional qualitative data on process issues and provide a basis for some impact assessment of the program. The final section describes the management of the M&E process, and provides indicative cost estimates.

4.6.1   M&E Framework

The ESP2 M&E Framework is structured around five End of Program Outcomes and it reports against the outputs of the Australian financed activities. The framework consists of two layers. The first layer is a set of six Key Performance Indicators that provides an overview of the performance of the program against its overall outcomes. The second layer, building on the MEHRD NEAP Performance Assessment Framework identifies the 27 most important indicators for the End of Program Outcomes, to give an overview of the performance across the four components. The third layer is specific to each component, and is designed to provide the information that will enable detailed monitoring of the component activities against the targets set. For components A and D, this layer is based on the format of the current NEAP M&E Framework, which was the basis for the draft M&E framework for the SI-PESDA Annex. In the case of Components B (Skills for Economic Growth) and C (Higher Education Scholarships), these frameworks have been developed in the original

component design processes. The third layer focuses on more detailed monitoring, while the two top layers provide an overview perspective. The third layer will also provide much of the data for the higher level objectives addressed in layers one and two.

The full M&E Plan, which operationalises these frameworks will be prepared by the M&E team under guidance of the M&E Coordinator once mobilised. Key members of the team are the MEHRD officials (to be located in SSU) responsible for monitoring NEAP/SWAp. This will permit activity level monitoring and reporting to both DFAT and MEHRD on an ongoing basis, with bi-annual progress reports to DFAT and ESGC. In addition to the M&E Framework indicators, the M&E Plan will include a number of studies that will yield process and quantitative data to inform assessments of impact at mid-term and end of term assessments. Implementation of layer 3 M&E will be divided across the components, with the SSU M&E team directly responsible for Components A and D, and the respective managing contractors responsible for Components B and C. Overall coordination and reporting will be the responsibility of the M&E team located in the SSU, with guidance from the M&E Coordinator.

4.6.1.1   M&E Layer One: Key Performance Indicators (KPI)

The purpose of this layer is to provide data on a set of simple headline indicators to inform assessment of the overall progress of the program. The key questions the Indicators address are:

(i)   Are more people acquiring skills that will contribute to economic development and poverty reduction?

(ii) Is the acquisition of skills more equitable in terms of gender and location?

KPI 1: Percentage of children successfully completing the SISTA Grade 4 Language and Mathematics assessments (by rural/urban location and province).

KPI 2: Gender Parity Index (GPI) of children enrolled in Grades 1 – 4 (by rural-urban location and province)

KPI 3: Number of students acquiring recognised qualifications in courses supported by the program (by gender and province of origin).

KPI 4: GPI of students enrolled in courses offering recognised qualifications (by province of origin).

KPI 5: Number of scholarship awardees successfully completing their university programs who return and find employment in SI (by gender and province of origin).

KPI 6: Budget execution rates (capital and recurrent)

Data for each of these KPI are available from current information systems.

4.6.1.2   M&E Framework Layer Two: Performance Assessment Matrix

The program contains 5 End of Program Outcomes, for each of which a number of key indicators have been identified.

With the exception of the Scholarships component, the majority of these indicators are routinely reported against as part of the NEAP PAF, which will be managed by the M&E staff in the SSU.

Table 14, below, provides a list of the 27 EOPO Indicators. For each of these indicators an assessment of the data availability and accuracy, and an indication of the data source, and the possible targets are given in Table 28: M&E Framework Level 2, in Annex 6.

Table 14: End of Program Outcome Indicators

End of Program Outcome (EOPO)		EOPO Indicators	
EOPO Outcome 1: More children complete basic education regardless of socio-economic status, location, gender or disability			
1.1 More children have **access** to basic education	1	Number of children enrolled	
	2	Percentage of children in Grade 1 intake with some ECE	
	3	Net Intake Rate (NIR)	
	4	Net Enrolment Rate (NER)	
	5	Gross Enrolment Rate (GER)	
1.2 More children **complete** basic education	6	Grade Transition Rates	
	7	Completion Rates	
1.3 Greater **equity** in terms of gender, special needs and location	8	Gross enrolment GPI	
	9	Number of special needs learners enrolled	
	10	Urban/Rural Disparity	
	11	Provincial and EA Enrolment Disparity	
EOP Outcome 2: Children in basic education achieve improved learning outcomes especially in literacy and numeracy			
2.1 Improved **learning outcomes** in basic schools	12	Grade 2 Early grade reading (and maths) results	
	13	SISTA Grade 4 reading (and maths) results	
	14	SISTA G6 results	
2.2 Improved **equity** in learning outcomes of children	15	GPI for learning outcomes at each level	
	16	Learning outcome parity index by location	
EOP Outcome 3: TVET graduates have more relevant and higher quality skills and qualifications & contribute to national and provincial economic development			
3.1 Skills for the formal economy	17	Number of graduates with recognised qualifications	
3.2 Provincial Development	18	Number of graduates completing supported courses	
3.3 System Development	19	Number of qualifications registered in NQF	
EOP Outcome 4: Scholarship graduates possess skills & knowledge in priority areas needed to increase national productivity & competitiveness			
4.1 Australia Awards Scholarships (AAS & AAPS)	20	Number of Awards scholars by gender, location	
	21	% of successful Scholarship completers	
	22	% completers in employment within 12 months	
	23	Number of active members of Alumni Association	
EOP Outcome 5: Resources are managed more efficiently and effectively according to a coherent strategic plan and budget			
5.1. Policy, planning and information for management	24	NEAP 2015-2020 is completed and evidence-based	
	25	School performance information is aggregated and used	
5.2. Human and financial resource management	26	Teacher supply and utilization data is available and used	
	27	Capital and recurrent budget execution rates	

4.5.1.3 M&E Framework Layer Three: Detailed M&E Tables for Components B and C

Components A and D cover outcomes that are extensions of the current NEAP/SWAp M&E framework, which will be updated to incorporate the new targets for 2020 during 2015. Detailed performance monitoring of ESP2 activities will, as with the current SWAp, be integrated as part of the NEAP/SWAp M&E process. Indicative Layer 3 M&E Tables for these components are provided in Table 29 and Table 30 in Annex 6.

More detailed M&E frameworks for Components B and C have been developed as part of the mini-design processes. They are appended as and Table 32: M&E Layer 3 -- Component C in Annex 6. Since the management arrangements for this component provides for the Managing Contractor to undertake this level of M&E, this level of detailed monitoring will be undertaken by the Managing Contractor, and quarterly reports provided to the M&E Coordinator and M&E team.

4.6.2   Theory of Change and Impact Assessment

The theory of change underlying this design is premised on the assumption that the best way of improving learning outcomes is to bring together a range of key improvements at the level of the school around a focus on teaching and learning of foundation skills. This includes a number of key assumptions:

(i)   Students not only enrol, but attend school
(ii)   Students have and use the necessary learning materials

(iii)   Teachers are present and teaching in classrooms
(iv)   Teacher behaviour in the classroom reflects best practices in teaching
 (v)   School heads supervise and motivate teachers to perform
(vi)   Inspectors provide independent supervision of teacher performance
(vii)   Parents participate in school governance, and are engaged in discussions about learning outcomes

Information on these assumptions is not routinely available from system data at a level that can be easily aggregated and analysed. This M&E plan will include provision for a set of three sample-based school surveys which will involve visits to a schools selected on a purposive sample which will collect information on these key issues. Visits will involve student and teacher headcounts, meetings with teachers, head teachers, parents and community representatives, review of School Development Plans and budgets, including grants.

Each school visit should include a structured classroom observation session, using a rigorous classroom observation methodology, to observe teacher and student behaviours, and student interactions with teachers, each other and the learning environment.

This is not a system assessment, but intended to yield information on the extent to which teacher, student, school leaders and parent behaviour is changing, and whether and how this impacts on learning outcomes. Samples therefore need not be large, but should cover a select range of school types in a focused way. Within the identified categories of schools, provision should be made for some random selection, to limit selection bias.

It is envisaged that the in-depth school surveys should be undertaken by Inspectors with support from an external research institution to ensure rigour and validity. The first survey should be undertaken in 2015 to provide a base-line, with follow-up surveys in late 2016 and end of 2018.

Ensuring that the surveys include a mix of schools that have received specific support and those that have not offers the possibility of determining the extent to which the interventions themselves are responsible for any change. While not proposed as a full scale impact assessment, these studies could provide helpful information on which elements of the program are working, and which may need to be changed. Evidence of changed behaviour in the school is a necessary precursor for change in learning outcomes. Impact on the program activities on grade 4 learning outcomes over four years may be limited, but evidence of behaviour change should be detectable within a year. When the grade 2 early reading assessment is in place, experience suggests that improvements in reading and maths performance can be detected within one to two years.

4.6.3   M&E Management and Costs

This is an indicative outline of possible M&E management arrangements and cost implications. The full management details and costs will be finalised as the full M&E Plan is developed, once the M&E Coordinator is mobilised and the team is in place. This should take place in 2015. Costs for M&E of Components B and C are included in the managing contracts and are not reflected here. The M&E Coordinator will have explicit in the ToRs a commitment to transfer of skills to the counterpart in the SSU.

Principal responsibility for M&E of components A and D lies with the MEHRD team, including the two designated officials in the SSU. Support will be provided to this team by a part time international M&E specialist adviser, who will undertake at least two visits per year to the country, and will provide desk support throughout the year. One visit should be at the beginning of each year, to support the work-planning process, and one visit in the preparation for the JAR, in June of each year. The M&E work can also be supported through ad hoc national or international support provided for in the TA Plan.

The in-depth school visits (limited to not more than three provinces) will be supported, as will the contract with an established research agency with the capacity to design and lead the program, including developing the classroom observation and other instruments, and training the teams. The contracted agency would also be responsible for leading the data analysis and preparing the reports.

Table 15: Indicative M&E Costs

Contract	Functions	Time	Cost
M&E Coordinator	Overall coordination of inputs from MEHRD and managing contractors. Prepares M&E Plan, ToRs for studies and contracts. Supports SSU in implementing plan. Prepares bi-annual reports to ESCG, including JAR.	4 x 60 days, two country visits per year.	164 000 fees 120 000 expenses
Ad Hoc M&E support	Provision for up ad hoc TA to support M&E studies as required.	40 days International 100 days national	64 000 24 000
JAR	Joint Annual Review (shared with NZ-MFAT)	4 Reviews @ 40k	160 000
School visits	Visits to sample schools	50 schools x 4 @ 500	100 000
Research agency	Design school visit methodology, tools, train Inspectors, supervise visits, analyse and draft report	150 000 * 3	450 000

Total indicative costs of the M&E are in the region of AUD$1m to AUD$1.2. There are also M&E costs included in the managing contracts for Components B and C.

4.7   Sustainability

The fact that the program is anchored in support for a Sector Wide Approach (SWAp) reduces the unsustainability and risks to the partner government associated with a large parallel program of support for Basic Education. The fact that Australia's support to the Solomon Islands education sector is explicitly aligned with, and based on discussions around, Solomon Island Government priorities, provides reasonable assurance that technical assistance and other program support will generate sustainable outputs.

In order to maximise sustainability of technical assistance, Australia will encourage the embedding of advice within ministry structures and finance support for:

- drafting of Terms of Reference for contractors and consultants;
- assistance with contracting e.g. for infrastructure delivery;
- management and supervision of technical assistance.

To encourage program sustainability, Australia's assistance will have a strong focus on improving the delivery of services at the school level. Assistance will incorporate a focus on encouraging community and parental involvement in education, as well as by providing support for the management and development of teacher training, mentoring and assessment. Support to basic education will have as a guiding principle support for head teachers and school principals in managing schools effectively.

There are potential threats to the sustainability of the system from uncontrolled expansion of ECE, JSS and scholarships expenditure. Australia has put in place mechanisms to assist SIG in managing scholarships pressures (including through the Core Economic Working Group), and there has been improved cooperation between MEHRD and MoFT on this issue.

To address ECE and Prep cost risks, Australia is funding background work to understand the likely cost pressures generated by ECE and Prep years, and will conduct a coordinated dialogue with other donors (NZ, UNICEF) on this issue based on focused policy analysis that generates costed policy options and costing scenarios. This program will also support modelling of JSS costs and continue the scholarships profiling and database work, and refining new policies and procedures arising from the OAG audit findings.

The PLA provisions to ensure that the level of counterpart funding for the sector is sustained provide some assurance of the sustainability of the interventions. Nonetheless, it is recognised, as with many small island countries in the Pacific that continued external support for development of the sector will be required if the country is to survive the competing pressures of a growing population and a limited resource base. Strengthening skills to promote economic growth is the best investment in a long term sustainable future for Solomon Islands.

4.8 Risk Assessment and Management

The current Education Support Program Risk Register lists eight risks - all of which are described as of 'moderate' consequence and 'possible' likelihood, with the exception of a Solomon Islands Government (SIG) leadership risk which is rated as having a 'major' consequence and a 'likely' likelihood. These descriptions mean that all risks described are rated as 'High' (though the 'moderate' consequence / 'possible' likelihood combination is at the bottom end of the 'High' rating).

Key risks, existing controls and associated mitigation strategies are described in detail in the Risk Register appended in Annex 7. Over the life of the Program, identified risks will be monitored and addressed as necessary. The Risk Register relating to the education program will be reviewed regularly during the annual planning process, and revised as appropriate, including by the insertion of other unforeseen risks that emerge during implementation.

4.7.1 Critical Risks

The **most critical foreseen risks** to the new education program are:

(1) Leadership uncertainty: Risk of instability in personnel, such as senior Ministry officials departing to context elections, and unplanned variation in expenditure associated with the upcoming election in late 2014.

(2) Weak implementation: The difficult country operating environment will limit the capacity of the Government and its implementing partners to effectively implement the Education Program. The spread of schools over a very wide, and difficult to reach, geographical area, with very variable Education Authority and school management quality provides a risk to basic education delivery. Key risks in the TVET area relate particularly to national training provider capacity, management and staff attitudes and the current uncertain quality assurance environment.

(3) Low quality expenditure: the risk that SIG policies, expenditure decisions and budget execution do not align with jointly agreed priorities, or are unaffordable. Two particular risks are foreseen: (i) continuing excessive SIG scholarship expenditure (benefitting the elite) will crowd out higher value and better quality spending in other areas[25]; (ii) unbudgeted growth

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[25] The sub-sectors that have suffered have been primary and TVET which have both experienced underinvestment. TVET has also not received a viable share of tertiary scholarships.

in ECE enrolments and teachers could lead to pressure on basic education budgets, leading to economies damaging service delivery.

(4) Weak human resources and HR management undermines the planning and implementation of programs. Problems include: weak management of the ministry's establishment and payroll; unclear delineation of the role of central ministry and Education Authorities (EAs); limited capacity in some EA's to performance manage, dismiss and recruit teachers; poor teaching skills.

(5) Weak capacity and bottlenecks in procurement and infrastructure undermines program implementation, leads to risks of poor financial management and potential fraud and is likely to reduce value for money.

4.7.2 Risk mitigation and treatment strategies

Strategies embedded in the design to address the risks above include:

(1) Political / Leadership uncertainty risk

Political uncertainty and changing macroeconomic circumstances are beyond the scope of a single development program, or even DFAT as whole, to control. However, three broad strategies will be adopted to mitigate political / uncertainty risks:

- The high-level dialogue between Australia and NZ - with Australia represented by the High Commissioner, Minister Counsellor and high-level DFAT visitors - and the Solomon Islands Government (Prime Minister's Office, Ministry of Finance etc) will continue;
- Within the education sector, a renewal of the MEHRD leadership team, including the appointment of a new Permanent Secretary, will provide continuity of leadership through the election period. Regular contact between Australian program managers and the Permanent Secretary and other senior MEHRD officials will be used to stress the need for continuity and effectiveness in management of school grants, TA and other funded inputs. Currently there are bi-annual high level dialogues with the annual joint review and annual mid-year review under the SWAp.
- If it looks like politically-related uncertainty will significantly impact the education sector and the program (e.g. through a teacher's strike), then careful consideration and planning for uncertainty will provide a means of mitigating the most negative impacts. Whilst maintaining core funding support for school grants, infrastructure etc, TA and other inputs can be scaled up or down to accommodate changed circumstances.

4.7.3 Implementation Risks

4.7.3.1 Implementation risks are well understood and can be closely managed. Risks of weak implementation lie in the support to basic education and skills. *These risks will be countered as follows*:

(i) the SWAp is inherently flexible and can adapt to changing circumstances and needs, so that if there are severe implementation difficulties in one or more areas, funding and effort can be diverted to areas where progress and results can be obtained;

(ii) Additional technical support to MEHRD will continue to be provided to assist with program implementation in key areas, such as school grants (through a Australian-funded review and development of a reform action plan to bolster effectiveness), infrastructure (through new contracted out procurement arrangements), the roll-out of literacy pilots and literacy approaches based on best practice, supporting improved training and teacher assessment etc;

(iii)   In the TVET area, implementation risks will be mitigated first at the systemic level, by fostering on-going activity to define, legislate and implement a national quality assured TVET system; second, through a range of accountable processes which will be put in place to build the capacity of the national TVET system at national and provincial levels; and ,third, at the provider level, by providing support to enhance the quality of delivery through targeted course development, trainer training and facility improvements.

4.7.3.2 Low quality basic education and SIG scholarship expenditure

Risks will be mitigated by:
  (i)   ongoing policy dialogue and joint planning with SIG, to be led on a day to day basis by the DFAT Program Managers. Policy Dialogue may including representation by the High Commissioner, DFAT SES staff supported by ongoing representation of DFAT representatives on the budget committee;
 (ii)   education PLA (recurrent expenditure & primary education) performance targets and the ongoing CEWG policy matrix dialogue, which contains jointly agreed SIG / donor actions including caps on scholarship spending, have been effective in 2013-14 and will continue to act to limit SIG scholarship expenditure to agreed budgets;
(iii)   donor-funded advisory support, for example through the World Bank (on expenditure analysis), NZ (funding a literacy adviser, and budget/PFM/Audit adviser in MEHRD) and DFAT (funding an adviser on teacher payroll, advisers in procurement, human resources, funding of a financial controller) will continue to assist the ministry to improve the quality of education spending and limit the risks posed by a blow-out in scholarship, ECE or infrastructure spending.
(iv)   Some modifications will be made to the earmarked budget support to improve the management of fiduciary risks. A Direct Funding Agreement will be agreed between Australia and SI which allows for quarterly tranche payments to be made on a reimburseable basis, with two tranche payments made upfront, and then subsequent tranche payments made on the basis of financial reports for a single tranche. DFAT will also have the ability to subtract proven or suspected fraudulent transaction amounts from the tranche payments.

4.7.3.3 Weak human resources

The new education support program envisages support to MEHRD - in the context of best practice basic literacy initiatives - to **address HR risks through, inter alia**:

  (i) TA support to MEHRD for improved establishment and payroll management (already in place);
 (ii) support to MEHRD in developing the capacity of Education Authorities to take on more responsibility for teacher appraisal, mentoring and management of the teaching workforce;
(iii) significant support for teacher mentoring and improved / more relevant teacher training.

4.7.3.4 Weak capacity and bottlenecks in procurement and infrastructure

It is proposed that capacity risks in these areas be addressed through:

  (i) continuation of a range of additional actions including: support to Post from Canberra on procurement and PFM; a dedicated procurement adviser at Post; appointment of internal audit, procurement and financial control TA into the Ministry; delivery of fraud training to partners; and implementation of the PFM roadmap;

(ii) a range of additional measures including: additional support to MEHRD's finance function; specific measures to address procurement and cash management risks; funding a dedicated out-sourced infrastructure unit to speed up infrastructure procurement; and subtracting fraudulent spending from SWAp financing to remove DFAT exposure to fraudulent spending.

4.9   DFAT Internal Management

The DFAT management burden is manageable within current resources and assumes expenditure of approximately $16.5m per annum. DFAT human resources to manage the design will be the education team in Honiara. The design and implementation will be managed within the team's existing FTE load of 7.5 FTE (2.5 FTE A based, 5 LES). The indicative team structure across all components of the design is in the below diagram.

Component A and D: The SWAp requires intensive management by staff but is the modality with the highest efficiency in terms of transferring aid to partners. Staff will focus on both strategic and operational policy settings , management of TA inputs, systems of delivery (ie public financial management and procurement)., and joint monitoring, review and evaluation.

Component B: With the outsourcing of the skills for economic growth component to a Managing Contractor with TVET expertise, the DFAT skills team will be able to balance the workload of regional initiatives such as APTC , labour market analysis, and youth at work, with contract management of the largely outsourced skills component. Outside of the MC, there will also be some TA procured with the Ministry for the national qualifications framework as the tertiary architecture is developed in the first year, then this will reduce in size.

Component C: With the partial outsourcing of scholarships, the scholarships team will have a lighter administration load which is currently unsustainably high, and will be able to focus on more strategic tasks, including planning, alumni and public diplomacy.

4.9.1   Roles and Skills

Head of Mission: The role of the HOM is to engage strategically with education, as a priority area to achieve the strategic goal of human development.   Key areas of interest will be to drive innovation, including private sector partnerships, and managing risk through policy dialogue and programming.

Minister Counsellor: The role of the MC is to engage in education policy issues through high level consultations, holistically through performance benchmarks and performance linked aid, and to intervene where there are macro risks ie scholarships and payroll.

Counsellor: The role of the Counsellor is to develop and negotiate the design parameters, performance benchmarks, performance linked aid, to drive innovation with industry on the skills agenda, to ensure scholarships meet labour market shortages, and to work closely with SIG where there are macro risks ie scholarships and payroll. The focus will also be on TA management at a strategic level, and monitoring, review and evaluation of all aspects including SIG core literacy and school indicators, student data and tracer studies across the 4 components. Development and implementation of the annual procurement, PFM and HR plans are necessary with SIG, as well as overall contract management with the successful contractors, ensuring that attention is paid to partnership brokering with new industry entrants, as well as contract management. The Counsellor will manage a team of 2 A-based and 5 LES to help manage all of the above aspects.

5 Annexes

5.1   Annex 1: Country and Sector Context

5.1.1 Country and Regional Issues

Solomon Islands is a small island developing state in the SW Pacific, approximately 1500 miles North East of Australia, made up of around 1,000 islands of which around a third are inhabited. The islands are divided by huge stretches of sea and people live in small settlements. Many communities live without access to electricity and infrastructure (roads and telecommunications). The official language spoken by 69% of the population is English, although Pijin is widely used as the language of communication. There are around 70 vernacular languages. The country is divided into ten administrative areas of which nine are provinces administered by elected provincial assemblies and the tenth is the capital Honiara administered by the Honiara City Council.

In 1999, violent clashes involving rival militant groups erupted caused by 'tensions' between different island populations. This led to a sharp decline in economic activity and resulted in widespread destruction of property in Guadalcanal, destabilising national institutions and seriously disrupting delivery of key services such as health and education. Following requests from of Solomon Islands Government (SIG), the Regional Assistance Mission to Solomon Islands (RAMSI) was deployed. While Solomon Islands now has a relatively stable government, these tensions still have a residual effect in a number of areas.

Solomon Islands is highly vulnerable to natural disasters including cyclones, tsunamis, earthquakes, floods and drought, which cause significant damage to infrastructure and disrupt schooling. As this design was being prepared the country was struck by a major storm which caused substantial damage to infrastructure, including roads and some schools.

Solomon Islands has a rapidly growing population with a high proportion of young people. The Solomon Islands Census (2009)[26] reports a total population of almost 516,000 with an annual growth rate of 2.3%. Solomon Islands has a young population with 41% of the population under 15.

There are large inter and intraregional inequities. More than 80% of the population resides in rural areas with many having little interaction with people outside their own province. 56% of the population aged 15 years and over has only primary level of education, while only 21% of males and 16% of females have secondary level education.

Solomon Islands is facing some significant revenue challenges. Although it has abundant natural and maritime resources, the revenue from timber logging, currently a significant source of government revenue, is expected to decline as stocks are exhausted. Since RAMSI deployed in 2003, economic growth has averaged 6.3 per cent, despite a contraction of 1.25 per cent in 2009 during the global economic downturn. In 2011, economic growth was a record 10.7 per cent on the back of continued strong logging revenue and mining receipts. In 2012, economic growth was more modest at 4.8 per cent.

However, Solomon Islands remains poor and continues to face serious economic challenges. The GDP per capita is US$1,901 (DFAT, 2103) placing it on the list of least developed countries (World Bank, 2013). It ranks at 143 out of 181 countries on the Human Development Index placing it in the rank of least developed countries behind Kiribati, Vanuatu and East Timor.[27]

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[26] Solomon Islands 2009 Population and Housing Census (Solomon Islands National Statistics Office, 2011)

[27] Source: DFAT website

Economic activity is unevenly distributed over three economic spheres. The majority of the population is involved in subsistence/cash crop agriculture, with less than a quarter in paid employment. Based on 2009 Census Data, the structure of employment in the Solomon Islands as detailed in Table 16 shows a relatively small proportion of workers in the formal economy (21%) compared with just under 80% in the informal and subsistence-based economies.

Table 16: Formal, Informal and Subsistence Economies[28]

Formal Economy	Informal Economy	Subsistence Economy	Total
43,505	77,763	86,850	208,118
20.9%	37.4%	41.7%	100%

Of those working in the formal economy, 62% are employees in the private sector, 4% are employers and the remaining 35% are in the public sector.

Substantial skills shortages hamper economic growth. Based on analysis of census data and a survey by the Solomon Islands Chamber of Commerce and Industry (SICCI) Curtain[29] concluded that the principal areas of skill shortages in the formal economy were at the managerial, professional, associate professional and technician levels.

The level of education post-school education attainment is far below what could be expected, especially at the professional and sub-professional levels.[30] This is particularly relevant to an emerging TVET sector in the Solomon Islands where with improved capacity and more flexible qualification structures, providers could begin to deliver accredited short-courses, up-skilling the existing workforce and enabling workers to build a full qualification over time.

Few Solomon Islanders, other than those on seasonal worker programs, have availed themselves of international employment opportunities. Recent Australian census data points to less than 1,000 Solomon Islanders resident and employed across a broad range of occupations in Australia. The higher concentrations reported were in health care (19%), public administration (10%), manufacturing (9%), professional (9%), retail trade (8%) and education (8%). In New Zealand, the number of skilled Solomon Island migrants between 2008 and 2012 was just 70. The pattern of employment in NZ is predominantly in the professions (33%) and in the technician trade areas (20%)[31].

5.1.1 Education Sector Context

5.1.1.1 Sector Organisation

The education system is fairly centralised, with limited authority given to provincial and non-government education authorities. The Ministry of Education and Human Resource Development (MEHRD) oversees, leads and develops educational services in the Solomon Islands. It is responsible for setting education policy strategies and curriculum,

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[28] Curtain, Richard, Review and Analysis of the Demand for Skills in the Solomon Islands Labour Market (Australian Government, 2013) p11
[29] ibid p38
[30] ibid p48
[31] ibid pp66-71

writing national examinations, coordinating teacher training, paying salaries, and issuing and auditing operational grants to schools and education authorities.

Education services themselves are delivered through 31 Education Authorities (EAs). Ten of these are provincial or city council EAs and the remainder are independent, private or faith-based. Their role includes recruitment and management of staff, oversight of schools, aspects of financial management including school grants and the provision of an advisory service to the schools[32]. Some of the EAs are very small consisting of one or two schools and the vast majority of children (73.6% of primary and 69.6% of secondary) attend provincial or city council schools. School boards also exist and are intended to provide support to school management at the level of the institution and ensure schools are accountable to parents, students, community and the EA[33].

ECE provision for children aged between 3 and 5 has expanded in recent years. ECE is largely community based and driven, and refers to a variety of educational programs including nurseries, playschools, pre-school facilities, kindergartens and day care centres. Only about half ECE centres are officially registered. In 2014, there are 338 registered ECE centres[34], catering for more than 25 000 children. Centres which are registered currently receive grants of SBD 100 per child and a SBD 500 administration grant with an additional SGD5 000 remote school allowance. Teachers at such schools are on the government payroll provided they are qualified.[35] Those ECE centres that are not registered with the Ministry raise their own funds, mostly through school fees, in order to run programs and to pay for salaries of staff.

Primary education in the Solomon Islands begins at the age of 6 and continues for six years in primary[36]. However, for historical reasons, the large majority of schools also have a preparatory year[37] in effect creating a seven-year primary cycle. The status of this is currently under discussion. Primary education is followed by three years of junior secondary and three years of senior secondary. Primary and junior secondary together make up basic education.

Solomon Islands is committed to providing universal basic education. 84% of children in the age group 6–15 years are enrolled in schools with female school enrolment rates slightly higher (83.9%) than male (83.2%) enrolment rates. Figure 6 below shows that from the age of 14, male school enrolment rates were higher than female enrolment rates. In general, enrolment rates were higher in the urban than the rural areas.

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[32] MEHRD, 2011, Teaching Service Handbook p.65

[33] (MEHRD 2011, Teaching Service Handbook, p.66)

[34] SIEMIS data 2014

[35] MEHRD (2011) Policy statement and guidelines for school grants to education, up-dated, 3rd of November 2011

[36] 2009 Policy Statement and Guidelines for Basic Education for Solomon Islands.

[37] The issue of the preparatory year is discussed on page 42

Figure 6: Enrolments by Gender and Grade
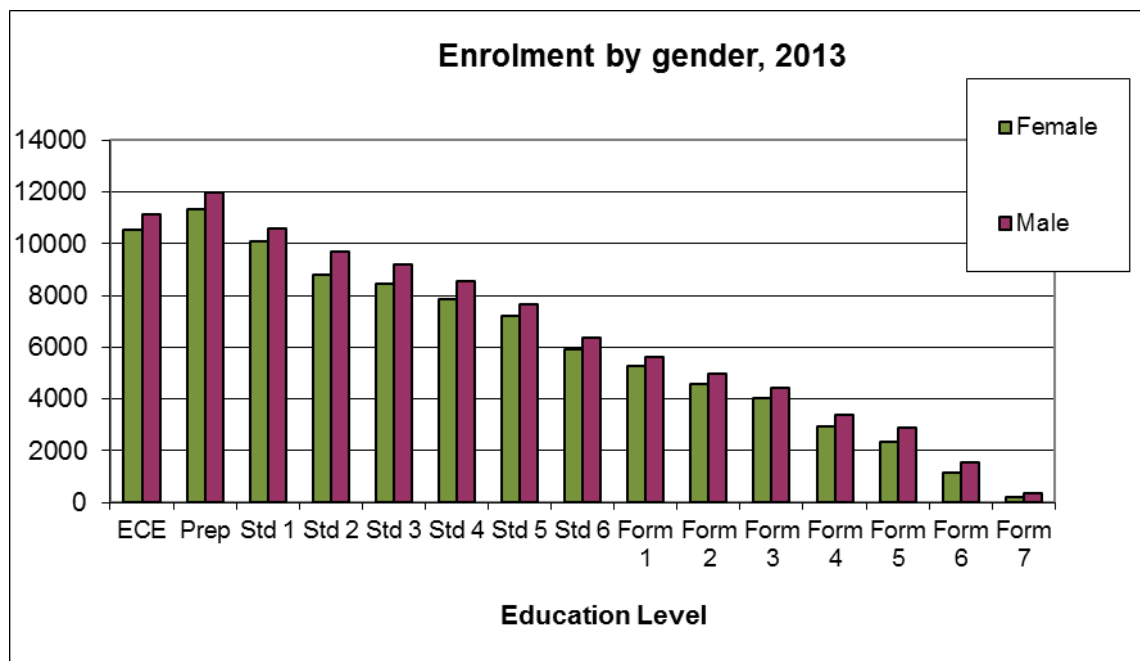
The figure above shows more males than females enrolled at all levels. However, as can be seen from the Figure 7 below, the gender parity index which fluctuates between 0.91 and 0.95 in primary drops to 0.87 by the end of Junior Secondary and stands at 0.65 by the end of secondary.
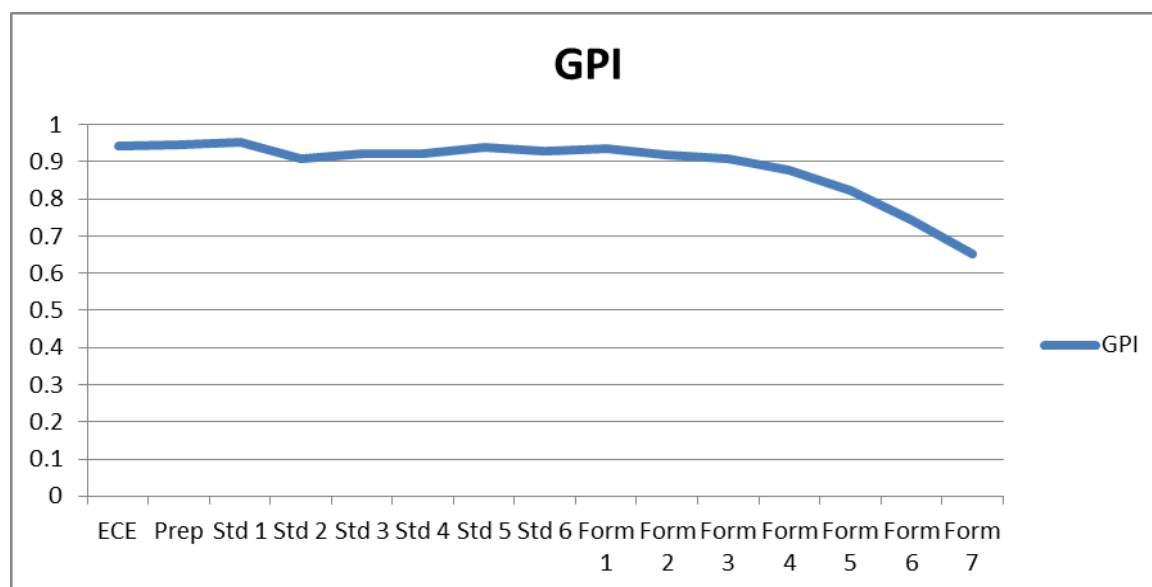
Figure 7: Enrolment Gender Parity Index (GPI)

Figure 8 below shows, respectively for females and males:

- there is under-enrolment of children aged 3 to 5 (in ECE) - with around 30% (2,000 - 2,500 enrolled out of population totals of around 8,000) enrolled at age 3 and 4, and 50% enrolled at age 5);
- ages 7 to 14 are largely enrolled in schools (the red line showing age-based enrolment is close to the black line showing total numbers in the population at each age);

- school enrolment rates declines rapidly after the age of 14, and about 20% of 15 year-olds were not attending school, rising to around one-third of 16 year olds and falling to half or below for 17-18 year olds.

Figure 8: Children by age, population and enrolment
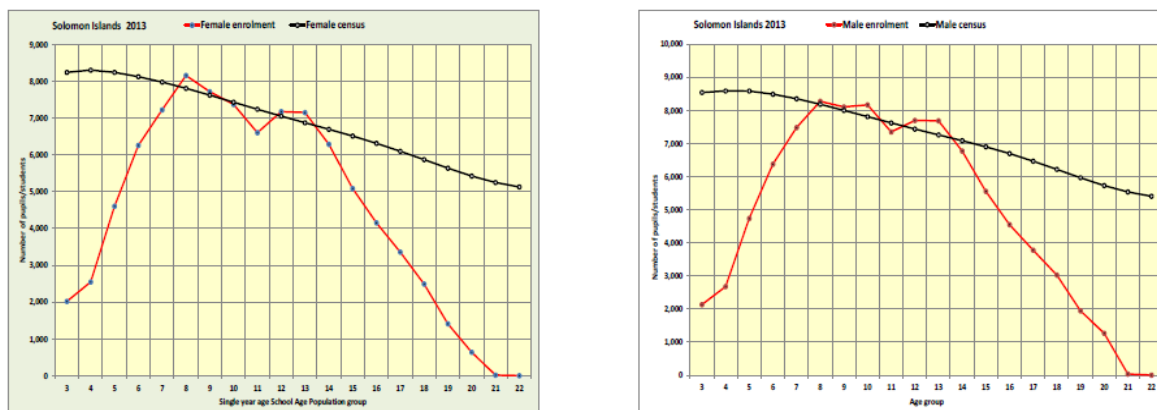
Source; SIEMIS and National Statistics Office

In Solomon Islands higher education is provided through a network of tertiary and TVET institutions. The Solomon Islands National University (SINU), previously the Solomon Islands College of Higher Education, and University of the South Pacific (USP) and, via distance mode, the University of Papua New Guinea (UPNG) are the main providers. TVET is also delivered through these same universities, but also through 43 vocational and rural training centres, and a small number of private providers, NGOs and Institute of Public Administration and Management (IPAM) who deliver vocational or continuing education programs.

Overall enrolments in 2012 are given in Table 17 below:

Table 17: Higher Education and TVET Enrolment 2012[38]

Provider	Total	Male	Female	GPI
SINU	2,228	1,257	971	0.77
USP	3,346	2,093	1,253	0.60
RTCs	1,903	1,243	660	0.53
Don Bosco	289	228	61	0.27
APTC	176	81	95	1.17
Totals	7,942	4,902	3,040	0.62

In the absence of national competency standards, few of the TVET courses are competency based and there is no standardised curriculum or qualification structure.

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[38] Peddle, B. Review and Analysis of Participation in the Solomon Islands Tertiary Sector (2013)

SINU, USP and UPNG as universities are responsible for their own accreditation and quality assurance of programs. MEHRD takes minimal responsibility for the quality of TVET provision; involvement is mainly through funding of TVET provision via grants and teacher salaries.

Rural Training Centres (RTCs) primarily offer second chance learning for the large number of 'push-outs' exiting the school system at an early age. Agriculture, construction, automotive mechanic and lifeskills (cooking and sewing) dominate RTC offerings.

The Solomon Islands Chamber of Commerce and Industry (SICCI) reports a significant mismatch between the quality of graduates and the requirements of the labour market: *"…85% of respondents believe students DO NOT possess the necessary skills to ensure employability"*.[39]

Since the start of the tensions the apprenticeship scheme has faced difficulties with closure of businesses and a disjuncture between what industry needs and the provision of trade programs.[40] The Ministry of Commerce, Industry and Employment is responsible for the implementation of the requirements related to apprentices.

The interrelationship between the authorities responsible for TVET is not clear or well established. The National Training and Trade Testing (NTTT) unit is part of the Ministry of Commerce, Industries Labour and Immigration (MCILI). The NTTT unit's role includes training support for those in the workforce (related to trade areas), undertaking proficiency assessments of apprentices as well as undertaking assessments of exiting students from vocational and rural training centres and of those employed in the workforce (related to trade areas).[41] There are limited links between the MEHRD and MCILI in relation to TVET provision which is especially concerning given that the SIG is aiming to establish a strong TVET sector as part of its workforce development.

Central to the proposed post-secondary education and training system is the intention of SIG to complete new legislation related to the establishment of the Solomon Islands Qualification Framework (SIQF) and the Solomon Islands Qualifications Authority (SIQA).

In January 2014 MEHRD initiated a process to review and re-craft structures for the management and quality assurance of post-school education and training. Planning is under way for the creation of a Tertiary Education Commission to improve coordination between those public and private sector organisations concerned with skill demand and those public and private sector organisations concerned with quality assured skill supply.

The Education Act of 1978 which provides the legislative framework for education is now over 35 years old. This is currently in the process of being reviewed. A white paper has been produced and a new Education Act is being drafted which provides an updated legislative framework for reform. The Education Act is scheduled for the legislature in 2014.

5.1.1.2   Goals and Vision

The Ministry's Goals for education are based on the overall vision laid out in the Education Strategic Framework 2007 – 2015:

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[39] Solomon Islands Chamber of Commerce and Industry, *Skills in Demand Report 2011-2102,* SICCI,(2012)
[40] Bateman, Cassity & Fangalusuu 2014 draft.
[41] Bateman, Cassity & Fangalusuu 2014 draft.

"*Our vision is that all Solomon Islanders will develop as individuals and possess knowledge, skills and attitudes needed to earn a living and to live in harmony with others and their environment. We envisage a united and progressive society in which all can live in peace and harmony with fair and equitable opportunities for a better life. We envision an education and training system responsive to its clients and efficiently managed by its stakeholders and clients. We wish to deliver quality education for everyone in the Solomon Islands*".

The National Education Action Plan (NEAP) lays out three key goals:

- Equitable *access* to education focusing on infrastructure and resources
- Improved *quality* of education built around the concept of school-based professional development of teachers
- Reform of Education *Management* focusing on improving effectiveness and efficiency of policy-making, planning, management and monitoring

5.1.1.3 Access

According to the 2010 MDG report, Solomon Islands is on track to meet the MDG goal of universal primary enrolment. However, the 2013 SIEMIS data show a high proportion of overage children enrolled in primary classes, and the substantial numbers of six and seven year olds not yet enrolled in primary classes. This makes full achievement of the universal enrolment target very ambitious, and universal primary completion impossible in the short to medium term. 100% primary completion can only be achieved six years after the Net Intake Rate NIR is 100% and sustained for the number of years in the primary cycle. NIR in 2013 was 42%, slightly in favour of girls (GPI 1.04) which confirms a trend towards closing of the relatively small gender gap in enrolment at primary level.

Table 18: Primary education key indicators

	Female	Male	GPI
Gross Intake Rate	123.9	125.0	0.99
Net Intake Rate	42.7	41.1	1.04
Gross Enrolment Rate	111.6	113.9	0.98
Net Enrolment Rate	88.5	89.2	0.99
% of children with disabilities attending school	2.1	2.5	0.84

Teacher absenteeism is a serious issue affecting access at primary schools with inadequate systems to monitor, report and enforce teacher attendance. In a study carried out in 2011, the Office of the Auditor General conservatively estimated that the opportunity cost of lost teacher wages due to absenteeism exceeded $12.2m [42] Apart from the financial cost, the cost to student learning outcomes is significant and unsurprisingly student absenteeism is also an issue.

While gender gaps in primary school enrolment are quite narrow nationally, a number of gender-related issues continue to affect the system. SIEMIS data shows near gender parity at primary level but there are fewer girls enrolled at Senior Secondary and more girls

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[42] Source: Solomon Islands Government, Office of the Auditor General (2011), Teacher Absenteeism in Solomon Islands Primary Schools: Performance Audit report

than boys are out of school.[43] Far fewer disabled girls than boys are enrolled.[44] There are fewer women in senior management positions in MEHRD and fewer school head teachers and school directors. There are indications that some learning materials reflect gender stereotypes. Only one in four of those enrolled in the TVET sub-sector are women and of these, the vast majority are in traditional female courses. Since 2011 Australian Awards Programme has made good progress in achieving gender parity in scholarship awards. As in many other countries, girls marginally outperform boys in achievement of curriculum outcomes in literacy at Year 4. The gap narrows by Year 6 although girls are still doing better. There is little difference in mathematics results at Year 4 but by Year 6, boys are outperforming girls in this area. At higher grades the girls' disadvantage disappears in favour of boys' performance. Gender stereotypes are strongly reflected in subject choices at all levels above primary education.

Very few children with either intellectual or serious physical disabilities attend school. Although some children with minor disabilities such as slight hearing, visual or physical impairments attend for a few years they often leave due to teasing from other children or due to teachers' inabilities to integrate them into the class. Children with learning difficulties face taunting from teachers and students alike and often leave as a result.[45] SIEMIS data for 2013 reports that 2% of those enrolled have some sort of disability. There is no nationally agreed framework for categorising disability, and this makes remediation strategies difficult to incorporate into policy.

The greatest reported barrier to access was related to the child's lack of interest in school linked to poor relevance of the curriculum, according to the recent barriers to access study. The second most significant barrier cited by 16.7% of respondents was financial issues despite the existence of grants, meant to relieve the burden. The draft Education White Paper confirmed that most schools continue to levy fees (through parent "contributions) and that some schools continue to exclude children whose parents do not pay contributions. The School Grants Review reports that the amount in many cases is increasing as the value of school grants declines. Geography greatly affects access and many parents delay sending their children to school because of distance.

Currently, the last three years of basic education not accessed by many children. Entrance to secondary school is highly competitive with places traditionally allocated on the basis of performance in the national Year 6 examinations. This results in large numbers of push-outs from the system and in particular girls. With insufficient places at junior secondary, the examination system was designed to ration access of young people to secondary education rather than to assess competencies or promote learning. This is now changing with the planned abolition of the Standard 6 exam and a move towards school-based assessment which will result in substantial expansion of the junior secondary system and resulting pressures on teacher supply and classroom space.

5.1.1.4 Quality

There are significant numbers of poorly trained teachers at all levels in the system. The Teachers in Training (TiT) through Distance and Flexible Learning (DFL) certification programme offered through the School of Education, SINU has been extremely successful in increasing the numbers of qualified teachers up from 40% in 2006 to around 60% in 2014. MEHRD plans to review the quality of this training and in particular, the materials provided.

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[43] ibid.

[44] ibid.

[45] MEHRD (2011), Barriers to Education Study

However, overall the quality of teachers throughout the system is considered low with strong evidence that teacher performance was linked to student enrolment and retention. [46]

Learning outcomes are low particularly in literacy and numeracy. A study conducted in 2008 found that only 28.1% of children completing primary school had the expected level of literacy. The recently revised Solomon Islands Standardised Test of Achievement (SISTA) while showing an improvement found that around a third of children at Grade 4 and Grade 6 were not meeting curriculum objectives in English including reading and writing or mathematics. Writing in particular was very weak.[47] These low results were confirmed by the 2012 Pacific Literacy and Numeracy Assessment (PILNA) results of the Pacific Benchmarking for Education Results (PaBER) Pilot.

Table 19: SISTA Results 2013

SUBJECT	% of children not meeting expected standard	
Year	Year 4	Year 6
English (overall)	33.6%	37.7%
English(Reading)	36.2%	34.6%
English (Language)	35.3%	37.8%
English (Writing)	67.7%	40.7%
Mathematics	33.3%	13.4%

In response to this situation of under-performance in reading, writing and maths, MEHRD has taken a number of steps. A Schools Literacy Policy and School Literacy Strategy have been drafted and a Literacy Project Management Unit (LPMU) has been established. The Unit will initially focus on improving learning outcomes in literacy but will in the course of time also address issues connected with numeracy. LPMU has been charged with a number of tasks. A key part of its mandate is to oversee and coordinate literacy initiatives. There are currently at least nine separate literacy initiatives funded through various donors, confirming the need for clear coordination and leadership from MEHRD.

There is a dearth of good policy analysis to inform the sector development. There has been, and continues to be, considerable ongoing research and studies on a range of policy and implementation issues. There is also a rich resource of data from the databases in the SIEMIS, SIMS and OASIS information systems. However, many of the studies contain recommendations that have not been assessed for affordability, and there is little evidence of the information systems data being systematically informing policy development. From time to time, policy statements are issued by the Ministry without sufficient analysis of the cost implications. Policy analysis should include a thorough situation analysis, a review of local and international experience, leading to policy options which are costed, together with an assessment of affordability under a range of resource scenarios and realistic recommendations regarding implementation. Implementation strategies may provide for pilots to test out policy assumptions, and a gradual step-wise approach to policy implementation. MEHRD is establishing a Sector Support Unit (SSU) which is designed to

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[46] Source: MEHRD (2011), Barriers to Education Study

[47] Solomon Islands SISTA 2013 report

coordinate policy development, from research, stakeholder consultation, policy analysis, to policy formulation, approval and implementation.

5.1.1.5   System Inefficiencies

Over-age enrolment is a critical issue: Figure 9 below shows that less than half of Year 1 children are 6 and 7 years old, 33% are 8, and a further third are 9 or 10 years old. Fewer than 8% of children enter Year 1 at the official age of entry, age 6.

Figure 9: Numbers of overage children by grade
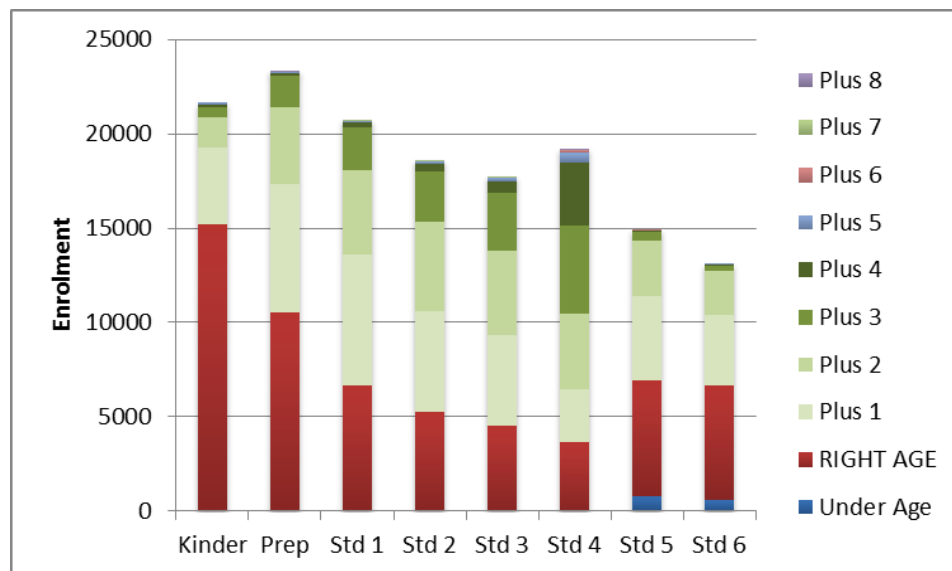
This over-age enrolment constitutes a fundamental challenge to the attainment of universal primary or basic enrolment[48]. The relatively high GER indicates that the primary system is close to the capacity required to meet the NER target, but achievement is unlikely because of the over-age enrolment creates congestion in the system, and prevents right-age entry into primary school. Because of the multiple and complex causes this issue can take many years to resolve, and so should be monitored and progress or regression tracked and addressed.

There is substantial policy confusion over the preparatory year. While there are six primary classes going from Standard 1 through to Standard 6, this is preceded by a preparatory year in 88% of schools. This preparatory year was originally introduced in the late 1990s in response to the difficulties children were facing in coping with the educational demands of primary school and this made for a period of 10 years of basic education. There appears to have been a move to phase out the Prep Year in 2009 – 2010. However there was no plan for the phasing out of the Prep class and no clear directive from MEHRD on how this should be done. Recent recommendations in the Education White Paper provide for aligning ECE 3 and Prep year, thus eliminating the duplication in school readiness and preparation. Implementation of this proposal will require political will and quality policy analysis, policy advocacy and good implementation planning, and could yield substantial savings in recurrent expenditure.

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[48] Overage students are a symptom of disadvantage such as poverty poor nutrition and isolation and can't be solved by the education sector alone. Children start late because 30% are stunted and malnourished and many live more than 2 hours from school so the social determinants are beyond the control of the education sector.

In extended discussions with a range of stakeholders, the design team supports the way forward currently under consideration – alignment of Prep and ECE3 ("Reception Year") as options for preliteracy/school readiness. This may be the most practical way forward. The focus of investments should then be in improving the quality and access to ECE/Prep in existing facilities, with expansion of ECE 1 and ECE 2 financed largely by communities. Some space in ECE centres could be freed up by Prep providing the same reception year/school readiness curriculum. Ensuring access to at least one year of school readiness in even the more remote schools would be a priority. Students would not be expected to attend ECE3 and Prep, as the curriculum would be identical. The program would support policy analysis in this area.

Flow through the system is also hampered by relatively high repetition rates. SIEMIS data finds an average survival rate at Year 6 of 44% (very similar for boys and girls). Table 20 below shows that the average repetition rate in the primary cycle (excluding Prep) is 7.8%, with girls having a slightly lower rate (of 7.4%).

Table 20: Repeaters and repeat rates in Primary Education, 2013

Year	No of repeaters			Repeat rate (%)		
	Female	**Male**	**Total**	**Female**	**Male**	**Total (%)**
Prep	1 174	1 321	**2 495**	10.4	11	**10.7**
Year 1	862	981	**1 843**	8.6	9.3	**8.9**
Year 2	705	811	**1 516**	8.0	8.4	**8.2**
Year 3	618	820	**1 438**	7.3	8.9	**8.1**
Year 4	472	615	**1 087**	6.0	7.2	**6.6**
Year 5	430	499	**929**	6.0	6.5	**6.2**
Year 6	139	208	**347**	2.3	3.3	**2.8**
TOT.	**4 400**	**5 255**	**9 655**	**7.4**	**8.2**	**7.8**

This has considerable cost implications. If a policy to eliminate repetition were in place, approximately 400 fewer teachers would be needed with a potential saving to the salary bill of 16m$. The cost is not only in financial terms. Pupils who have never repeated grades are likely to achieve better results than repeaters[49]. Repeaters are also more likely to drop out of school or face issues of self-esteem. Further policy analysis is required to help formulate a coherent set of policy interventions that will help to reduce repetition.

Early Childhood Education

There are serious inefficiencies specific to the early childhood sub-sector. Although it is designed for children aged 3 -5 years, 6 year olds are permitted to enrol and currently 19% of children in ECE centres are 6 years old and a further 11% are 7 years or older. The subsector has transitioned from the traditional community-funded model in the early 2000s, to a partially-funded model whereby qualified teachers are on government payroll with salary parity with primary teachers and registered ECE centres receive a grant of SBD$100 per child as well as a $500 grant for administration. Remote ECE centres receive an additional

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[49] Hungi (2011)

SBD$5000[50]. This level of funding means that the ECE cycle of three years risks placing an unsustainable burden on the system, especially when considering the opportunity costs for primary education and junior secondary education. Recent modelling shows the cost could be an additional SBD 300m.

The ECE policy has not been costed and MEHRD would face considerable challenges implementing this policy. According to the current policy statement, Solomon Islands aspires to provide equitable access to quality early childhood education for all young children of Solomon Islands, including girls and students with disabilities. If there were universal enrolment in ECE for 3 to 5 year-olds, on the current staffing formula, a total of 3,368 ECE teachers would be required. Currently, MEHRD pays the salaries of 622 ECE teachers, under one-fifth of this total.[51] Funding all ECE teachers would place a massive burden on the already constrained personnel budget. A review of the ECE policy is currently being planned with the support of UNICEF and a costing exercise of various options related to ECE and prep is to take place in mid-2014. Under present public revenue conditions, free public provision of ECE is not affordable, and continued reliance on household resources to support a range of different delivery strategies should be incorporated into policy, with public resources targeted at the most needy communities.

Official language policy in Solomon Islands is based on use of the vernacular throughout primary. International experience suggests that children learn best and in particular learn to read best in a language with which they are familiar. Once foundational skills, including literacy are established in the mother tongue, those same skills can be carried over into later languages of instruction. However, there is little awareness of the official policy and the curriculum does not reflect it. A number of practical and attitudinal obstacles exist to its implementation including issues of resources and attitudes of parents and teachers to the vernacular. Given the complexity of the issue, literacy initiatives will need to be adaptable to the sociolinguistic environment in which they are situated, and the complexity of the language environment will need to be taken into account in strengthening early literacy by accommodating some flexibility to accommodate local realities.

5.1.1.6   Ministry Implementation and Resource Management Capacity

Ministry personnel confirm that implementation of policy and the generation of actions / results at the school level is a key issue that the Ministry needs to tackle. In turn, this will require a capacity for improved policy analysis (rather than simply more "research" or "studies") and resource management to achieve policy goals.

There are several key constraints related to administrative capacity: While equipment and physical infrastructure in the finance area is satisfactory, MEHRD has few staff below Director level with adequate skills and capabilities, a weak finance function, and limited procurement capability. Specific finance issues include:

- MEHRD's finance function has 2 capable staff at director level, but the quality of Division members is variable and not all staff attend the office as required;
- Internal Audit is still a relatively new function[52]. Assessments suggest that ongoing technical advice to IAD will be needed and that IAD staff besides the Chief Auditor require further training in audit methods and approaches;

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[50] Source: MEHRD(2010),

[51] Source: Hellyer (2014), Key Issues in Early Childhood Education: Discussion Paper

[52] An Internal Audit Division (IAD) and an Audit Committee were created in late 2011. The role of the Committee is to independently review the findings and recommendations from internal audit reports prior to submitting them

- finance infrastructure and equipment provision is satisfactory, but there is a need for a clearer understanding of, and compliance with, financial processes;
- to date the MEHRD Finance Division is not able to access up-to-date information from the MoFT AX finance system which would enable them to review and monitor MEHRD's financial position on a regular, real-time basis. MoFT staff report that line ministry access to the AX system is being planned;
- Senior ministry management is not yet felt to be fully capable of directing finance or internal audit work. It is likely that, without a more financially-literate senior management team, finance and internal audit advice will not be fully utilised and exploited.

MEHRD is undergoing restructuring as its previous structure was poorly aligned with the NEAP. New functions have been provided for Education Authority support and performance, school management, school asset / infrastructure management, and a Solomon Islands qualifications authority. A Strategic Support Unit (SSU) is to be set up which will play a critical role in oversight of NEAP implementation, policy development, communication, monitoring and evaluation, Development Partner coordination and support for improving MEHRD management.

Considerable investment in information systems has created a series of databases that constitute a rich resource of information for policy, planning and management. Some data sets are fairly complete - for example, there are full time series data from 2006 on students age by grade, and progress is being made on improving the data for teacher management. However, problems include:

- the complexity of the information system means that very little of this data is analysed and used by officials;
- ECE enrolment data does not include non-registered ECE centres in which the majority of ECE is provided;
- the current information systems on TVET are limited in scope and coverage, and steps are now being taken to establish an information system for recipients of SIG scholarships.

The result of this situation is that many of the MEHRD policies e.g. on ECE have not been adequately costed nor implementation strategies developed. MEHRD has proven capable of producing an array of policy statements and policy-relevant research and has a rich information set in the SIEMIS cluster of databases but lacks the skills to use the data for policy and management and a clear policy development process, from policy analysis to adoption and implementation and evaluation.

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to the Permanent Secretary for approval. The IA function was vigorously supported by the previous Permanent Secretary, and an internal audit work plan has been developed and is being rolled out.

5.2   Annex 2: Summary of Key 2013 Studies

5.2.1 Annex 2.1: Political Economy Analysis (PEA) - Summary

Summary of recommended entry points for a more accessible, equitable, quality education system:

Political/national entry points
The PEA proposes that Australia and other development partners could identify strategies to improve MPs' focus on service delivery and the transparent use of Constituency Development Funds. This could include:
- using influence with the Solomon Islands Government to push for performance milestones or national committees to improve the transparency of funding decisions and scholarship awards;
- seeking opportunities to strengthen accountability to citizens, through government, civil society, multilateral and non-government organisations;
- working more closely with DFAT governance/central agency programs to address bottlenecks (budget, finance, HR, corruption) that impede service delivery.

Provincial entry points
The PEA proposes that Australia and other development partners could engage more with provincial governments and Education Authorities to have a more direct on impact service delivery. This could include:
- seeking opportunities for supporting MEHRD's work with provincial governments;
- exploring the feasibility/benefits/drawbacks of direct engagement with EAs, while not bypassing MEHRD; and
- gaining a clearer understanding of ways political priorities can impede service delivery.

School level entry points
The PEA proposes that Australia undertake a deeper analysis into the role of school boards, parent-teacher associations. This could include:
- exploring their composition and influence, challenges they face in having an effective role and ways to support them to strengthen community accountability
- exploring training and twinning opportunities
- exploring the role of Teachers Union- possibility to engage directly?
- exploring how the school curriculum could contribute to national identity.

TVET entry points
The PEA proposes that Australia support better links with industry, particularly for Rural Training Centres.

Funding entry points
The PEA proposes that Australia consider the appropriateness of current funding models, and alternative funding channels.

5.2.2 Annex 2.2: Key Findings from SISTA 2013[53]

Key Finding 1
- The achieved sample was representative of the national demographic and provides a reliable model for the estimation of national and provincial results**.**

Key Finding 2
- The test constructs align well with the Standard 4 and Standard 6 curriculum outcomes of Year 4 and Year 6. The review processes to ensure items are appropriate and in accord with the scope and sequence documents provide evidence of the face validity of the SISTA 1 and SISTA 2 test instruments.

Key Finding 3
- The reliability statistic (Cronbach α) of each test is in the good to strong range with the exception of the English Reading strand of Year 6.

Key Finding 4
- The tests have scaled well and the embedded common items have functioned sufficiently consistently to enable comparisons between Year 4 and Year 6 performances to be estimated.
- The English Literacy scales have been developed using the sub-strands of Reading and Language which have performed uni-dimensionally and consistently at each Year level.
- Writing has been analysed separately as it functions quite differently to the other English sub domains
- The Writing results are relatively poor compared to those of Reading, Language and Mathematics

Key Finding 5
- The SISTA 1 tests in English and Mathematics have been well targeted to the sample populations and have generated a good distribution of item difficulties that cater to a wide range of student abilities.
- There are some 'gaps' in the range of item difficulties in the SISTA 2 tests.

Key Finding 6
- The performance of the items of each test, and of the common items designed to measure the growth between Year 4 and Year 6 have functioned adequately and enabled Literacy and Mathematics scales to be developed and Standards relative to curriculum outcomes to be described.

Key Finding 7
- The summary results by Level are generally consistent with those produced by other assessments including previous SISTA assessments and the PILNA pilot.
- The observed improvements in overall performances may be attributed to:
- Better tests and improved alignment of the tests with the target population; and
- In the case of English Literacy the disaggregation of the Writing scale from the other strands of English.

Key Finding 8
- The Writing results of Year 4 are very poor and although there is significant improvement between Year 4 and Year 6 the results of Year 6 are still well below the expected level.
- The Year 6 sample was functioning, on average in Writing, at a level that could be reasonably expected Year 4 students.

Key Finding 9
- There is significant growth in performance between Year 4 and Year 6 in Mathematics

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[53] These findings were identified by ACER specialists in discussion with MEHRD personnel, and shared with all stakeholders.

Key Finding 10
- The difference between the mean performances of boys and girls in Literacy is marginal with girls slightly out-performing boys.
- In Writing girls significantly out-perform boys at both Year 4 and Year 6.
- In Mathematics there is no significant difference between the performance of boys and girls.

Table 21: Summary of percentages within Standard Levels

Year 4	Critical Level %	Below Expected level – emerging %	At Expected Level %	At or Above expected standard %
English Literacy	7.6	26.0	33.0	66.4
Reading	14.8	21.4	30.0	63.8
Language	9.4	25.9	32.3	64.6
Writing	39.6	28.1	12.5	32.3
Mathematics	9.5	23.8	39.6	66.7

Year 6	Critical Level %	Below Expected level – emerging %	At Expected Level %	At or Above expected standard %
English Literacy	9.3	28.4	34.5	62.3
Reading	10.8	23.8	24.9	65.4
Language	9.4	28.4	36.9	62.2
Writing	26.2	14.7	22.2	59.1
Mathematics	3.3	10.1	26.5	86.6

Key Finding 11
- There are significant differences between the mean performances of the students in rural schools compared to those in urban schools especially in the Literacy strands with urban students out-performing the rural students.
- Although still significant, and in favour of the urban students, the difference is not as great in Mathematics

Key Finding 12
- In the English literacy and Writing domains students of non-government schools significantly out-perform the students of government schools.
- In Mathematics the differences between non-government school students and government school students is not significant.

Key Finding 13
- Although the overall performance of the students from the schools sampled in the Honiara province is significantly better than the means results of the other provinces at each Year level, the growth observed between Year 4 and Year 6 is significantly less in Honiara province than in each of the other provinces.

Key Finding 14
- As observed in the Reading strand the relative growth between Year 4 and Year 6 students is less in the Honiara province than each of the other provinces.

Key Finding 15
- There is significant improvement in Writing in each province between the mean performances of Year 4 and the Year 6 students.

Key Finding 16
- The improvement in the mean Mathematics performance of students between Year 4 and Year 6 is consistent across all provinces

Key Finding 17
- Year 4 students are developing skills in English Reading but have significant challenges in the skills associated with constructing and writing responses compared to those required in recognising a correct answer in a multiple choice item format.

Key Finding 18
- There are weaknesses in English language acquisition at Year 4 level relative to the expected outcomes articulated in the curriculum.

Key Finding 19
- The types of weaknesses observed in Year 4 Language are also present in Year 6.

Key Finding 20
- The item statistics indicate that by Year 6 most students tend to have control over the basic functions of addition and subtraction and its application to money when expressed in the traditional text book algorism format.
- In each of the common items that relate to basic operations there is evidence of significant improvement by Year 6 compared to Year 4 in the mean performances of students.

Key Finding 21
- The weaknesses in Fractions observed in Year 4 are still challenges in Year 6 Mathematics. Word problems are challenging for Year 6 students.

5.2.3 Annex 2.3: Summary of NEAP 2010-12   Assessment Report

Background

The education sector in Solomon Islands comprises early childhood education, primary education, secondary education, technical and vocational education and training, and tertiary education. Although considered to be one of the subsectors of education, ECE is not part of the Basic Education Policy and, therefore not financed by the SIG.

Six years of primary education and three years of Junior Secondary education are referred to as Basic Education. Basic education is not compulsory. The 9-year Basic Education cycle is followed by three years of Senior Secondary education (Years 10-13). There are five types of schools i) Early Childhood Education Centres (ECEC), ii) Primary Schools, iii) National Secondary Schools (NSS), iv) Provincial Secondary Schools (PSS), and v) Community High Schools (CHS). Although called High Schools, some CHS offer education from the kindergarten to Year 9 (junior secondary), while other CHS from kindergarten up to Year 13 (senior secondary)[54]. This ambiguity is reflected in data recording. The PAF provides data and indicators on sub-sectors and type of school (covering more sub-sectors), which complicates data interpretation and use.

At the start of the implementation of the NEAP 2010-12, equitable access and quality of education for all sub-sectors were considered the key problems that needed to be addressed, requiring efforts to improve and extend i) school infrastructure and the provision of grants, and ii) the quality of curricula, teacher training, and teaching practice, and also necessitated improving the efficiency and effectiveness of MEHRD performance.

MEHRD

Key responsibilities of the 19 Divisions[55] comprising MEHRD are policy formulation, planning, monitoring and management of the implementation of education policies, including educational finance, curriculum development, teacher training, and teacher management and monitoring (deployment, timely payment of salaries). Quality of education according to standards set by MEHRD, is assured through the inspectorate Division.

Decentralized units of public services comprise 10 Provincial Government Offices. Other provincial level education partners are church and private education authorities. Partners at school and community level in ensuring access to quality education to all children include school committees or school boards, school principals, and teachers. Provincial Governments are accountable to the MEHRD, church and private education authorities and schools report to the Provincial Government.

Key issues

Planning and management capacity to plan and manage provincial level education and school development is weak. An accurate and deep understanding of how policy-making, planning, budgeting, implementation and management, monitoring, and assessment of achievements are interrelated is lacking, seriously hampering efficient and effective MEHRD performance. Activities are conducted and outputs produced without taking into consideration their effect (or lack thereof)

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[54] Walani, 2009; Shalom, 2008

[55] Accounts, Administration, CDD, ECE, ERU, Inspectorate, King George VI NSS, NC for UNESCO, NEB, NESU, NLS, NTU, PCRU, PE, SE, TSD, TTDD, TVET, Waimapuru NSS

on the achievement of NEAP objectives. Hence, a <u>lack of focus on learner outcomes, and too little focus on school quality and learning</u>.

Key problems identified
MEHRD

- The current structure of the MEHRD (19 Divisions) is compartmentalised and fragmented, functions overlapping, responsibilities not clearly defined and, therefore, confusing (who is responsible for what?);
- MEHRD planning, management and monitoring is inefficient and ineffective:
  - PAF data are not accurate, not easy to interpret, and sometimes confusing;
  - The PAF is not up-to-date;
  - Available education data are not used by MEHRD planners and managers for decision-making;
  - NEAP progress achievements have not been monitored against baseline data;
  - The staff appraisal system has not been put into practice;
- The NEAP, meant as a management tool, is not understood or used that way. Staff and divisions are not managed on the basis of individual or annual work plans, <u>individual or divisional performance not assessed against NEAP goals and objectives.</u> MEHRD's actual functioning (the carrying out of tasks) is hampered by an excessive number of meetings;
- HRD and HRM plans, for capacity building at national, provincial, and school level, have not been implemented. MEHRD continues to suffer from serious capability deficiencies in management and leadership. Linkages between qualifications, training, performance, and job placement are poor.
- MEHRD is moving towards SBM, including through school grants and school development plans. Need to link plans to NEAP

Equitable access

- A comprehensive and coherent school infrastructure policy and plan, covering all sub-sectors, is lacking seriously hampering the achievement of equal access;
- Transition rates are extremely low, seriously hampering access to further education, in particular for girls;
- Access to education is unequal between provinces, affecting remote areas in particular;
- Children with special needs do not have equal access to education;
- The majority of education facilities does not meet MEHRD standards.

Quality of education

- Training of teachers has been slow, the proportion of untrained teachers remaining high. Secondary education and TVET suffer from a lack of (practical) subject teachers/certified instructors;
- Teacher absenteeism has not been addressed;
- Conduct and attitude of teachers remains a problem;
- Impact of teacher training on quality of teaching has not been monitored, effectiveness of teacher training (including the use of new curricula) is unknown;
- Implementation of new curricula and teaching-learning materials has not been followed-up, quality of curricula and materials, from the perspective of the users, is unknown;
- Senior secondary and TVET curricula have not been improved, school system and labour market needs not linked;
- Learning environments are not conducive to learning.

Recommendations
MEHRD
- Examine the organisational structure of the MEHRD from a functional point of view i.e., planning, managing, and monitoring the cost-effective delivery of quality education for five sub-sectors;
- Redesign SIEMES data and indicators according to education level providing information on ECE, primary education, junior secondary and senior secondary, and TVET separately;
- Adjust school record systems/ school administrations accordingly;
- Have SIEMIS data entered by June each year, latest;
- Improve accuracy of PAF data;
- Apply staff appraisal systems;
- Inspectors to have role in supporting schools with management

Equitable access
- Determine the precise size of limited accessibility and who is affected (analysis of SIEMIS data per province, for different sub-groups, per Year of education, per sub-sector);
- Use information on infrastructure needs from existing provincial and school development plans for infrastructure planning;
- Identify and analyse key problems regarding education access for all with provincial level stakeholders;
- Identify and analyse key problems regarding the education access for all with school level stakeholders;
- Plan targeted actions i.e., develop specific NEAP 2013-15 strategies for key problems identified;
- Improve transparency of scholarship selection and awards.

Quality of education
- Identify and analyse key problems regarding the quality of education with provincial level stakeholders;
- Identify and analyse key problems regarding the quality of education with school level stakeholders;
- Plan targeted actions i.e., develop specific NEAP 2013-15 strategies for key problems identified.

5.2.4 Annex 2.4: Summary of Technical Notes on ECE, Quality of Basic Education, School Grants and School Based Management, TVET/Tertiary

Audrey Aarons (July 2013)

Early Childhood Education

- Usually small-local providers
- Support from NGOs
- EAs not involved

Donor opportunities:

- Conduct longitudinal study of effectiveness/impact on SISTA results downtrack
- Support MEHRD to contract providers, develop policies to guide ECE
- Test/trial ways to integrate better with EAs, re policies, standards, inspections and integrate better with programs to improve nutrition, literacy of parents,

Quality of basic education

Using SISTA to improve teaching and learning

- Change takes time. No significant change in national assessments in short term
- Benchmarks for results must be realistic and supported by specific targeted focus on areas of teaching
- Tests are costly – better to do sample with rep from urban, rural, remote, large small etc
- International studies show students perform better when taught in mother tongue in early years

For donors:

- Teachers need mentoring in early years of teaching and collaboration with other teachers to be effective
- Need time to absorb and respond to data
- Pilot in a couple of EAs a program of coaching, modelling, observation, feedback to see improvements (3-5 years)
- Pilot mother tongue instruction followed by SISTA

School Grants and School-based Management

- Can increase access, improve equity, increase community accountability and (at a stretch) improve learning

But:

- Careful scale-up needed (not sudden introduction), and must build capacity in managing grants and school committees
- Works better in high income countries
- Works better when combined with participatory planning with parents
- Accountability often split, with schools accountable to EAs for finance management and to community (if at all) for results. This latter is usually weaker in poorer countries like Solomons.

For donors:

- Implement grants and SBM in tandem
- Implementation is more critical than design. Context is most important and needs recognition (examples are: size of the system and how decentralised, geographic distance and good communications? Income per capita)
- Scaling-up strategy important to build capacity, as any impact on learning takes up to 5 years

- Needs political support to be effective
- Assign coaches to help with decision-making and accountability
- Capacity-build EAs and inspectors (supervising officials) as well
- Integrate into system financing, not separate project through small grants
- Distinguish between <u>school management</u> and <u>governance</u> as power/decision-making can rest with one or the other, (eg if Principal accountable for acquittals but decisions over spending resting with management committee).
- Strengthen AA's capacity to monitor progress

TVET/Tertiary

- Differentiated tertiary education should be attuned to labour market demand
- National Qualifications Framework (NQF) should define multiple pathways, offering opportunities for all students to acquire skills and quals at training colleges, universities etc. and to move between them.

For donors

- Help universities to go beyond the traditional, especially in fragile post-conflict settings
- Fund non-university institutions
- Support regional qualifications frameworks

<u>Health professional accreditation</u>

- Yet to be applied in Pacific region
- SPBEA has started to classify and accredit institutions – but need common standards
- Both national and international standards should be reached

For donors:

- Support development of common standards for professional capabilities (doctor, nurse, midwife) for courses to be accredited
- Focus on outcomes, not intake
- Only award scholarships to accredited institutions

5.2.5 Annex 2.5: Implications of SISTA for Literacy Research & Development Pilot

1. **SISTA 2013 national assessments of literacy and numeracy**
2. **Pilot project description**
3. **Technical note**
4. **Implementation Plan**

Key features of SISTA

- SISTA literacy and numeracy administered to year 4 and year 6 in October 2013 by National Education Standards Unit (NESU), MEHRD with ACER technical support
- Results based on statistical sample nationally are available February 2014. Reports show student results by item level by school, by province. Summary reports to be prepared for policy makers, schools, teachers by March, 2014
- 21 key findings, including urban/rural disparity, government/nongovernment school disparity: results indicate slight increase to the national minimum level for reading skills but poor performance in writing skills and worded maths items (problems).
- 10 recommendations, including how to use SISTA analysis to inform teaching

Pilot study and implementation plan

- Aligns with PESDA – 2021 goal for "an increase in the percentage of 4th graders in the Pacific able to read to national standards, ensuring a strong foundation on which they can build other skills."
- Research and development project in two low performing provinces, using student/ school level analysis of SISTA results to construct programs for teacher mentoring in grades 1-4.
- Strengthen provincial level capacity to provide targeted professional support to teachers in their classrooms and their school clusters to improve learning outcomes
- Whole school approach includes participation of head teacher and parent and community involvement, and also a role for provincial primary school inspectors
- Aims to improve children's language skills for learning and the acquisition of initial literacy in English (the language of curriculum delivery)
- Teacher mentoring program to begin in classrooms of 5 schools initially, and to expand to other school clusters in the province as lessons from experience (research and monitoring aspects) indicate is appropriate.
- Teacher mentors will be trained in coaching, modelling, observation and feedback.
- Technical team leaders (TTLs) and the four teacher mentors to be based in provincial education offices but to spend most time in classrooms in schools in rotation
- MEHRD-managed and DFAT-funded through sector support:
  o MEHRD Literacy Management Unit will provide oversight, with a project manager appointed for the pilot.
  o DFAT will fund an experienced ESL curriculum/ teacher trainer to provide technical oversight and train TTLs and teacher mentors.
  o Start before term 3 2014, MEHRD to recruit TTLs and mentors by then and training by ESL curriculum/teacher trainer specialist to be carried out

5.3   Annex 3: Detailed description of investment interventions

This section provides more detailed descriptions of the investment interventions for Components A and D, which will be supported largely through the SWAp targeted Sector Budget Support. Detailed descriptions of the activities in Components B and C are contained in Annex 8 and Annex 9.

Overview of components / activities

The program is structured around three components that are largely aligned with the high priority subsectors. The focus of each component is the development of knowledge skills and attitudes that have been prioritised on the basis of the context and sector reviews, and aligned with Australian and SI strategic priorities. Each component has a number of subcomponents with a number of activities under each subcomponent.

There are some different design features of the three components that derive from the financing and management arrangements. Component A: Foundation Skills in Basic Education will largely be financed through the current and planned SWAp, and implemented through the MEHRD management system. Component B: Skills for Economic Growth will largely be financed directly by DFAT, and managed by a designated team within MEHRD, with support from a managing contractor. Component C: Higher Education Scholarships will be financed directly by DFAT, and mostly managed by a managing contractor under supervision of the DFAT team in Honiara.

Overall Strategic focus

There are two key strategic features of the program design: (i) a commitment to delivering results on the ground, and (ii) a particular focus on skills that are critical to economic growth and national competitiveness.

The program design focuses on delivering results at the level of the school, training institution or university. A commitment to impact at the school level was a feature of the last two NEAPs (2010-2012; 2013-2015), but much of the actual investment and outputs have been in building the institutional capacity, policy and strategic frameworks and management systems that need to be in place , and this work will need to continue. The TVET work to date, through the support of the EU, also focused heavily on establishing system architecture and had less direct impact at the level of individual training institutions. Important outputs of this investment is the establishment of the management information system (SIEMIS), the learning assessment systems (SISTA, PILNA, PABER), and the quality assurance institutional arrangements (SINQF, SIQA) that will enable the ministry to monitor and assess progress at the school and institutional level.

The main approach, therefore will be to set targets to achieve results at school and institutional level, and then incorporate the lessons emerging from such activities into the policy framework and institutional arrangements. Of course, there is also a need to support the effectiveness of the system in areas that have limited the effectiveness and efficiency investments – including financial and human resource management, strategic planning and monitoring and evaluation.

The focus on skills that are relevant to economic growth and national competitiveness begins with the foundation skills (literacy and numeracy) in basic education. Building on preliteracy skills developed in ECE, these are acquired in early years (Years 1-3) but must be consolidated and integrated into learning practices throughout basic education if they are to be sustained. The Skills for Economic Growth builds on the foundation skills to support development of skills that will enhance employment and economic activity in the formal economy and in rural areas, while a focus of the scholarships

component is to ensure efficient targeting and management of scholarship funds to develop the high level skills needed for economic development and national competitiveness.

Skills in this design are understood in the wider sense to incorporate knowledge and attitudes which enhance learning, employability and economic activity, in addition to the purely technical skills.

Table 22: Program Components and Sub-Components

Component A: Foundation Skills – Literacy and Numeracy in Basic Education
Sub-component A1: Improved learning outcomes in Basic Education (esp. literacy and numeracy)
Sub-component A2: Expanded and more equitable access to Basic Education
Component B: Skills for Economic Growth
Sub-component B1: Skills for the formal economy (SINU-STMS)
Sub-component B2: Provincial Skill Development
Sub-component B3: National System Development
Component C: Higher Education Scholarships
Sub-component C1: Delivery of Australian Awards Program
Sub-component C2: Solomon Island Scholarships
Component D: Policy, Planning and Resource Management
Subcomponent D1: Policy, planning and information for management
Subcomponent D2: Human and financial resource management

Component A: Foundation Skills – Literacy and Numeracy in Basic Education

Literacy and numeracy are foundational to the entire learning experience of the child. Children who fail to learn to read in the early years are unable to progress through the system since instructional content is largely accessible through print. In this sense literacy forms a gateway to later learning, which is denied to those who cannot read with fluency (RTI, 2008). However, in Solomon Islands, results from curriculum assessments appear to show that many children are failing to master these skills.

The effect of poor numeracy on people's lives is often much less obvious than poor literacy but there is substantial evidence that numeracy is essential to maximize children's life chances and enable them to make a positive contribution to society. The need for numeracy in the workplace is greater than ever. Research from other contexts shows that people with poor numeracy skills are twice as likely to be unemployed as those competent in literacy. [56]

5.3.1.1   Strategic focus

The objective of this subcomponent is to strengthen capacity of the sector to support improved learning outcomes. In line with lessons learned from recent research cautioning

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[56] KPMG calculated that the total lifetime costs for an annual cohort of 35,843 children with very poor numeracy (the lowest-performing 5%) could be up to £2,389m, compared to a cost of £89m for additional support to raise the numeracy skills of these children through the Every Child Counts programme.

against single-cause explanations of improvement in learning outcomes (OECD, 2008),[57], this sub-component adopts a holistic approach targeting the characteristics that interact to produce differences in student learning. As well as targeted support to the LPMU, it focuses on key aspects which have been shown to be related to learning outcomes including teacher training, school leadership, curriculum refinement, materials and resources, and assessment. This technical support is complemented by systems strengthening both at the school and central level through component D.

The first year of the programme will provide a foundation for future activities in order to build on lessons learned from a number of upcoming reviews as well as the findings from pilots, either underway or planned. Implementation will be gradual with an initial focus during the first year on literacy before moving onto other foundation skills including numeracy.

Table 23: Component A: Outputs and Activities

Sub-Component	Output	Activities
A1. Improved Basic Education learning outcomes (especially early literacy and numeracy)	A1.1 Linkage of early literacy policy and practice	Support to LPMU; identify and address evidence gaps; pilot innovative approaches
	A1.2 Professional development of teachers (especially literacy and numeracy)	Design and institutionalise school and cluster-based professional development program Support upgrading of teacher qualifications
	A1.3 Standards-based training for school leaders	Prioritise training needs, ensuring pedagogic leadership is addressed, develop training materials, conduct training, evaluate outcomes
	A1.4 School supervision	Provide training and support for inspectors, especially in early literacy and numeracy,
	A1.5 Provision and distribution of selected learning resources (esp. literacy & num)	Select learning materials, (especially in literacy and numeracy), procure / produce, distribute
	A1.6 Strengthened learning assessment	Support to NESU; support for SISTA; development of EGRA and EGMA; curriculum alignment
A2. Expanded and more equitable access to Basic Education	A2.1 Targeted infrastructure development	Support Infrastructure unit. Construct additional classrooms and facilities, especially in lower secondary schools
	A2.2 School grants	Incorporate findings of school grants review; finance school grants; review progress
	A2.3 Targeted supplementary grants to schools	Design, pilot and implement additional grants to address gender disparities, inclusion of disabled / disadvantaged

Sub-Component A1: Improving Learning Outcomes in Basic Education

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[57] **OECD (2008), Measuring Improvement in Learning Outcomes**

The objective of this subcomponent is to: strengthen capacity of the sector to support improved learning outcomes. In line with lessons learned from recent research cautioning against single-cause explanations of improvement in learning outcomes (OECD, 2008),[58], this sub-component adopts a holistic approach targeting the characteristics that interact to produce differences in student learning. It complements the technical focus of the support to the LPMU through systems strengthening both at the school level including support for school heads and inspection as well as at the central level. It also includes a focus on a positive learning environment, curriculum, infrastructure and resources.

Output A1.1: Linking early literacy policy to practice

The activity targets support to the LPMU to ensure an ongoing linkage between literacy policy and practice. In its commitment to deliver impact at the level of the school and classroom, MEHRD has drafted a school literacy strategy and established a Literacy Project Management Unit (LPMU) which will coordinate initiatives in literacy at the school level with knowledge building and policy development. The program will support a number of sub-activities, including institutional support to LPMU (TA and technical support), identification and addressing of knowledge and evidence gaps in literacy and numeracy, supervision and coordination of ongoing and planned pilots in literacy and numeracy including the DFAT school-based pilot and vernacular pilot, and integration of lessons learned back into policy. Analytical work will be carried out to get a better understanding of a number of key areas, including how reading is currently taught at classroom level, why children are succeeding or failing and how different languages are used in instruction.

We know that previously both in Solomon Islands as well as in the region, there have been pilots which were successful in meeting their objectives but which have not led to any sustained or scaled up impact. In a country as diverse as Solomon Islands not all pilots can or should be scaled up. Particular challenges may be localized or limited and can be dealt with through small-scale interventions. However, even such pilots should yield some lessons learned.

LPMU will be supported to disseminate findings from pilots and make decisions regarding whether and when to scale up. It will be supported to scale up appropriately and to ensure lessons learned from pilots feed into other initiatives. Key to this will be support in measuring the progress and impact of the various initiatives. Short-term TA will be used to support the NZ Adviser in this area as necessary.

Output A1.2: Professional development of teachers

The main mechanism for improving learning outcomes in the early years of primary schooling is professional development of teachers. This will be achieved through school and cluster level professional development of teachers especially in literacy and numeracy. Training will also provide a basis for the mainstreaming of students with disabilities through sensitising teachers to better understand disability as well as equip them with strategies for inclusive teaching to address the needs of all learners in a class. The program will also continue to support ongoing programs to upgrade teacher qualifications to train all teachers carefully monitoring the quality of all the programmes offered. A system to allow for EAs to bid for funds for initiatives to improve the teaching and learning of literacy and numeracy is also in place.

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[58] **OECD (2008), Measuring Improvement in Learning Outcomes**

Output A1.3: Standards-based training for school leaders

Ongoing initiatives to expand standards-based training to school leaders will be supported by the program, especially as it links to pedagogical leadership in supporting school-based professional development and in building links with communities and parents.

SPU has been engaged to provide this training which has commenced with the administrative aspects of the role of the head teacher.

Activities include prioritisation of training needs, development of training materials, and the implementation and evaluation of the training.

Output A1.4: Improved school supervision

This activity will focus on improving the quality of school supervision, especially in the early grades. Sub-activities include refinement of inspection instruments and alignment with teacher standards and new approaches to literacy and numeracy, as well as training for inspectors in use of the instruments, and analysis and utilization of information from inspection. The involvement of the community in the assessment process as well as in acting on the results of the assessment will be developed.

Activities include provision of training and support for inspectors as well as assistance with logistics.

Output A1.5: Provision and distribution of selected learning resources (esp. literacy & numeracy)

The program will support, provision, delivery and if necessary development of selected learning materials to schools. Prior to providing materials, the existing curriculum and accompanying materials will be reviewed for both technical content as well as cultural / gender content and existing materials will be modified or supplemented if necessary. Their delivery will be supported with teacher professional development efforts so that teachers are guided in how to use the new materials in their teaching.

Activities include early years curriculum review, curriculum refinement (if required), selection of learning materials, (especially in literacy and numeracy), production and possibly development of additional material, and support to ensuring effective delivery of the early years curriculum in the classroom.

Output A1.6: Strengthen learning assessment

The ongoing improvement in the quality of learning assessment that was supported through the current program will carry on. This will include support for the SISTA which will continue to act as a as a system level assessment and also provide indication of strengths and weaknesses in teaching to inform policy and training. ,. However, SISTA is designed to be administered at Grades 4 and 6. Research from other contexts tells us that the foundation skills of reading and numeracy must be secured prior to this level. As such it is important to assess earlier than Grade 4 so that reading challenges can be detected in time to put remedial strategies in place

An Early Grade Reading Assessment ***instrument will be developed or adapted for administration within the first year of the programme.*** This will be followed by an Early Grade Mathematics Assessment during the second year of the programme.

It is also important the planned or current literacy pilots are rigorously of evaluated. Where possible existing tests will be used to measure progress but it may be necessary to design baselines for specific initiatives.

Support will also need to be provided in the area of classroom-based assessment as MEHRD discontinues external examinations at the end of primary and moves to a greater use of continuous assessment.

Subcomponent A2: Expanded and more equitable access to basic education

SIG has made substantial progress with regard to access over recent years. However, there are still a number of hard-to-reach children who are denied the opportunity of schooling. These include girls at secondary level, disadvantaged children especially from rural and remote areas and those with disabilities.

Output A2.1 Targeted infrastructure development

Infrastructure development will consist of construction of additional classrooms and facilities especially in lower secondary schools. Accessibility will be a feature in the design of all new spaces and boarding school facilities for girls will be constructed to ensure that lack of dormitory space is not a barrier to girls' participation.

Although this sub-component will be under the supervision of an outsourced contractor that partners with MEHRD, MEHRD staff from the Asset Management Unit created under the recent restructuring will be seconded into the Procurement Unit to ensure knowledge and capacity is built on the procurement of buildings and other assets. Tendering and contracting will be rolled out through program implementation, and will be funded via budget support contributions.

Output A 2.2 School grants

Support to school grants will continue with some modifications informed by the recent school grants review. This shows that downstream aspects of grants provision with the flow of funds directly to schools is working well. However the flow of accountability is less well developed. The program will develop a School Grants Reform Action Plan to guide reforms over the life of the design. The program will involve the education authorities in the monitoring of spending on school grants as part of an information system to provide data up to central level as to whether the grant was spent appropriately, and whether it can incentivise school board management. An increasing emphasis on the decision making process at the school level will be a focus over the coming program.   There will be an emphasis at MEHRD on monitoring, responsiveness to schools, acquittals, and timely disbursement of grants.

Output A2.3 Targeted supplementary grants to schools

The provision of targeted supplementary grants to schools will be piloted. Although additional grants are available to remote schools, currently few schools fall within this category. The purpose of these grants will be to target those from most disadvantaged areas.

NOTE: Detailed descriptions of Component B: Skills for Economic Growth are contained in Annex , and those for Component C: Higher Education Scholarships are contained in Annex

Component D: Efficient and Effective Education Governance and Management

This component is designed explicitly to help the Ministry of Education (MEHRD) to tackle difficulties it experiences with implementing policy and generating improved results at the school level.

MEHRD currently lacks the depth of skills and volume of staff to effectively deliver and implement education services across a very large geographical area with a large number of Education Authorities. The design recognises that this lack of capacity needs to be squarely addressed in the program through a specific component of activities, rather than

improvements being supported by donors from non-program / central resources or on an 'as needed' basis.

The design of this governance and management strengthening component recognises that support will be needed over the medium-to-long term (at least 8 years). Outputs and activities are defined for the first 4 years, with provision being made for outputs and activities to be revisited and scaled up or down after the first two years - probably most sensibly at the mid-term Program Review. This review point will also allow DFAT-supported institutional strengthening to be fully aligned with New Zealand's support and provisions and policies outlined in the next NEAP.

Consistent with Australia's principles of engagement in the Pacific, this element of the program will seek to build - rather than supplement - capacity, involve participatory procedures (such as 'on-the-job' rather than theoretical training), and focus on strengthening existing processes and practice cumulatively at a sustainable pace that is consistent with the availability of resources.

Table 24: Component D Outputs and Activities

Sub-Component	Outputs	Key Activities
Policy, planning and information for management	D1.1 Increased strategic planning, policy analysis and research capacity	Support establishment and operation of SSU; finance analytical studies; provide TA for policy analysis and development, costing and implementation analysis
	D1.2 Information systems	SIEMIS: Data verification, report template production, software upgrading and IT manager training HRM/Payroll information systems: support as necessary for strengthening of HRM & Payroll FMIS: Support for utilisation of AX system in financial planning, budgeting & payment and commitment management Learning outcomes: support to NESU
Policy, planning and information for management	D2.1 Management training at central, provincial/EA and school level	On-the-job training for MEHRD Senior Management Team School leadership training Training of Education Authorities and School Boards
	D2.2 Support and training for financial management, procurement and internal audit	Support FM and procurement process streamlining, procurement training and audit support & training Support to MEHRD Budget Implementation Committee
	D2.3 Strengthening human resource management	HRM training Support to reduce absenteeism, Recruitment and dismissal procedures

Sub-Component D1: Policy, Planning and Information for Management

This sub-component supports the third NEAP goal of the reform of education management. The aim of this component is to assist the ministry in developing a capacity for improved policy analysis and in-house research capacity. In the past, the Ministry and donor partners have commissioned "research" or "studies", but in many cases the Ministry has struggled to

digest, and put in place well thought-through and costed plans to implement revised policies, based on the findings of studies and research.

Among other studies, the Ministry has recently received the results of studies into the operation and effectiveness of the current system of School Grants, the procurement and distribution of learning materials and the costs of implementing its stated policies on ECE and Prep. Capacity to implement the findings of these studies is currently weak.

Output D1.1 Increased strategic planning, policy and research capacity

This activity will support the establishment and operation of the newly-created Strategic Support Unit (SSU) whose mandate is to support policy and planning within MEHRD. The SSU will play a key role in donor co-ordination and as part of its mandate needs to increase its use of research to inform decision-making. The Ministry also needs to gradually build its own research capacity and in particular its ability to commission, reflect on and analyse research which is conducted.

The design will fund Technical Advice (TA) to be sourced through direct donor contracting (e.g. through the existing DFAT ERF or a Panel of contractors pre-qualified to provide personnel) and increasingly - as capacity is built up - through the Ministry's own TA Fund to:

- to provide methodologies for cost and economic analysis;

- to train and work with ministry staff on-the-job to incorporate cost, economic and implementation analysis into policy papers to be presented to the Permanent Secretary and Cabinet;

- to assist the ministry to build up its in-house research capacity.

Output D1.2 Information systems

The existing Solomon Islands Education Management Information System (SIEMIS) contains a rich set of data which is currently under-exploited. Support will be provided to make the system less unwieldy and more user-friendly through ongoing technical assistance. Support under the Design will strengthen the SIEMIS by:

- Providing training in the use of the database to inform decision making;

- Assisting in streamlining the database (removing unnecessary data) and validating the data contained in SIEMIS through overseeing a process of returning data to schools for verification;

- Overseeing a process to produce bespoke data reporting formats that are useful for the PS, Senior Management and Coordination Teams to review;

- Putting in place a new software support mechanism to replace the existing Pineapple contract;

- Training up a SIEMIS data manager to undertake ongoing development and data management tasks.

In addition, support will be provided on the finance side to bed-in the ministry's use of the MoFT's AX finance system, once read-only access to the system has been provided by MoFT to the ministry's Finance Division (this process was under way during this design).

Sub-Component D2: Human and Financial Resource Management

This sub-component will provide assistance to the ministry in developing its core human and financial resource management. Advice will be provided in areas such as helping to improve the ministry's management of its human resources, assisting the ministry to formulate improved divisional budgets, and help the Ministry's senior managers to better monitor in-year spending.

Output D2.1 Management training at central, provincial/EA and school level

The program will continue and expand the support provided for standards-based school leadership and management training, and will focus on strengthening links between school, provincial/EA and central ministry management systems. School level management and leadership training will also be included as part of the roll-out of the teacher professional development program, linking teacher performance standards to management and supervision/inspection. Training will also focus on improved linkage of School Development Plans to the utilization and accounting for expenditure of the school grants, as recommended in the interim report of the School Grants Review. The program will continue to provide TA support for management development, and, target, in particular, provinces where program resources are to be channelled through the provincial level (for activities such as the literacy pilots).

Output D2.2 Support and training for financial management, procurement and internal audit

Activities under this sub-component will complement the longer-term 'in line' finance compliance assistance (Financial Controller positions) currently being provided to MEHRD and MoFT by working specifically on streamlining and strengthening the operation of MEHRD finance, procurement and internal audit systems and processes, and improving compliance with the ministry PFM Action Plan.

TA will be procured to simplify existing finance and procurement processes, which are currently very cumbersome, and provide more meaningful checks and controls. Support will explicitly build on the activities undertaken to procure buildings, other assets and goods and services through the Major Procurement Unit, assisted under sub-component A2.1.

Support will be provided to assist the ministry to formulate improved divisional budgets by providing training and advice on how to use the data provided by the AX system in the annual budgeting process, in particular through the deliberations of the Budget Implementation Committee, which coordinates the ministry's response to MoFT's budget requests. TA will work with ministry senior managers (Coordination Team) to facilitate them to understand and monitor in-year spending and commitments by finance 'head'.

Short-term TA will also be available if required on a call-down basis to support the ministry's internal audit and staff

Output D2.3 Strengthening Human Resource Management

The program will continue to support initiatives to streamline the HRM information systems and to provide regular updated reports on the establishment, reconciling establishment data from SIEMIS, Payroll and HRM systems to provide improved establishment control. This includes support to revise and update HRM manuals and align with systems, and to support the Ministry in institutionalising modern HRM practices.

5.4 Annex 4: Theory of Change Diagrams
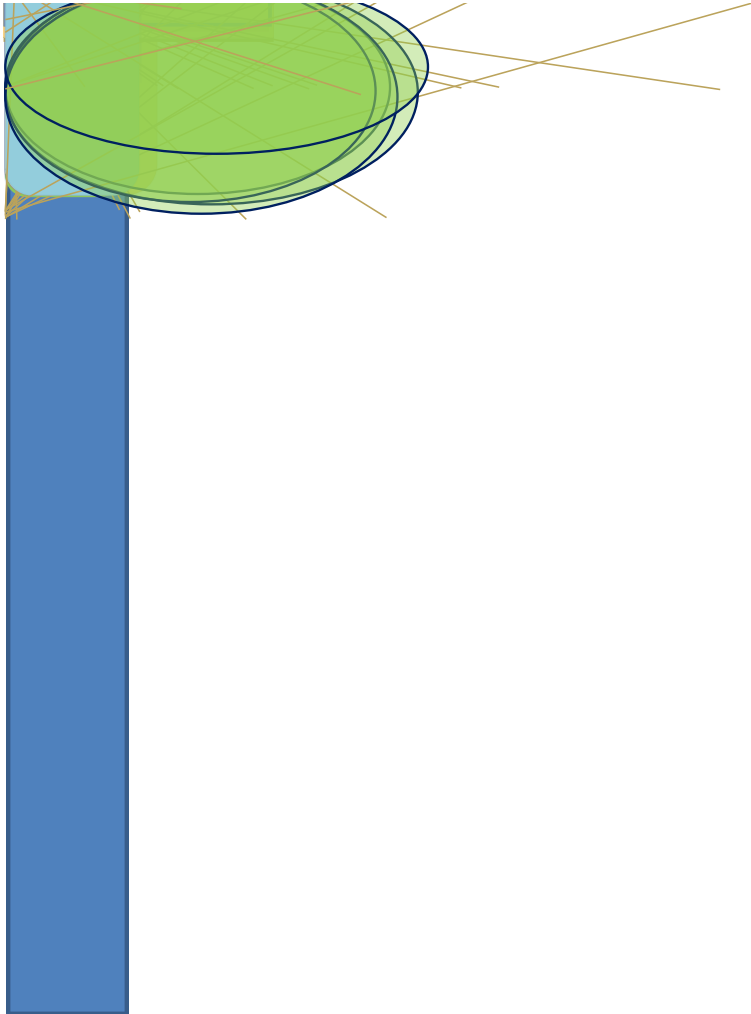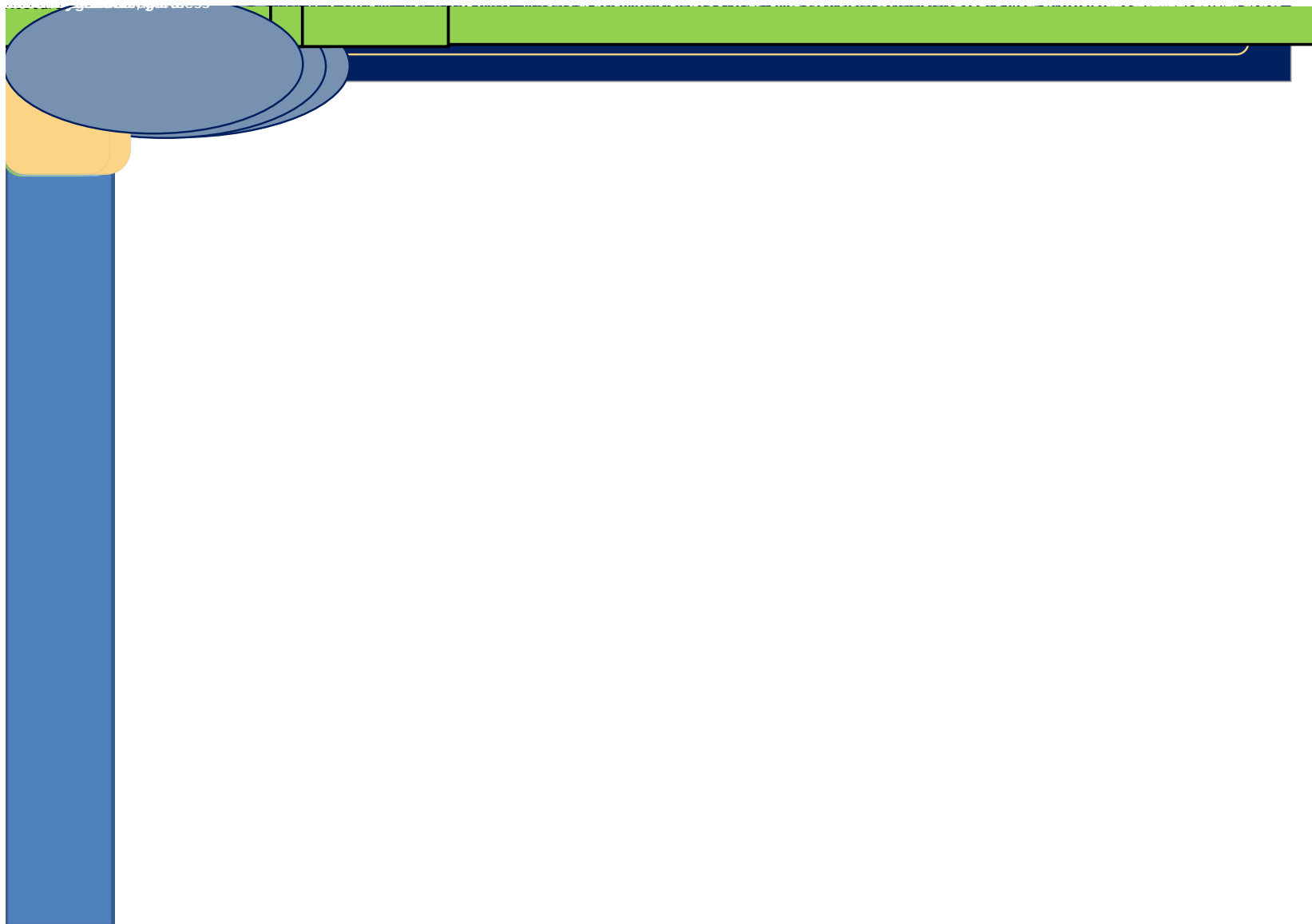
5.5 Annex 5: Detailed Budget/Cost Estimates

Table 25: Detailed Budget/Cost Estimates (Australian $)

Component	Output	2014	2015	2016	2017	2018	Total 2015-2018
Component A1: Improved Basic Education learning outcomes (especially early literacy and numeracy)	A1.1 Linkage of early literacy policy and practice		$470,320	$705,480	$705,480	$305,707	$2,186,987
	A1.2 Professional development of teachers	$1,286,777	$1,218,750	$1,277,540	$1,336,330	$1,395,120	$5,227,739
	A1.3 Standards-based training for school teachers	$231,199	$217,792	$227,593	$237,834	$248,537	$931,756
	A1.4 School Supervision	$670,477	$721,157	$829,330	$953,730	$1,096,789	$3,601,007
	A1.5 Provision & distribution of learning resources	$550,408	$518,490	$541,822	$566,205	$591,684	$2,218,201
	A1.6 Strengthened learning assessment	$292,852	$450,723	$495,795	$549,882	$612,983	$2,109,384
	A2.1 Targeted infrastructure development	$1,804,354			$901,446	$1,352,169	$2,253,615
Component A2: Expanded and more equitable access to Basic Education	A2.2 School grants	$2,970,907	$2,812,019	$3,093,220	$3,233,822	$3,374,422	$12,513,482
	A2.3 Targeted supplementary grants to schools	$500,000	$473,259	$496,922	$521,769	$547,857	$2,039,807
	Other	$859,136	$813,187	$853,847	$896,540	$941,367	$3,504,940
Component A Total		**$9,166,110**	**$7,695,697**	**$8,521,550**	**$9,903,036**	**$10,466,635**	**$36,586,918**
Component B: Skills for Economic Growth	Long Term Personnel costs	-					
	Short term Technical Assistance	-					
	LES						
	Establishment Costs		$180,000	$5,000			$185,000
	Operational expenses	-	$293,000	$323,000	$293,000	$293,000	$1,202,000
	Management Fees	-					
	Total Skill Development Fund	-	$1,150,000	$1,800,000	$2,750,000	$2,750,000	$8,450,000
Component B Total		**-**	**$3,392,666**	**$3,859,483**	**$4,424,480**	**$4,311,737**	**$15,988,367**
Component C: High Education Scholarships	Australian Scholarships (Bursaries)	$3,500,000	$3,675,000	$3,675,000	$3,675,000	$3,675,000	$14,700,000
	Salaries	$170,922					
	Office Establishment Costs	$45,700					
	Operational costs	$41,200					
	Program implementation costs	$28,700					
	Managing contractor fee						
	Total Outsourcing Costs						
Conponent C Total		**$3,834,686**	**$4,005,528**	**$3,679,079**	**$3,679,079**	**$4,012,182**	**$15,951,868**
Component D	D1: Policy, planning & information for management	$161,839	$348,527	$357,024	$365,945	$375,313	$1,446,809
	D2: Human and financial resource management	-	$282,276	$293,567	$305,310	$317,522	$1,198,675
Component D Total		**$161,839**	**$630,803**	**$650,591**	**$671,255**	**$692,835**	**$2,645,484**
TOTAL -ALL COMPONENTS		**$13,162,635**	**$15,724,694**	**$16,998,703**	**$18,965,851**	**$19,483,389**	**$71,172,639**

The costing estimates have been calculated allowing for the same split in overall SWAp funding between Australia and New Zealand as under pre-2015 arrangements. Costs and assumptions for the individual sub-components are as follows (expressed in A$):

Component A:

A1.1 A budget to support the Literacy Program Management Unit, building up to $700,000in years 2 and 3, phasing down to $300,000 by year 4.

A1.2 Similar to the 2014 level of funding, plus an allowance for additional grant-based school funding.

A1.3 Similar to the 2014 level of funding with increases for inflation in later years.

A1.4 The 2014 budget is increased by annually until the final year of the initial phase of support in 2018.

A1.5 The budget is similar the current level of funding to the Education Resource Unit, uprated annually

A1.6 The budget is increased to $450,000 in 2015, rising incrementally to $612,000 by year 2018.

A2.1 No provision is made for additional funding for infrastructure in years 1 and 2, given the existing unspent existing allocated funds. A budget is provided for 2017 and 2018.

A2.2 Provision is made for an increase over 4 years (i.e. by 2018), to take account of inflation since grant levels were last fixed (in 2011), in line with the recommendations of the School Grants Review.

A2.3 Provision made for targeted supplementary grants, uprated annually for inflation.

Other: Continuation of similar funding (to ECE, primary education, curriculum development, planning functions) is assumed, uprated annually for inflation.

Components B: Skills for Economic Growth

Costs estimates for this component are summarised in Table 26 below.

Table 26: Component B - Detailed cost estimates

Personnel	Yr1	Yr2	Yr3	Yr4	Total
LTA (under ARF)					
Team Leader (ARF B4)					
Senior TVET Adviser (ARF B3)					
Skills Development Adviser (ARF B3)					
Sub-Total					
STA (under ARF)					
STA 1 (B4) - 5 two week trips per year					
M&E Specialist (C3) - 6 two week trips per year					
Student Records/Information Systems Specialist (B3) - 2 x 2 week trips per year					
Contingency Budget					
Sub-Total					
LES					
Skills Development Adviser					
Finance and Program Coordinator					
M&E Officer - 1 (P1)					
M&E Officer - 2 (P2)					
Administrative Assistant - 1 (P1)					

Administrative Assistant - 2 (P2)					
Provincial Training Coordinator - 1 (P1)					
Provincial Training Coordinator - 2 (P2)					
Provincial Admin/Finance Assistant - 1 (P1)					
Provincial Admin/Finance Assistant - 2 (P2)					
Sub-Total					
Personnel SUB-TOTAL					
Skills Development Fund					
SINU-STMS	$750,000	$1,000,000	$1,500,000	$1,500,000	$4,750,000
Provincial Development	$300,000	$400,000	$500,000	$500,000	$1,700,000
Other eg. SYP Scholarships	$100,000	$400,000	$750,000	$750,000	$2,000,000
Sub-Total	$1,150,000	$1,800,000	$2,750,000	$2,750,000	$8,450,000
Establishment Costs					
Computers/power supply (x10 + x2)	$25,000	$5,000	$0	$0	$30,000
Photocopier/Scanner/fax	$5,000	$0	$0	$0	$5,000
Desks Chairs storage	$10,000	$0	$0	$0	$10,000
Signs	$1,000	$0	$0	$0	$1,000
IT setup/Software/Student Record Info sys	$50,000	$0	$0	$0	$50,000
Vehicles (x2)	$80,000	$0	$0	$0	$80,000
Other	$9,000	$0	$0	$0	$9,000
Sub-Total	$180,000	$5,000	$0	$0	$185,000
Operational Expenses					
Rent	$50,000	$50,000	$50,000	$50,000	$200,000
Utilities	$30,000	$30,000	$30,000	$30,000	$120,000
Travel	$80,000	$80,000	$50,000	$50,000	$260,000
IT maintenance	$10,000	$10,000	$10,000	$10,000	$40,000
Equipment maintenance/repairs	$3,000	$3,000	$3,000	$3,000	$12,000
Vehicle Expenses	$20,000	$20,000	$20,000	$20,000	$80,000
Communication Expenses	$30,000	$30,000	$30,000	$30,000	$120,000
Monitoring & Evaluation	$20,000	$50,000	$50,000	$50,000	$170,000
Workshops and Seminars	$50,000	$50,000	$50,000	$50,000	$200,000
Sub-Total					
TOTAL					
Management Fees (% Personnel + OE +EC)					
GRAND TOTAL	$3,212,666	$3,854,483	$4,424,480	$4,311,736	$15,803,366

Component C: Higher Education Scholarships

The cost estimates for this program are summarised in Table 27 below. The table provides details of the costs for operation of the program, and does not include the AUD$15.8 m in scholarships.

Table 27: Component 3: Cost estimates (excluding Scholarships)

Personnel - increase in HR costs estimated at 4.5% annually									
Position	**ST/LT**	**2015**		**2016**		**2017**		**Total**	**Notes**
		per mth	**per year**	**per mth**	**per year**	**per mth**	**per year**		
Program Manager (A1)	LT								
M&E Adviser (C3)	ST - 28 days/year								
Program Officer (LES)	LT								
TOTAL PERSONNEL									

Set-up Costs					
Item	**Number**	**One-off Cost**		**Total**	
Computers	4	$10,000			
Printer/copier/scanner/fax	1	$3,700			
desks, chairs, storage	1	$3,500			
signage	1	$1,000			
UPS	1	$1,200			
Furniture-info centre	1	$1,200			
computer & UPS for info centre	1	$3,700			
Establishment costs	1	$5,000			
TOTAL SET-UP		**$29,300**		**$29,300**	

Program Costs	Increase in equipment, maintenance, comms costs estimated at 6% annually								
Misc travel									
In-Fiji training									
Publishing and promotions									
Workshops, including PDB									
IELTS testing, helth checks, visa costs									
Interview and meeting costs									
Other Alumni Support									
TOTAL PROGRAM									
TOTAL REIMBURSABLE									
Management Fee (% Reimbursable Costs)									
GRAND TOTAL		$353,664		$312,524		$324,662	$990,852		

Component D:

D1 Continuation of support for existing Headquarters administration and computer software and hardware, plus provision for an EMIS adviser (ARF B4)

D2 Provision for long and short-term TA for finance systems simplification and enhancement of MEHRD finance processes at the cost of the equivalent of 1.5 PFM advisers (ARF C4).

5.6 Annex 6: M&E Framework

Table 28: M&E Framework Level Two

End of Program Outcome (EOPO)		EOPO Indicators	Disaggregation	Data Source	Data Quality & Availability
EOPO Outcome 1: More children complete basic education regardless of socio-economic status, location, gender or disability					
1.1 More children have **access** to basic education	1	Number of children enrolled		SIEMIS Data	The SIEMIS Database is well populated wih data, largely valid and collected relatively timely. MEHRD planning increased data validation. Analysis and utilization of data is low.
	2	Percentage of children in Grade 1 intake with some ECE			
	3	Net Intake Rate (NIR)	Level (ECE; Primary, Basic)		
	4	Net Enrolment Rate (NER)	Sex (Male; Female)		
	5	Gross Enrolment Rate (GER)			
1.2 More children **complete** basic education	6	Grade Transition Rates	Level (Primary; Basic)		
	7	Completion Rates	Sex (Male; Female)		
1.3 Greater **equity** in terms of gender, special needs and location	8	Gross enrolment GPI			
	9	Number of special needs learners enrolled	Level (ECE; Prim; Basic)		
	10	Urban/Rural Disparity	Sex (Male; Female)		
	11	Provincial and EA Enrolment Disparity			
EOP Outcome 2: Children in basic education achieve improved learning outcomes especially in literacy and numeracy					
2.1 Improved **learning outcomes** in basic schools	12	Grade 2 Early grade reading (and maths) results	Level (P; Basic)	NESU	Year 2/2 literacy and numeracy assessments must be designed and conducted to supplement SISTA G4 and G6
	13	SISTA Grade 4 reading (and maths) results	Sex (Male; Female)		
	14	SISTA G6 results			
2.2 Improved **equity** in learning outcomes of children	15	GPI for learning outcomes at each level	Level (G2. G4, G6)		SISTA survey data available, lack of analysis and utilization
	16	Learning outcome parity index by location	Location (urban/rural, Province, EA)		
EOP Outcome 3: TVET graduates have more relevant and higher quality skills and qualifications & contribute to national and provincial economic development					
3.1 Skills for the formal economy	17	Number of graduates with recognised qualifications	Level (certificate, diploma)	NESU	Information system under development; Managaing Contractor will collect from supported institutions
3.2 Provincial Development	18	Number of graduates completing supported courses	Sex (Male Female), Disability		
3.3 System Development	19	Number of qualifications registered in NQF	Level (certificate, diploma)		
EOP Outcome 4: Scholarship graduates possess skills & knowledge in priority areas needed to increase national productivity & competitiveness					
Australia Awards Scholarships (AAS & AAPS)	20	Number of Awards scholars by gender, location	Sex (Male Female), Disability	OASIS and ICS info system	OASIS is a functioning information system for Australia awards. MC will help develop an information system for ICS
	21	% of successful Scholarship completers	Field of study		
	22	% completers in employment within 12 months	Home province		
	23	Number of active members of Alumni Association	Sex (Male Female), Disability		
EOP Outcome 5:					
D1. Policy, planning and information for management	24	NEAP 2015-2020 is completed and evidence-based	N/A	MEHRD reports	Specific criteria to be developed for assessing data utilization.
	25	School performance information is aggregated and used			
D2. Human and financial resource management	26	Teacher supply and utilization data is available and used			
	27	Financial management information system is informing policy			

Table 29: Component A M&E Layer 3

ESP2 End of Program Outcomes	ESP2 Intermediate Outcomes	ESP2 Program Outputs	Through a focus on these priority investments	Performance Indicators (* denotes where disaggregated data is required e.g. by gender, disability, location as appropriate)	Baseline	Target	Methodology and data sources	Responsibility	Timeline
Expanded and more equitable access to Basic Education	More learning spaces especially in low access areas	Support for ECE policy analysis, development and implementation	ECE 3 and Prep curriculum refined and synthesised and implemented with focus on school readiness and preliteracy and numeracy skills	ECE and Prep curriculum alignment completed					2015
		Performance and equity incentives	Equitable student access (removing barriers) for girls and children with disabilities and location (urban/rural) establishing targets	GER, NER, NIR disaggregated by gender, location, province and disability					
	Schools are well Managed & supported by Communities		Implementing policies on equity in gender, location and access for disabled	Gender equity in school management, governance and system management cadres					
		School Grants	Improved linkage of grants to School Development Plans, targeted incentive grants	Grants % of school grants expenditure meeting requirements; number of incentive/target grants					
Improved Basic Education learning outcomes (especially early literacy and numeracy)	More Relevant Teaching & Learning Curriculum and Materials, esp. Literacy & Numeracy	Linkage of early literacy policy and practice	Support to LPMU; identify and address evidence gaps; pilot innovative approaches	LPMU leads piloting of literacy projects and incorporates findings into policy.					
	Schools are well Managed & supported by Communities	School supervision	Provide training and support for inspectors, especially in early literacy and numeracy,	Number of consolidated school performance reports submitted to Province/EA and MEHRD					
		Support for LPMU, Inspectorate	Improving the quality of literacy and numeracy teaching through Teacher Professional Development	Number of teachers completing TPD programs in literacy and numeracy					
		Standards-based training for school leaders	Prioritise training needs, develop training materials, conduct training, evaluate outcomes	Number of principlas/school heads with completed standards based training.					
	Teachers have Improved Competence, esp. in Literacy & Numeracy	Professional development of teachers (especially literacy and numeracy)	Teacher effectiveness - Appropriately trained, professionally developed, supported and appraised	Number of teachers with completed performance appraisal reports					
	More Relevant Teaching & Learning Curriculum and Materials, esp. Literacy & Numeracy	Provision and distribution of selected learning resources (especially literacy and numeracy)	Select learning materials, (especially in literacy and numeracy), procure /produce, distribute	Materials printed and distributed					
		Strengthened learning assessment	Support to NESU; support for SISTA; implementation of early grade reading and maths assessments	Analysis and dissemination of SISTA results; development of G2 reading (2015) and maths (2017) assessments.					

Table 30: Component D -- M&E Layer 3

ESP2 End of Program Outcomes	ESP2 Intermediate Outcomes	ESP2 Program Outputs	Through a focus on these priority investments	Performance Indicators (* denotes where disaggregated data is required e.g. by gender, disability, location as appropriate)	Baseline	Target	Methodology and data sources	Responsibility	Timeline
Resources are managed efficiently and effectively according to a coherent strategic plan and budget	Policy, planning and information management	Improved strategic planning, policy analysis and research capacity	Support establishment and operation of SSU; finance studies; provide TA for policy analysis and development	SSU established and fully staffed; review of policies against policy analysis.					
		Strengthened management Information systems	SIEMIS: Data verification & manager training HRM/Payroll information systems FMIS: (what needs to be done?) Learning outcomes: support to NESU	Information systems operating and in use					
	Strengthened human and financial resource management	Training for school leaders. Support for LPMU, SSU, NESU, Inspectorate	Strengthen the function of education system at all levels, from central to line agency and down to authorities and institutions	SIG financial instructions (regulations) complied with at all levels					
		Management training at central, provincial/EA level	School and provincial managers develop SDPs linked to school grants and manage grants accordinbgly			Procurement of Junior Secondary School Equipment and distribution plan			
		TA support and training for FM, procurement, audit.	On the job training for Executive Management Team; School leadership training; Training of EAs and School Boards	Procurement action plan ensures efficient and effective use of resources aligned to SI financial instructions					
		Strengthened HRM systems	HRM training and systems						

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Table 31: M&E Layer 3 - Subcomponent B

End of Program Outcome	Indicators	Means of Verification
Graduates with more relevant and higher quality skills and qualifications contribute to national and provincial economic development	– Increased numbers of SINU-STMS and RTC graduates with qualifications that are accepted nationally, regionally and/or internationally – >75% of graduates[59] of courses supported by the Skills for Economic Growth Program report positive changes in their personal economic circumstances 6 months after graduation	– Course evaluation reports – Employer surveys – Tracer studies – Emigration data

Intermediate Outcomes	Indicators	Means of Verification
Improved relevance of TVET courses and qualifications	– Increased level of industry participation in course development and work placements – Improved provincial economic development in targeted skill development areas – Industry and employers improved relationship with SINU – STMS – Increasing purchase of workplace training from SINU-STMS by industry	– Employer Surveys – Graduate surveys – Records of Industry Advisory Groups – Contracts between SINU-STMS and industry
Quality of TVET course delivery improved to meet industry standards	– Courses and units of competence endorsed by industry – Courses and course materials validated by rigorous internal quality assurance processes – Courses and skill-sets accredited by SIQA (once established) – Solomon Island qualifications increasingly recognised in the regional – regional pathways to further education or employment established – Trainers have improved trainer and technical qualifications – Training facilities and resources suitable for competency based delivery to industry standards	– SINU-STMS records – SINU Board of Study and Senate documentation – SIQA records – Trainer records – Physical observation – OH&S assessments – Mutual recognition agreements – Tracer studies

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[59] Estimated number of SfEG beneficiaries over 4 years – >1,000 SINU-STMS graduates, > 3,000 graduates provincial training courses

Equitable access to quality assured skills development	– Improved female completion rates – Improved female workforce participation rates – Improved disabled completion rates – Improved disabled workforce participation rates	– SINU-STMS and participating RTC student records – Tracer studies – Labour market studies – Employer surveys – National statistics office
National and international recognition of qualifications	– SIQA established – SI Qualifications Framework endorsed by Government – Post-school providers registered by SIQA – Post-school coursed accredited by SIQA – SI qualifications registered on Pacific Registry of Qualifications and Standards – Mutual recognition agreements with other country quality assurance organisations – SI graduates employed in other countries	– SIQA Legislation – SIQA Board Resolutions – SIQA records – PRQS database

Activity monitoring tables for this component can be found in Annex 8: Skills for Economic Growth Component-Design Document

Table 32: M&E Layer 3 -- Component C

	M&E Question	Indicators	Data sources	Schedule
Strategic engagement				
1.	What evidence is there that the Annual Strategic Review informs the Annual Plan?	• Extent of alignment between issues addressed in each of the documents	• Documents: Agenda for ASR; and Annual Plan	On-going, with an emphasis on the period October to December annually
2.	How effective are processes used to align program priority fields with DFAT's country strategy and with SIG priorities?	• Level of alignment of sectors and disciplines	• Published documents about Program • DFAT and SIG Policy documents • (Alumni) Review Workshops	On-going, with particular focus at PSC & ASR meetings
3.	How successful are services directed at agreed target groups (women, provincial, disabled) and are they appropriate to those groups' needs and planned participation?	• Percentage of applications from agreed target group representatives • Gender disaggregation data	• Application data from OASIS	At reviews of previous application / selection cycle; usually in the period June – August
4.	To what extent do the Inclusion Strategy and Annual Plan align with DFAT global, regional and national priorities?	• Extent to which the (SI-relevant) key issues identified in DFAT policy documents are included as priorities within Program plans	• Program planning documents' • DFAT policy documents	On-going
5.	Does the Theory of Change (ToC) continue to reflect program goals, objectives, outcomes and outputs?	• Periodic reviews of ToC	• Theory of Change document	On-going, with particular focus at pre-Annual Plan development stage
6.	Does the MEF provide an effective strategic and operational framework for monitoring and evaluating program activities and progress?	• Quality of data obtained from MEF processes, and level of correlation with Program reporting needs	• MEF • Other Program planning and review documents • Program database	On-going
Promotion and communication				
7.	Does the program website provide sufficient useful information to enable potential applicants to submit a quality application?	▪ Website accessibility and "user-friendly" levels ▪ Website design and attractiveness ▪ Currency of data on website ▪ Proportion of eligible / valid applications	▪ Observation and website "hits" /usage reports ▪ Independent feedback requests to website users	Constantly, throughout Program cycle
8.	What does the website user / hit data show us about interest levels (if possible, disaggregated by sector, gender, location, etc.)?	▪ Nature of questions / inquiries submitted to web-manager to identify key areas of interest	▪ Website hit data (disaggregated if possible) ▪ Frequently Asked Questions (FAQ)	On-going; ensure regular updating during application period Feb-May

M&E Question	Indicators	Data sources	Schedule
9. How can program promotion and information strategies encourage quality applications from eligible applicants?	▪ Quality / relevance / eligibility of applications	▪ Application data from OASIS ▪ Survey of unsuccessful, ineligible and incomplete applicants	On-going, with key action period Dec-Jan annually
10. Do information sessions conducted meet the needs of participants?	▪ Information sessions participation rates ▪ Percentage of information session participants who follow through with a completed application	▪ Exit surveys at Information sessions	February-March annually
11. How do meetings with SIG agencies (NTC +) support the submission of quality applications which align with program priority fields of study?	▪ Quality / relevance of discussions at meetings	▪ Comparison of applications submitted – by agency and/or by technical sector	On-going
12. How has targeting promoted gender equality, disability inclusion or other relevant cross cutting issues?	▪ Proportion of applicants who identify from identified "target" groups	▪ Application data - disaggregated	On-going, with emphasis in the Jan-May period annually
13. How can the barriers that may have made it difficult to reach certain target groups be reduced?	▪ Increased proportion of applications from "target" groups	▪ Application data from OASIS ▪ Surveys of successful, unsuccessful, ineligible and incomplete applicants ▪ Discussions at PSC and ASR	On-going
14. What were the most / least effective means of promotion, and why were these ineffective?	▪ Comparison of user perceptions of promotional strategies	▪ Exit surveys at Information sessions	On-going, with emphasis in the Jan-May period annually
Application management			
15. How many applications are received?	▪ Number of applications received	▪ OASIS data	June, annually
16. How many eligible / valid AAS applications are received?	▪ Number / proportion of eligible applications received	▪ OASIS data	June, annually
17. How many eligible / valid AAPS applications are received?	▪ Number / proportion of eligible applications received	▪ OASIS data	June, annually
18. What is the spread / range of applications across priority fields of study?	▪ Extent of application diversity	▪ OASIS data	On-going with emphasis in June-July period
19. What is the gender/ location / sector / category / workplace breakdown of applications?	▪ Extent of application diversity	▪ OASIS data	On-going with emphasis in June-July period
20. How do the current year's applications compare against previous years' applications (disaggregated by category)?	▪ Number / proportion of eligible / valid applications received – by sector, category, gender, location, etc.	▪ OASIS data	On-going
21. Are there trends in the key reasons applicants applied? (features, opportunities, reputation)	▪ Identification of emerging trends in applications (sectors, locations, disciplines)	▪ OASIS data	On-going

M&E Question	Indicators	Data sources	Schedule
22. Are there any factors which made applicants apply for an Australian Award, rather than for an Australia Award (Pacific), or for another international scholarship?	▪ Number (and perceived quality) of applications for ▪ Australia Award Scholarships and ▪ Australia Awards Pacific Scholarships	▪ Oasis data ▪ Selection panel feedback, post-selection	On-going, with emphasis in June-July annually
Selection process management			
23. How effective is the current system used for eligibility and validity checking?	▪ Accuracy of data recording and use ▪ Person-hours required to record and report application data	▪ Reports from SPBEA ▪ OASIS data ▪ Selection panel feedback survey, post-selection ▪ Individual applications	On-going, with June-July emphasis
24. What evidence is there that valuable feedback processes are provided to unsuccessful applicants	▪ Satisfaction levels with program officers' feedback on their unsuccessful application	▪ Discussions with unsuccessful applicants	July-August
25. Did SPBEA and other staff (including SIG) used to check eligibility and to undertake initial assessments have sufficient training to undertake their role effectively?	▪ Extent of eligibility errors in cross/spot-checking by Program Management personnel - of rejected applications	▪ SPBEA data ▪ OASIS data ▪ Individual applications ▪ Feedback from ineligible and unsuccessful applicants	Annually – and on-going
26. What does the distribution mapping of eligible candidates by gender/ location / sector / category / workplace / for the following year's processes?	▪ Analysis of mapping of *all eligible* applications	▪ Mapping of applications by all identified criteria (scatter or bubble graphing)	June-August, annually
27. Did OASIS and/or the Program MIS provide all necessary data to allow for eligibility (and subsequent) program decisions?	▪ Quality and breadth of OASIS and MIS data used in selection processes	▪ OASIS data ▪ Individual applications	On-going, with emphasis on Dec-July annually
Selecting /deciding			
28. How effective is the current system used for shortlisting candidates?	▪ Accuracy of data recording and use ▪ Person-hours required to record and report application data	▪ OASIS data ▪ SPBEA data ▪ Interview shortlists ▪ Selection panel feedback survey, post-selection	On-going, with June-July emphasis
29. How effective are program processes in arranging for interviews?	▪ Person-hours required to arrange and conduct interviews	▪ Observation ▪ Feedback sessions with Program staff	June-September, annually
30. Were selection panel members sufficiently trained to undertake the selection process?	▪ Extent of comparative scoring between shortlisting and interview (selection) stages ▪ Analysis of cross-checking of successful applications	▪ OASIS data ▪ Selection panel feedback ▪ Feedback from ineligible and unsuccessful applicants	June-July annually – and on-going
31. Did panel members have access to all necessary materials, and sufficient time to familiarise themselves with the applications of all interviewees?	▪ Panel member satisfaction with process ▪ Team leader satisfaction with process	▪ OASIS data ▪ Selection panel feedback, , post-selection	June-July annually – and on-going

M&E Question	Indicators	Data sources	Schedule
32. Have the expectations and interests of the partnership with SIG been met by the interview (selection) process?	▪ Extent of alignment between disciplines / sectors of successful candidates – and agreed Program priority sectors	▪ Finalised OASIS data ▪ ASR agenda and minutes	On-going
33. Did the process allow applicants from traditionally marginalised groups (women, people with disability and provincial applicants) to participate equitably?	▪ Analysis of disaggregated data by cohort	▪ OASIS data ▪ Applications	Initially August, then on-going
34. Was there evidence to show that all interviewees had an appropriate opportunity to present themselves in a positive manner?	▪ Satisfaction levels of interviewees with the interview process	▪ Selection panel feedback	Initially June-July, then on-going
35. Were there contextual reasons (culture, gender, economic, family-related etc.) that made candidates turn down an award? If so, what were they?	▪ Proportion of successful candidates who subsequently withdrew from offer of a place in the AAS or AAPS program	▪ OASIS data ▪ MIS database	July-December
36. How could the panel selection process / make-up be improved?	▪ Consistency and/or expertise of panel members	▪ Selection panel feedback	On-going
Placement and offer management			
37. Were the planned process for seeking institutional placement appropriate, effective and efficient?	▪ Satisfaction by Awardees and receiving universities with processes	▪ Data from annual DFAT Arrival and On-going surveys	Mainly in April, but on-going
38. Did universities respond in a timely manner, and value the inputs by program team members?	▪ Satisfaction by Program staff and individual Awardees with processes	▪ DFAT Arrival and On-going surveys ▪ Program Team review	Mainly in April, but on-going
39. Were sufficient and collaborative efforts made by program team members to identify alternate placements for those proposed awardees unable to secure their first choice?	▪ Satisfaction by individual Awardees with processes	▪ DFAT Arrival and On-going surveys ▪ Analysis of Program MIS database to assess placement timelines	Mainly in April, but on-going
Mobilisation			
40. Did the Pre-departure briefing Program address key issues from DFAT, SIG, and Program management perspectives?	▪ DFAT satisfaction with process ▪ SIG satisfaction with process	▪ Observation ▪ PSC and ASR meetings ▪ Meetings with DFAT	December-January
41. Did the Pre-departure briefing Program meet awardee needs?	▪ Levels of satisfaction with PDB by participants ▪ Levels of satisfaction with PDB by participants' family members	▪ Pre-departure Survey ▪ DFAT on-arrival survey	On-going, with particular focus on Dec-Jan
42. Were mobilisation processes implemented effectively?	▪ Levels of satisfaction expressed by participants ▪ Efficiency of program interactions with receiving universities	▪ Program pre-departure Survey ▪ DFAT on-arrival survey	On-going, focus in January
43. Were there any major challenges faced in mobilising awardees, and how were these managed?	▪ Efficiency of mobilisation processes	▪ Communications from / with awardees ▪ Pre-departure Survey ▪ DFAT on-arrival survey	On-going

M&E Question	Indicators	Data sources	Schedule
44. Was there evidence that particular target groups needed higher levels of training and pre-award preparation?	▪ Effectiveness and overall extent of access to pre-award services	▪ Discussions at PSC and ASR ▪ Communications from / with awardees ▪ Pre-departure Survey ▪ DFAT Arrival survey	On-going
On-award management and support			
45. Were/ are there trends in the experiences of different awardees according to the Program categories?	▪ Perceptions of on-award students	▪ DFAT Arrival survey ▪ DFAT On-going surveys ▪ Review of alumni reintegration plans	On-going, while Awardee is in Australia, and after return to SI
46. Were there key factors which made the awardees' experiences valuable / non-valuable?	▪ Perceptions of on-award students ▪ Perceptions of alumni	▪ DFAT Arrival survey ▪ DFAT On-going surveys ▪ Review of alumni reintegration plans	On-going: on-award and on return
47. Could the pre-departure preparation process be improved to increase the value and quality of the process?	▪ Perceptions of DFAT, SIG ▪ Perceptions of on-award students	▪ DFAT Arrival survey ▪ DFAT On-going surveys ▪ Alumni surveys (periodic)	On-going
48. Are Higher Education Institutions/ Australian and Pacific host organisations meeting their key performance measures?	▪ Perceptions of on-award students ▪ Quality / effectiveness of communications between institutions and Program personnel	▪ Email log of issues ▪ Alumni interviews ▪ Alumni surveys (periodic)	On-going
Reintegration & alumni			
49. What proportion of individual alumni reintegration strategies are "active"?	▪ Percentage of active reintegration plans, by year of return	▪ Alumni reintegration plans ▪ Alumni discussions and surveys ▪ Reintegration Workshops	On-going
50. What type of data from alumni discussions has assisted / can assist in program planning?	▪ Extent of linkages between survey results and program planning decisions	▪ Annual Plan ▪ ASR minutes	On-going
51. Have the DFAT Arrival and On-going Surveys data assisted with planning? How?	▪ Coherence between Program data analysis and results of DFAT surveys	▪ Results of DFAT annual (global) surveys	On-going
52. What does the data from the October 2013 SI Tracer Study show us about reintegration into the Solomon Islands workplace and society?	▪ Longitudinal impact of program – on individual and organisations	▪ Tracer Study results	On-going – from November 2013
53. Has the (2013) Tracer Study data informed program planning?	▪ Relevance of Tracer Study results to subsequent annual planning	▪ Tracer Study results ▪ Annual Plan	On-going from mid-2014
54. Is alumni engagement being undertaken at a meaningful level which assists in meeting program objectives?	▪ Alumni Association membership levels ▪ Range and depth of activities alumni activities (both Alumni Assn *and* individual alumni)	▪ Alumni Association database (in MIS) ▪ Alumni discussions ▪ Reintegration Workshops	On-going

M&E Question	Indicators	Data sources	Schedule
55. Are there any common return to employment / resettlement issues (professional or personal)?	▪ Pre- and Post-Award employment patterns	▪ Association database (in MIS) ▪ Alumni discussions and surveys ▪ Reintegration Workshops ▪ Review Workshops	On-going
56. How have the families of graduates been affected by the awardees' participation on the award?	▪ Pre- and Post-Award employment patterns ▪ Pre- and Post-Award social engagement	▪ Alumni discussions ▪ Reintegration Workshops ▪ Review Workshops	On-going
57. Are alumni contributing to the development of the Solomon Islands in regard to each relevant (Program – ToC) objective? [60]	▪ Range and depth of activities alumni activities (Alumni Assn and individual alumni) ▪ Pre- and Post-Award employment patterns ▪ Pre- and Post-Award social engagement	▪ Alumni discussions and surveys	On-going
58. Are alumni maintaining links with Australia and networking with other awardees?	▪ Number and extent of personal or digital linkages	▪ Alumni discussions and surveys	On-going, particularly within first 12 months after return
59. Have alumni helped to strengthen the capacity of their organisation(s) to contribute to the development of SI?	▪ Type and extent of post-Award employment and voluntary activities	▪ Alumni discussions and surveys	On-going, particularly after first 12 months after return
60. Have there been any unintended negative outcomes of the alumni's participation in the award ?	▪ Type and extent of post-Award employment and activities	▪ Alumni discussions and surveys	On-going
61. What are the factors in the workplace that enable, and what limits, the alumni to apply their skills?	▪ Type and extent of post-Award employment ▪ Frequency (or otherwise) of promotion within employing organisation ▪ Employer's use of graduate's skills	▪ Alumni discussions and surveys ▪ PSC discussions	On-going
62. To what extent is Australia recognised as a partner with Solomon Islands	▪ Knowledge of DFAT's activities in SI – in general, and specifically, the Australia Awards program	▪ PSC and ASR meetings ▪ Media monitoring ▪ Alumni discussions	On-going

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[60]

- *To equip individuals with knowledge and skills in designated priority sectors and fields of study*
- *To reduce skills and knowledge gaps in organisations that are key to achievement of the Australia Solomon Islands Partnership for Development objectives*
- *To develop people-to-people linkages between the Solomon Islands, Australia and the Pacific region*

5.7   Annex 7: Assessment of Risks

This Annex consists of two components: an overview of the Financial Risks assessed, and a Risk Register in the standard format.

5.7.1 Annex: Assessment of PFM Risks

The Assessment of National Systems (ANS) for Solomon Islands identified PFM risks at the national level, and these included links between planning and budgeting processes, and the effectiveness of internal audit in managing internal control risks. In these areas, MEHRD has taken an early initiative to put in place functions to address these risks. An Education Sector PFM assessment conducted in 2012[61] identified a number of other risks in the education sector. The risks, actions taken, and assessment of residual risk is contained in the table below.

The sector PFM review[62] noted that "*the current level of commitment to PFM reform within MEHRD is encouraging, and if sustained over several years, will have a significant impact on the effectiveness of financial management, internal controls and accountability systems*". The table assesses residual risks remaining in the 9 areas of risk documented in the Education Sector PFM review as 'low', with exception of the implementation of the sector PFM Reform Plan, rated as a 'Medium' risk, which needs to be strengthened. TA Provision is made in the ESP2 design to carry forward PFM reform activities, such as in the internal audit, imprest and payment management areas.

Table 33: PFM Risks, Actions taken & Assessment of Residual Risks

Education PFM Risks Identified	Actions Taken To Date	Assessment of Residual Risk
1. Internal control systems are weakened by the 'wantok' system and other informal relationships leading to ongoing (mostly minor) malpractice	Implementation of the Melanesia Directive - all donor-funded expenditure is scrutinised by external 'controllers' in MEHRD and MoF. New Financial Controller and Chief Accountant appointed in late 2010. NZ-funded Audit and Finance Adviser appointed in 2011.	**Low**. Gains from recent institutional strengthening actions, including restructured Finance Division, needs to be consolidated. New FC and Chief Accountant appear to be having a positive impact on improving and enforcing internal controls, but they will need on-going support from the Permanent Secretary, the Audit and Finance Adviser and senior managers in MEHRD and Ministry of Public Service.
2. Need for an approved Sector PFM Reform Plan, to ensure MEHRD PFM Actions are not 'ad hoc' and can be	MEHRD has instituted a PFM Reform Plan. While the Reform Plan is in place, its implementation is not being actively monitored by MEHRD Senior Management Team.	**Medium**. New MEHRD Permanent Secretary & senior staff support probity & PFM reforms. However, there remains a need for ongoing external support to embed MEHRD's PFM Reform Plan, and ensure ongoing MEHRD management attention and

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[61] Assessment of the Education Sector's Public Financial Management Systems, Tony Higgins, April 2012

[62] Section 3.5.1, page 19, Higgins, 2012 op.cit

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Education PFM Risks Identified	Actions Taken To Date	Assessment of Residual Risk
evaluated		active support to PFM improvements.
3.Lack of institutionalisation of Internal Audit and Audit Committee reforms leading to non-enforcement of strengthened internal controls	IA and audit functions have legitimacy and credibility, due to management support, and have had some early success with suspensions and dismissals of some officials. Role of Technical Working Group - Finance expanded in 2012 to include follow up Internal Audit Committee recommendations. Audit & Finance Adviser role agreed to be funded beyond 2014.	**Low**. Audit & Finance Adviser in place. The role of MEHRD Audit & Finance Adviser includes providing ongoing support to the IA function and ensuring the Audit Committee is active. Shift to reimbursable funds and ability to subtract fraudulent transactions (proven or suspected), and recover funds will assist to lower this risk to the Commonwealth.
4. Lack of clarity on role of Permanent Secretaries in enforcing PFM and systems of internal control	Internal Audit function and MEHRD Audit Committee created in 2011. New MEHRD Permanent Secretary confirmed in the role in 2014. While ultimate / formal responsibility for PFM still rests with MoF, the new PS has clearly spoken out on the need to adhere to FI's and financial rules.	**Low.** Legislative backing (in a revised Public Finance & Audit Act) for decentralised IA Units needs to be put in place, if not already enacted. However, MEHRD senior management is already clear on the need to set up, maintain & enforce sound PFM systems.
5. Lack of an independent & transparent MEHRD disciplinary process	MEHRD Human Resource function, supported by an Australian-funded HR Adviser, has implemented a number of disciplinary hearings.	**Low.** The new institutional structure in place (HR function, IA Unit, MEHRD Management Team), enables disciplinary procedures to be effectively carried out.
6. Fungibility of DP budget support funds provides a risk that DP funds are not funding the highest priority outcomes	Education PLA and CEWG policy matrices affirm caps for scholarships spending, and SIG / DP policy dialogue can and does take place on the need to control scholarships and other non-priority spending.	**Low.** The fact that Australian budget support is provided to earmarked MEHRD budget lines, and shift to a reimbursable basis of funding, ensures that Australian funds will only go towards agreed high priority objectives.
7. Lack of regular reporting of outstanding MEHRD imprests to the Executive	The Financial Controller now submits regular reports to the MEHRD Executive on the size and longevity of outstanding imprests	**Low.** Ongoing need to support the FC in financial reporting - part of role of PFM and Audit Adviser.
8. Lack of an Assets Register and Policy on Asset Security	Current FI's require ministries to complete an asset Register by end-2014. Newly-created MEHRD Asset Management Unit is tasked with drawing up an Assets Register by date required.	**Low.** TA may be provided to assist with completion of the Assets Register / Policy if needed.
9. Insufficient	The Office of the Auditor General	**Low.** Australian funding to MEHRD is

Education PFM Risks Identified	Actions Taken To Date	Assessment of Residual Risk
resources to Auditor-General's Office results in insufficient annual testing of internal controls & risk of audit findings not being made public	has benefitted from significant DP support, including from RAMSI, and has a professional training program. The OAG is operating under a 2010-2015 Strategic Plan. However, Parliament does not sit regularly so the opportunity to submit Audit Reports and have them scrutinised is limited.	subject to scrutiny by an independent external auditor, so little risk of ineffective external audit. Low likelihood of public debate on education funding needs to be addressed by broader governance reforms / programmes e.g. to strengthen the role of Parliament and the PAC.

RISK REGISTER: Honiara Post

Risk Owner: Jane Bastin-Sikimeti

Date of Last Review: December 2014	Date of Next Review: March 2015
Do any risks need to be escalated? *(List the Risk No/s.) N/A*	To whom are they being escalated?
Are any risks being de-escalated? N/A	To whom are they being de-escalated?

Risk Ratings and Treatments Approved by: Kirsten Hawke, Counsellor Service Delivery

Risk No.	Risk (what will prevent you achieving the objective/s?)	Existing Controls (what's currently in place?)	Risk rating with existing controls in place			Is risk rating acceptable? Y/N	Proposed Treatments (If no further treatment required or available, please explain why)	Person Responsible for Implementing Treatment/s	Implementation Date for Proposed Treatment/s	Target rating when Proposed Treatments are in place		
			Consequence (refer to matrix)	Likelihood (refer to matrix)	Risk Rating (refer to matrix)					Consequence	Likelihood	Risk Rating

| 1 | Solomon Islands Government (SIG) political context leads to negative changes in its priorities and consequently a loss of program momentum.

(Change in leadership such as Minister or PS leads to a change in policies and loss of a shared agenda) | - High level political dialogue during Ministers/Parliamentary Secretaries visits.
 - Post engagement to reinforce political commitments including through Annual High Level Consultations (HLCs) and routine meetings by the High Commissioner and Minister Counsellor.
 - Sectoral engagement to influence departmental priorities and budgets through: Performance Assessment Frameworks (PAFs), performance linked aid (PLA), Annual Independent Assessments
- CEWG Matrix
- Joint Education Review (6 monthly) | major | likely | high | Yes | - Brief and support incoming MPs and PSs to build understanding and buy in of Australia's/SIG joint program objectives - including on Aid Investment Plan (AIP) mutual accountabilities.
 - Strengthen use of performance benchmarks, performance linked aid and incentives through change in program direction under AIP (eg CEWG, new transport performance linked aid (PLA)).
 - Further consider the use of non-SIG partners across programs as appropriate to diversify modalities and risk.
 - Invest in mentoring and leadership programs for permanent secretary and under-secretary cadre (using Pacific Leadership Program, Institute of Public Administration and Management etc).
- Education Act to be passed
- Scholarships Policy and Procedures to be approved by Cabinet | Counsellor, Education; First Sec Education | Dec-15 | major | likely | high |

| 2 | Post cannot mitigate the risk of fraud in aid program and another large fraud occurs. | - Dedicated fraud officer at Post. - Use technical advisors employed within SIG in key procurement, financial management/reporting, and audit areas to monitor transactions and improve systems. - Engage Canberra specialists to support post to regularly monitor and improve internal systems, monitor risks and train staff. This will include missions to post (eg annual fraud mission). - SPBEA shortlists scholarships for independence and transparency. Final decisions rest with DFAT A-based staff | major | possible | high | Yes | - Transition to making payments on a reimbursable basis in education sectors to reduce financial risks. - Conduct updated Assessment of National Systems in 2015. - Revise No Objection Letter process. - Seek observer status on the Ministerial Tenders Board and Central Tenders Board for procurements involving donor funds.
 - New funding agreements to allow deduction of funds if fraud occurs and to avoid funding for portable and attractive items (where risk of fraud is high).
 - Introduction of MEHRD asset and fleet management plans
 - New SIG PFM Action Plan
 - changes to program management including clarity of TA roles, regular audit committee meetings and diversification of modalities.
 - Develop and implement new SIG School Grants Reform Action Plan | Counsellor, Education and First Sec Education | Dec-15 | major | possible | high |
| 3 | Australia's aid program fails to achieve its stated objectives.

 (Broad program focus; limited capacity of implementing partners; difficult operating environment; program is not responsive enough to needed change; limited/ ineffective monitoring and evaluation (M&E) in place to track performance) | - Quarterly cash management reporting and SIG monthly financial reporting to ensure budgets are being expended. - Shortlisting of scholarships managed by SPBEA and final selection done in-house.
 - Technical assistance in SIG to build capacity in Budgets and Public Financial Management (PFM) (procurement, compliance, internal audit) to improve service delivery in sector programs.
 - Actively using sectoral performance mechanisms including PAFs, PLA and annual independent performance assessments to maintain focus on achieving agreed results.
 - Drawdown of cash balances
 - Reform of SIG scholarship policy | major | possible | high | Yes | - Implement new Education design based on analytical preparatory work done during 2014.
 - Improved planning and infrastructure management.
 - Contracting TA planner to assist with new NEAP 2016-2018, and operational planning
 - Outsourcing management of scholarships and skills to enable DFAT staff to focus on program monitoring
 - broadening partnership under skills beyond SINU
 - Continue effective use of CEWG and PLA
 - Support new scholarships policies and procedures, currently before Cabinet, SIMS database
 - Infrastructure outsourcing to support field monitoring and delivery
 - New School Grants reform action plan | Counsellor, Education and First Sec Education | Dec-15 | moderate | possible | possible |

4	Occurrence of humanitarian crisis or natural disaster shifts focus of SIG, High Commission and partners, diverting staff and funds and so compromising program results.	- DFAT staff from Canberra deployed to supplement Post staff. - Australian Civilian Corps (ACC) deployed to augment sectoral capacity. - Flexibility across program to reallocate funding to disaster related activities. - Up-to-date procurement plan that reprioritises emergency works and recovery	major	possible	high	Yes	- Continue ability to respond flexibly to changing circumstances, including use of TA in budget, procurement, infrastructure - Contract architectural firm to do structural damage assessments	HOM, MC, SAO, Counsellor - Humanitarian and SIPF. Skills Managing Contractor.	Dec-15	major	possible	high
5	The security environment in Solomon Islands deteriorates. (disruptions to service delivery, destruction of infrastructure, breakdown in law and order, risks to the safety of program staff including advisors and volunteers, security of offices, homes, assets and information). - Industrial or protest action by teachers and/or students	- SIPF engages security expert to ensure appropriate residential security is maintained. - Managing contractors have security experts to ensure adviser and volunteer safety posture remains appropriate to risk through regular assessments, issuing of alerts as appropriate and training.	major	possible	high	Yes	Scholarships reform to improve administration, merit based selection and allowances. - Improved teacher workforce including int'l and local TA to focus on payroll and allowances and FTE.	MC, Counsellor - Humanitarian, SIPF, Skills managing contractor, Counsellor Education.	Dec-17	major	possible	high
6	Child Protection - An adolescent trainee is abused while participating in the skills program - a school age child is abused during school visits to promote scholarships program -a child is abused during shcool hours or on school grounds	MEHRD policies on gender, child protection - teachers handbook - MPS Code of conduct - MPS and teachers Services Commission disciplinary measures	major	possible	high	Yes	• Managing contractors for Skills and Scholarshps have, and implement, a DFAT compliant Child Protection Policy • Child Protection issues are covered in Trainer the Trainer activities at SINU and RTCs. - Educate MHRD where possible on child protection policies and work with the Justice Program to support prosecution of the perpetrator.	Counsellor, Education and First Sec Education, Skills managing contractor	Dec-15	major	likely	high

Separate supplementary risk matrices have been provided in the component designs for the Skills for Economic Growth and Scholarships aspects (see Annex 8 and Annex 9).

5.8   Annex 8: Skills for Economic Growth Component-Design Document

See separate document.

5.9   Annex 9: SI Australia Awards Program Component-Design Document

See separate document

5.10 Annex 10: International Support for the Education Sector Outside the SWAp

Table 34: Donor supported programs in Solomon Islands

Donor	Program	Location	Time Frame	Amount
Asian Development Bank	Information and Communication Technology for Better Education Services	Honiara, Auki, Gizo	2014 - 2016	($500,000)
Australian Volunteers International	Individual TA on an as needed basis	As needed	Ongoing	
European Union	Programme for the Integration of **Technical, Vocational Education and Training** (TVET) into the Formal and Non-Formal Education System	Country-wide	2008 - 2013	€ 8.2 million
Save the Children	Emergency assistance e.g. dafter recent floods		Ongoing	
UNESCO	PD programme for teachers who haven't been trained for 10 – 20 years		No longer active	
UNICEF (entire funding through UNICEF)	Support to review of Early Childhood Education Policy	Technical Assistance to support review of ECE Policy		USD 5,000
UNICEF	Development of C4D tools for parenting	To support development of C4D materials to enable parents to do encourage reading at home (Technical assistance Direct Cash Transfers for Survey, training, travel, DSA)		USD 85,000
UNICEF	KAP study for early learning and developmentally appropriate practices of families for 0-5	Conduct study on knowledge, attitude and practices, to inform developmentally appropriate practices on		USD 60,000

124		ECD (Technical assistance , Direct Cash transfers for travels, training and DSA) *Three wards in Guadalcanal Province*		
UNICEF	Development of school-based self-learning module for primary school teachers in Guadalcanal province	Development of self-learning module for early grade teachers of selected schools Guadalcanal province(Technical assistance Travel, Direct Cash Transfers, Supply)	USD 71,000	
UNICEF	Conduct baseline on teacher-classroom interaction	Conduct baseline on teachers – classroom interaction in selected schools in Guadalcanal province (Technical assistance Direct Cash Transfers)	USD 60,000	
World Bank	Rural Development Program	Increase access to and use of services in rural areas	2007-2017	USD 28.4m
World Vision (funded through New Zealand Aid's Sustainable Development Fund (SDF)	Operationalize solar panels in 5 primary schools in Choiseul Provinces.	Institutional contract Direct Payment	USD 371,000	
World Vision (funded through WVA and ANCP)	Seghe school reconstruction	Rehabilitation of Seghe primary school 3 classroom block (Direct payment)	USD 53,899	

		Western Province		
World Vision (funded through WVA and ANCP)	Adult Literacy and Literacy and economic development Numeracy in support of establishing small businesses Livelihoods Project	Makira	July 2012 – Sept 2016	
World Vision **Funded through New Zealand Aid's Sustainable Development Fund (SDF) and WVNZ**	ECE	East Malaita 750 children in 15 communities	4 year project	
World Vision **WVA ABCP**	ECE	Temotu		
World Vision (funded through MEHRD)	ECE	Weathercoast	Jan 2012 – Dec 2015	

5.11 Annex 11: Literacy Pilot in Central and Choiseul Provinces

The focus of the National Education Action Plan is on "improved effectiveness of teachers and teaching and improved quality of learning". Four key strategies that guide implementation are:

(i) strengthening school, Education Authority and Provincial Government planning and management,

(ii) ensuring professional development of teachers through school-based support and regular school supervision,

(iii) strengthening partnerships and collaboration with service providers, and

(iv) improved data recording and use.

Australia's Pacific Education and Skills Agenda (PESDA) that guides its investment priorities in the education sector in all partner countries of the Pacific has three key investment targets for 2021. One of these targets is the foundational "*increase in the percentage of 4th graders in the Pacific able to read to national standards, ensuring a strong foundation on which they can build other skills.*" Australia will use system results from national assessments of literacy and numeracy at year 4 in countries in which it supports education to provide data on the impact of investments in the pre-primary and primary school subsector. The Ministry of Education and Human Resources (MEHRD) is tracking changes at this level for its own NEAP outcome purposes. It also reports to the Pacific Forum's *Pacific Education Development Framework* on achievements in early grade literacy.

Under the sector program Australia has provided technical assistance to MEHRD to strengthen the technical quality of the Solomon Islands Standardised Tests of Achievement (SISTA) of achievement of curriculum objectives in literacy and numeracy at years 4 and 6. As a result a modified test was used for the national assessments administered in October, 2013. Reports available in February 2014 provide detailed information on what *children are able to do, what test items they tried but answered incorrectly, and what test items they were unable to answer* relative to the curriculum objectives at year 4.

Table 35 below shows results from the 2013 SISTA administration[63]. The figures given represent the percentage of children who achieved results equivalent to the minimum curriculum standard or higher. That is Level3+ on a scale of 0-5. In line with best practice internationally, the 2013 results from the English paper have been disaggregated into separate results for the reading and writing tests in the English paper. National results are shown in below and results for Central Province and Choiseul Province are show in Table 36 along with the range of results across all provinces. It should be noted that results for Honiara were much higher than all other nine provinces on all components tested.

In highly developed school systems (e.g. Australia) it is expected that about 80% of children at year 4 could meet the minimum curriculum standard. The complexities of the teaching and learning context, especially the language context, in countries such as the Solomon Islands, provide considerable challenges to attaining that level across a national system. And, as indicated by the wide margin of 'success' for children attending schools in Honiara compared to children at schools in the other nine provinces, there are issues of equitable distribution of education resources across the provinces (that is: trained teachers, proficient in English

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[63] The SISTA is administered as two papers: and English paper and a Mathematics paper. The English paper has items that test knowledge of English language, reading comprehension, writing skills. Both the English and Mathematics papers are in English.

language, with skills and materials to teach in bilingual/multilingual classrooms) that need to be addressed.

Table 35: National results of literacy and numeracy assessments at year 4, 2013

Class/subject		2013 % at L3+
Year 4	**Literacy (Reading, language)**	64.5
	Writing	16.0
	Numeracy	65.5

Table 36: Central and Choiseul Provinces – % year 4 at L3+

	Central	Choiseul	Range (nationally)
Year 4 Literacy (Reading, language)	56.0	61.7	50.0 (low), 93.4(high)
Writing	3.0	6.4	3.0(low), 46.1(high)
Numeracy	56.5	65.0	55.9 (low), 78.5(high)

initiative Description

The province-based research and development ***Literacy Initiative[64]*** is one of several MEHRD initiatives in a sector strategy for improving school literacy outcomes and developing a sound school literacy policy framework. All these activities fall within the current objectives of the NEAP 2013-2015 and are expected to continue to form a core part of the next education sector planning cycle.

Goals

The key goal of the Province-Based Literacy Initiative is to use innovative contextualised approaches based on the realities of provincial classrooms which will lead to improvements in teaching and learning particularly in the areas of early literacy and numeracy.

Outcomes

There are three main outcomes expected from the Province-based Literacy Research and Development Initiative: it is expected that:

(i) more students at year 4 in the initial set of schools in the initiative will be able to meet the minimum curriculum standard in reading and writing and mathematics as measured by the SISTA 2017;

(ii) teachers and their professional leaders will be better able to plan lessons that reflect the needs of children in acquiring basic literacy and numeracy skills in English across the early grades, in environments of low exposure to the language; and,

(iii) MEHRD will have costed options for an affordable (technical and financial) provincial system of school and cluster based professional learning for teachers in dispersed school communities.

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[64] The design of the Literacy initiative has resulted from dialogue with Development Partners over the past twelve months or more, and prior review by the MEHRD Literacy Working Group and comments received on an initial concept note. The design also reflects other activities that Australia has been supporting in the sector program such as work on improving the design, reporting and use of data from national assessments of literacy and numeracy.

This ***pilot aims to develop the language skills of children in the early grades*** of primary school so that by Standard 4 there will be an increase in achievements in writing, reading and number work as measured by the national assessments of achievement in literacy and numeracy (SISTA) that are administered in English. Additionally, the test of early literacy to be developed under NESU will be used to not only to measure progress at the lower grades but to provide a diagnostic feedback loop into initiative activities to indicate where remediation is necessary.

The pilot recognises the language environment in which children learn and will benefit from experience of other literacy Initiatives MEHRD is conducting under the sector program, especially the vernacular literacy project and the Education Authority proposal-based funding initiatives for literacy development.

A system aim of the pilot is to assess institutional (budgetary and technical) requirements at the provincial education authority level to provide professional support to teachers in their schools. The aim is to increase student learning outcomes by improving education service delivery to schools in remote environments.

MEHRD has identified two provinces for the research and development pilot program: Central and Choiseul Provinces[65]. These have been selected on the basis of low performance of students on national assessments of literacy and numeracy at year 4 (that is, Standard 4)[66].

In each province, a cluster of five primary schools[67] of relative accessibility have been selected, and agreed with Provincial Education Authorities (PEA), to pilot a teacher-mentoring, school cluster professional support program. The program of teacher support will focus on developing the language and literacy learning needs of children in the early grades. It will be embedded in a whole-school approach and strengthening of the professional leadership role of the head teacher. Interventions will be based on the realities of the provincial classrooms and informed by studies of teacher behaviour and language use.

The number of school clusters participating in the pilot program will be expanded in each province over the period of the program, and based on progress and review monitoring. Priority will be given to other schools identified as being in greatest need of support for language and literacy development in English.

Full-time 'teacher-mentors' will be appointed in each province to support teaching and learning in classrooms of the five schools. The teacher-mentors will be selected on the basis of the following criteria: from the province (that is familiar with the language and culture context of school communities), a minimum of 10 years primary teaching experience, qualified to the minimum standard and evidence of professional leadership, a high level of English language competence, able to work collegially and to learn from others, and willingness to travel regularly. These teacher mentors will be supported by Provincial Team Leaders based in the PEO office. Technical assistance will be offered by the Language in Education / English Language Specialist.

The approach aims to support the professional learning of teachers so that they can help all children in their class learn to the best of their abilities. It will include the following features:

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[65] Central has 41 primary schools in total, Choiseul has x primary schools

[66] See Yr4 literacy, numeracy achievement data attached. Annex 1.

[67] Annex 2 provides school data from a rapid assessment of schools November 2013, in Central Province; and in Choiseul Province, March 2014.

(i) learning from what is currently happening in classrooms now in terms of teacher interactions with pupils in support of learning and teacher language use,

(ii) ensuring that the teacher and children have sufficient resources to deliver the curriculum in terms of the required teaching-learning materials distributed by the curriculum unit, and adequate supply of stationery accessed from the school grant;

(iii) regular visits from a teacher-mentor who will work hand-in-hand with the teacher in the classroom over an intensive period, on a regular basis for at least two terms;

(iv) regular cluster-based teacher meetings to be held at each participating school in rotation as part of the shared professional learning and preparation of lesson activities, and

(v) head-teacher professional leadership for head teachers and local MEHRD primary school inspectors through participation in the teacher-mentor training and hosting of school cluster meeting.

The initiative has been designed around a research and development model testing a new approach (in the Solomon Islands context) to providing classroom based support to teachers. The initial phase prior to the start of the school year 2014 – 2015 will be used to train key personnel and collect information about teacher practice and language use to feed into the design of the school-based support from School Year 2015 onwards. This will provide a peer teacher, teacher mentoring program aimed at a problem solving approach to improving teaching and learning in the early grades for literacy development. Measures of learning outcomes would be tracked through the newly developed early grade assessment of reading as well as through SISTA results.

A detailed implementation plan for the first two years of the teacher-mentoring, school cluster model in each of the two provinces (Central province and Choiseul Province) will be finalised for approval by the Literacy Programme Management Unit. The following overarching principles will be taken into account:

- The approach will be grounded in the realities of what is currently occurring in the provincial classrooms both in terms of existing teacher behaviours and use of languages to support learning.
- The approach will be context-specific. Cluster-based workshops will be used wherever possible. However, where geographically this is not feasible, school-based workshops involving the school director will be used. Workshops may be based around preparation of lessons, discussion of challenges faced or be in a more structured format based on materials prepared by the Language in education / ESL specialist.
- Approaches to the development of the language skills of teachers will consider a range of options including school and cluster-based support groups, peer and mentor teaching as well as self-study.
- The approach to mentoring will be context-specific building on lessons learned from the use of mentors in the initial training of teachers (TiT) programme as well as other mentoring initiatives in the region to ensure that the methods are culturally appropriate.
- There will be a focus on school-based cluster professional development.
- The use of English language for learning school subjects as well as for communication including speaking.

- Transition from local languages to standard English will be explicitly addressed including the role of local languages in initial literacy and integration of content and language instruction.
- The approach to the development of language and literacy in children will be based on best practices in scaffolding language development and making the transition from home language to the language of instruction.

The Province-based Literacy Research and Development initiative will be positioned in the proposed *Literacy Programme Management Unit. MEHRD* and will benefit from shared learning across a number of MEHRD initiatives to implement a schools literacy strategy and support further development of the School Literacy Policy framework. The mentors will be supported by two provincially-based team leaders and technical support to the programme will be provided through the Language in Education / ESL specialist

A memorandum of understanding between *MEHRD and the two participating Provincial Governments* will be agreed. It will set out the framework for engagement in the pilot. It is expected that the provincial government would agree to provide accommodation for the teacher-mentors and office space at the provincial education office. Australia will fund operational costs of the implementation unit and the teacher-mentors and technical team leader in the provinces.

It is also expected that the *School Management* of the participating primary schools would agree with the Provincial Government/Provincial Education Authority to provide accommodation and food for the teacher-mentors during their school visits, and agree to provide lunch on occasions when the school is hosting the teacher-school cluster meeting.

The pilot design also provides for:

a. Clear baseline data for the intervention schools, to assess performance change over time
b. Comparison schools within the intervention provinces.
c. Comparison of statistical data within and across provinces, to identify any changes to the intervention schools, and intervention provinces more generally – to identify any spill-over effects drawing on both EMIS and SISTA

Costs and financing Australia will provide funds for a block grant to the Provincial Education Authorities for implementation of the school-based teacher professional support activities first two years, initially. This would cover costs of staff (technical team leader and the four teacher mentors in the province), their travel for school and cluster based programs, and operational costs for training workshops, and office equipment at the PEO. Australia will fund technical support of the international Language in Education / English Language Specialist contract; for NESU capacity.

Solomon Islands Education Sector
Statement of Partnership Principles between Solomon Islands
Government and Development Partners
Updated October 2012

1.   Background

The Solomon Islands Government Ministry of Education and Human Resources Development (MEHRD) has formulated both a Vision and a Mission Statement, and key goals for the sector:

Vision Statement

"Our vision is that all Solomon Islanders will develop as individuals and possess knowledge, skills and attitudes needed to earn a living and to live in harmony with others and their environment. We envisage a united and progressive society in which all can live in peace and harmony with fair and equitable opportunities for a better life. We envision an education and training system that is responsive to its clients and efficiently managed by its stakeholders."

Mission statement

"To promote, develop and facilitate Education and Human Resource needs of the country within the framework of the government policies and priorities", including medium to long-term Education Sector Frameworks (ESF) and three-year National Education Action Plans (NEAPs).

Key Goals
- **Strategic Goal 1:** to provide equitable access to quality basic education (up to Form 3) for all children in the Solomon Islands
- **Strategic Goal 2:** to provide access to community, technical, vocational and tertiary education that will meet individual, regional and national needs for a knowledgeable, skilled, competent, and complete people; and
- **Strategic Goal 3:** to manage resources in an efficient, effective and transparent manner

These statements above and goals provide development partners with an overall framework for their support for education in Solomon Islands.

2.   Education Sector Investment and Reform

The first phase of the Education Sector Wide Approach (SWAp) was developed in 2004 by MEHRD, the New Zealand Agency of International Development (NZAID)

and the European Commission (EC) to implement the Education Strategic Plan (ESP) 2004 - 2006.

That initial support was provided under the Education Sector Investment and Reform Programme I (ESIRPI). It provided the framework for the governance, implementation, monitoring and review of the sector-wide approach to education, and described the broad nature of Solomon Islands Government (SIG), EC and NZAID inputs for the implementation of the ESP 2004 - 2006. SIG, EC and NZAID signed a Memorandum of Understanding (MOU) for the period 2004-2006 to cement in writing the shared understandings, terms and conditions of ESIRP I.

The ESP and the ESIRP I expired at the end of 2006 and were replaced by ESIRP phase II, covering the period 2007-2009, based on the newly developed ESF 2007 – 2015, and National Education Action Plan (NEAP) 2007– 2009.

There are several other Development Partners who play a valued role in the education sector. During the period of the NEAP 2007-2009, SIG and Development Partners consented to deepening and widening the engagement of all active development partners in the sector-wide programme. This has been achieved through establishing an education sector donor coordination group (now called the Education Development Partners Coordination Group (EDPCG), and the development of this document, to which any development partner working in the education sector in Solomon Islands is encouraged to sign, to demonstrate support for shared working principles and objectives.

3.   Purpose of this Statement

This statement outlines the principles which SIG and Development Partners (and other partners[68]) jointly accept to follow in their engagement in the education sector in Solomon Islands. It reaffirms the Development Partners' commitments to the Paris Declaration on Aid Effectiveness (2005) as well as the Pacific Principles on Aid Effectiveness (2006) and the Accra Agenda for Action (2008). The statement presents a shared intention between Solomon Islands Government and Development Partners. It is not a legally binding document.

4.   Principles of Partnership

1. SIG and Development Partners jointly decide to make all reasonable efforts to support and facilitate MEHRD in its successful implementation of the ESF and the NEAP, and are committed to long term engagement in the education sector.

2. Development Partners will encourage other stakeholders to accept this Statement of Principles in support of the ESF and the NEAP, and to contribute to the development of the education sector.

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[68] 'Other partners' may include civil society, churches, NGOs, regional organizations and initiatives, and other non-donor organizations working within the sector programme approach in Solomon Islands

3. The partnership between Development Partners and MEHRD will be based on and developed by annual joint reviews and lessons learnt from education SWAps practices in the region and elsewhere.

4. MEHRD and Development Partners will follow the five Principles of Paris Declaration of Aid Effectiveness, namely :

   ### a) Country ownership and leadership of development policy

   i. MEHRD will provide clear leadership and guidance of the development of the education sector.
   ii. Development Partners will support MEHRD in education sector policy development and implementation.
   iii. Development Partners will assist and encourage MEHRD to develop its capacity for leadership, both of the sector and the Development Partners' contributions.
   iv. SIG and Development Partners will work to increase the predictability of funding to the sector and will provide each other with timely and adequate information on planned sector contributions, thereby minimising year-to-year fluctuations.

   ### b) Alignment with national development strategies

   i. MEHRD will update national development plans for the education sector as necessary, in consultation with Development Partners and other stakeholders.
   ii. Development Partners will move towards ensuring that all financial and technical contributions to the education sector are based on consultation with or are in response to requests from MEHRD and are in line with the Medium Term Development Strategy and associated documents, the ESF and the NEAP.
   iii. Development Partners will ensure that technical assistance or advice is complementary to, and supportive of, the development of national expertise.
   iv. Development Partners will use existing SIG systems for financial management, procurement, auditing and accounting wherever appropriate and possible.
   v. MEHRD will improve its management and financial systems in line with internationally accepted standards, with support from Development Partners, and will provide regular and adequate reporting.

   ### c) Harmonisation among Development Partners

   i. MEHRD and Development Partners will work within the new Governance Structure (refer Annex 2) to support implementation of the education sector programme.
   ii. Development Partners will participate in the EDPCG, established as a platform to discuss key issues for feedback to MEHRD, settling any disputes within the group.
   iii. MEHRD and Development Partners will respect the role and responsibilities of the Coordinating Development Partner for the sector, while acknowledging the specific areas of expertise of individual Development Partners.

iv. Development Partners will minimise individual calls on Ministry officials' time, making any proposals for new initiatives, studies, reviews and evaluations through the processes of discussion and communication of the EDPCG.

v. Development Partners will attempt to align their agencies monitoring and reporting requirements with the framework used by MEHRD.

d) Managing for results

i. MEHRD and Development Partners will take a long-term approach to achieving outcomes in the education sector, recognising the need for progressive improvement.

ii. MEHRD will continue development of the NEAP and the Performance Assessment Framework (PAF) to ensure realistic targets and measurable indicators exist, and that there is a comprehensive results reporting framework in the education sector.

iii. MEHRD and Development Partners will increasingly use the PAF as the key mechanism for monitoring and reporting on results.

iv. MEHRD and Development Partners may supplement monitoring via the PAF with periodic evaluations and reviews where appropriate, in consultation with each other.

e) Mutual accountability for development results

i. MEHRD and Development Partners will participate in governance meetings, and where possible aim to carry out joint appraisal, analysis, monitoring, reporting and evaluation of the Sector Wide Education Sector programme to minimise work load for the Ministry and increase quality by collecting views and reactions from all Development Partners.

ii. Development Partners will participate in stakeholder consultations held by MEHRD on sector issues.

iii. Development Partners and MEHRD will provide each other with all reports on funding and technical contributions to the maximum extent in a timely manner, and be transparent and accountable in their intended support.

This statement includes two Annexures:

1. Education Sector Coordinating Development Partner Role and Responsibilities.
2. Outline of Education Sector Governance, Management and Communication Structure.

Annexure I   Coordinating Development Partner Role and Functions

The Solomon Islands Education Sector-wide programme is led and managed by the Solomon Islands Ministry of Education and Human Resource Development (MEHRD). MEHRD takes responsibility for leading the coordination and direction of Development Partners engaged in the education sector. The Development Partners, represented in the Education Development Partners Coordination Group, decided to have a Coordinating Development Partner, as outlined below:

The **Education Development Partners Coordination Group (EDPCG)** provides a mechanism for the coordination and harmonisation of Development Partner support to the education sector, facilitating interaction with MEHRD and assisting MEHRD in its coordination of Development Partners. Additionally it is a forum for policy dialogue, information sharing and discussion on issues of aid effectiveness in the education sector.

The purpose of the **Coordinating Development Partner (CDP)** is to serve as a focal point for communications between MEHRD and the EDPCG, and to facilitate information sharing and collaboration amongst DPs, and between DPs and MEHRD. The CDP acts only as directed by MEHRD and the EDPCG, and all actions taken are to be fully consulted with the relevant party first. On behalf of the EDPCG, the CDP can take initiatives to meet with MEHRD without explicit direction from the MEHRD, in particular in special and urgent cases. The role of CDP does not preclude independent relationships between DPs and MEHRD.

The core functions of the Coordinating Development Partner are as follows:

Communication and coordination

- Act as a key channel for information – between the EDPCG and MEHRD, and among the EDPCG members themselves, including consultation on policy and strategic planning, requests/supply of technical assistance and the planning of donor missions.

- Support MEHRD's leadership in its relationships with development partners.

- Coordinate and collate responses and feedback to MEHRD communications, including requests, reports, ToRs etc, on behalf of the EDPCG, following full consultation with the EDPCG members.

- Report to MEHRD when required on behalf of EDPCG (eg at Education Sector Coordination and Review Committee) following consultation with the EDPCG.

- Assist MEHRD in its management and coordination of technical assistance provided by DPs to the sector programme.

Meetings

- Coordinate attendance by representatives of the EDPCG at all key meetings with MEHRD.

- Manage the effectiveness and reporting of the monthly EDPCG meetings, including establishing a calendar of meetings, an agenda for each and producing minutes for members and MEHRD.

- Arrange additional or more frequent meetings as necessary or when requested by members or by MEHRD.

- Endeavour to include representatives of agencies not based in Solomon Islands in the meetings, through teleconferencing or similar means.

- Raise sector/strategic issues for discussion in the EDPCG, in relation to key policy areas, such as tertiary education, financing etc.

- Attempt to resolve any EDPCG disputes amicably.

- Report members' views accurately and fully.

Liaison

- Assist MEHRD in liaison and information sharing with other key partners, stakeholders and relevant bodies, and encourage new development partners to join the EDPCG.

- Where appropriate, refer issues to other relevant networks or processes, and keep MEHRD informed of issues/events from other relevant networks, initiatives and processes.

The CDP role and its core functions will be reviewed on an annual basis by the Education Sector Governance Committee.

The EDPCG will decide the representation by Development Partners that will be proposed to take part in the ESGC.

Rotation of the CDP role will be made in two steps each year. Beginning with nomination by the EDPCG in the April meeting, the nomination will then be submitted to the Permanent Secretary of Ministry of Education and Human Resources Development for approval. The PS will submit the approved nomination to the ESGC for endorsement at the annual meeting in May.

Annexure 2 Outline of Education Sector Governance, Management and Communication Structure

The following describes the key governance, management and formal communication structures for the Solomon Islands education sector, which members of the EDPCG will make use of in line with commitments to principles of alignment, harmonisation and national ownership.

These build on existing structures and compliment the formal legal bodies of the Solomon Islands education system such as the National Education Board.

Together the Education Sector Coordinating Committee, Education Sector Governance Committee, Technical Working Groups and Education Development Partners Group are designed to provide institutionalised and inclusive mechanisms for appropriate and effective participation of all key stakeholders in education sector planning, monitoring, information sharing and decision making.

They sit alongside the other internal management bodies of the Ministry of Education and Human Resource Development (MEHRD) that are designed to ensure efficient, effective management of the MEHRD and strategic direction of the sector in line with Government policy and planning.

Education Sector Coordination Committee (ESCC)

Purpose:	Provides an opportunity for two-way communication and learning between MEHRD and key education stakeholders on progress and achievements in the education sector, emerging issues and developments, and future plans.
Content:	Performance Assessment Framework (PAF) report Semi-annual reporting against annual work plan, NEAP and PEAP's Budget and work plans for coming year (planning of in May, presentation of in November) Public Report Card (or similar community-driven monitoring mechanisms as/when developed) Technical Working Group (TWG) reports as appropriate MEHRD Expenditure report Development Partner updates Presentations and discussions on specific achievements, emerging issues etc as appropriate
Participants:	Open to all stakeholders in the sector, including: MEHRD staff Key SIG agencies including MDPAC, MoFT, MPS, MoH Development Partners Education Authorities (private and provincial) SINTA and SIPA Civil society organisations

SICHE and other tertiary providers
National Training Council members
National Education Board members
Teacher Services Commission representative

Timing: Approx Juneand November of each year.
                     The June meeting = the "Annual Joint Review"

Outputs: Aide Memoire and any semi-annual reports and PAF report
                     Summary of Discussion and Resolutions – the way forward

Education Sector Governance Committee

Purpose: For SIG and Development Partners to have high level dialogue around progress against agreed objectives, performance indicators, and commitments/accountabilities in the education sector programme, and agree necessary action.

Content: Review of commitments under relevant contractual agreements between Development Partners and SIG.
                     PAF report – review of progress
                     Expenditure reporting and financing/funding matters
                     Discussion of donor harmonisation and coordination issues, review of implementation of the Partnership Protocol and other relevant documents
                     Other issues as appropriate

Participants: Permanent Secretary and Coordination Team, MEHRD
                     Permanent Secretary, MoFT
                     Permanent Secretary, MDPAC
                     Permanent Secretary, MPS
                     Development Partners representative(s) up to three maximum[69]

Timing: Three times a year;
- late January: agenda to include confirmation of priorities for the year, annual work plan targets and budget allocation, review of partnerships and adherence to this Statement in the previous year
- in May: agenda to include presentation of previous year's expenditure analysis, budget preparation for next year, initial PAF and other monitoring indicators, and draft of the upcoming AJR agenda

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[69] . Can be increased depending on number of Development Partners providing sector budget support.

- in September (agenda to include presentation of PAF, expenditure and outputs to date against Annual Work Plans).

Outputs: **Minutes with s**ummary of resolutions and action plan for implementation, which is then reviewed at the next meeting.

Technical Working Groups

Purpose: Coordinates the development and implementation of sector-wide policy, planning, monitoring and reform processes and facilitates the sector dialogue with stakeholders and encourages their active participation.

Content: To be determined by Terms of Reference for each TWG.

Composition: Relevant staff of MEHRD, representatives of relevant government ministries, representatives of Development Partners and Civil society.

Timing: As required and agreed by each TWG and set out in their Terms of Reference.

Outputs: Minutes, ToRs, recommendations on draft documents e.g. policies and action planning and implementation.

Education Development Partners Coordination Group

Purpose: To provide a forum for information sharing and dialogue between development partners on the education sector, to ensure donor coordination and alignment with MEHRD, and implementation of the Paris Principles on Aid Effectiveness.

Content: Discussion on all relevant issues and programmes, including response to any proposed new initiatives or requests from MEHRD or Development Partners.

Composition: All relevant development partners and a representative of civil society organisations in the sector.
Education Sector Coordinator and/or another representative from the Coordination Team, MEHRD.

Timing: Monthly

Outputs: Minutes of each meeting
Collective feedback to MEHRD on key policy or programme issues and any requests from MEHRD.

5.13 Annex 13: TA Plan and Principles of Engagement

This plan for TA is based on MEHRD'S own processes for a more strategic and effective use of TA. The Ministry has developed a process for demand-driven and country-led TA engagement and management consisting of scoping potential TA needs based on the NEAP, bearing in mind its own absorptive capacity. The process involves engaging senior management and heads of divisions in drafting task lists and specifying a process of approval by donor agencies and the Senior Management Team. Through this process, capacity of MEHRD staff will be built up in a number of areas from prioritization of need for TA through to drafting of ToRs. This process also enables MEHRD to be a "shaper" rather than a mere "taker" of TA. (Bazer, 2010)

TA under component A and D will be managed through the MEHRD LTA and donor-managed TA; Component B and C will use a managing contractor and facility model. The MEHRD LTA facility, will, if necessary, contract out some of the logistics functions.

The following TA are currently supported through the MEHRD LTA facility

1. Teacher Data Validation Consultant (to early August)
2. Legal Drafter (to early July)
3. ECE Costing (to end of June)
4. Literacy League/Books in Schools/SRA (to Nov 2014)

The following TA are currently supported through donor funds

1. Education Sector Adviser via New Zealand – until May 2015
2. Human Resources Management Adviser – until February 2015
3. Public Finance Management Adviser via DFAT– until May 2016
4. Payment and Contract Management Adviser via DFAT– until February 2016
5. Literacy Adviser (pending) – until July 2016
6. Inclusive Education (QUT via Australian Aid Program Partnerships Program) – until end 2014

Key principles of TA engagement

1. There is a need for ***alignment of approaches to TA between MEHRD and Donors***. MEHRD's recent plan aims to ensure a consistency in its approach to planning for TA.
2. Some ***critical generic skills*** are:
    - Competence and experience related to skills transfer,
    - ability to facilitate soft skills transfer e.g. leadership as well as transfer of technical skills,
    - high level up –to-date technical knowledge capable of being tailored to local context,
    - strong oral and written communication skills,
    - ability to work collaboratively and effectively at a range of administrative levels in a cross-cultural setting, and
    - ability to provide mentoring to women in senior and middle management within MEHRD.
3. TA effectiveness will be subject to ***rigorous performance management*** conducted jointly with MEHRD against clearly defined development results.
4. The need for large numbers of TA to carry out ***one-off studies will be minimized***. Where possible and in line with Australian Aid Programme, TA studies will be blended where individuals have expertise and capacity in more than one area

5. MEHRD will provide ***a list of its research needs and encourage students***, both those on scholarships as well as international students to carry out in these areas in exchange for logistical support in carry out the studies.
6. TA will need to be ***carefully sequenced*** and provision has been made for blending of TA in support of more than one activity where appropriate.

Table 37: Summary of long-term TA supplied through managing contractors

Component	TA	Tasks	No of days	Person specification
B Skills for Economic Growth	Team Leader	To provide strategic direction, including planning, financial and human resource management of the Program	48 months	ARF B4
	Senior TVET Adviser	To work closely with the management of the Solomon Islands National University (SINU) and the School of Technology and Maritime Studies (STMS) as Senior TVET Adviser and principal counterpart to the Dean of the STMS.	48 months	ARF B3
	Skills Development Adviser	To develop and implement flexible approaches to skill development that is directly linked to provincial economic development priorities	24 months	International (ARF B3)
	Skills Development Adviser	To develop and implement flexible approaches to skill development that is directly linked to provincial economic development priorities	48 months	National
	M&E Officer x2	Daily responsibility for the implementation of Program M&E activities including data collection, analysis and periodic reporting at activity, output and outcomes levels.	48 months	National
	Administrative Assistant x 2	One to support the Team Leader and one to support the Senior TVET Adviser at SINU. Provide administrative support for all staff in accordance with the Operations Manual and be responsible for all office logistics including transport arrangements, procurement of stores and equipment, filing and storage.	48 months	National
	Provincial Training Coordinator x 2	To assist in technical and administrative aspects of training provision at provincial level	36 months	National
	Provincial admin and finance assistant x2	To provide administrative and financial support to the programme	36 months	National
C Higher Education Scholarships	Program Manager	To manage all aspect of the programme including promotion of scholarships, application processes, selection and placing of awardees and follow-up during placement and on return	36 months	National
	Program Officer	To support implementation of the programme including promotion of scholarships, application processes, selection and placing of awardees and follow-up during placement and on return	36 months	National
	Program Admin Officer	To provide administrative support for the programme, ensuring program record management complies with DFAT requirements and guidelines	36 months	National

Table 38: Summary of long-term TA supplied through MEHRD LTA and Donor TA Funds

Component	TA	Tasks	Duration	Person Spec.
A. Foundation Skills in Basic Education	Provincial Literacy Pilot initiative Manager	Currently under discussion		
	Language in Education / ESL Consultant	To provide support to the DFAT provincial literacy pilot To train mentors	TOTAL: 269 days over 3 years	International ARF C4
	Technical Team Leader x 2	To provide technical support to the DFAT provincial literacy pilot	24 months	Local /International Volunteer
D. Policy Planning and Resource Management	SIEMIS adviser	i) put in place a process & oversee the validation of the current data; ii) draw up some bespoke / user-friendly reports for senior management; iii) put in place a new / better software platform to upgrade / replace the current Pineapple system; iv) train up a new IT manager.	24 months (renewable)	ARF B4
	Policy and Economic Analyst	To provide assistance to improve policy and economic analysis capability	24 months over 2 years	International ARF D4

NOTE: The posts of Public Finance Management Adviser and Payment and Contract Management Adviser funded through DFAT will be reviewed when they come to an end in May and February 2016 but given the importance of the Policy Planning and Resource Management Component of the Programme it is likely that TA in this area will continue.

Table 39: Short-Term Advisory Pool

Component	TA	Tasks	Duration	Person Spec.
A. Foundation Skills in Basic Education	SBPD of Teachers	To assist in design and operationalization of SBT of teachers	2 months x 3	International ARF C4
	School-based management	Community involvement in school improvement / Support in reporting on findings from quality assurance of schools exercise	3 x 2 months	International ARF C4
	SBM Community Involvement Adviser	To assist with community mobilization around schools	4 months	Local
	Learning resources advisor	To conduct a review of the early years literacy and numeracy curriculum	1 month	International ARF C4
	Learning materials advisor [70]	To advise on modifications needed to the early years learning materials and support CDD to carry out necessary modifications	2 months	International ARF C4
	Assessment of early grade reading advisor	To provide advice on assessment of early grade reading To build capacity in the design and development of a test of early grade reading	3 x 2 months	International ARF C4
	Assessment of early grade maths advisor	To provide advice on assessment of early grade mathematics To build capacity in the design and development of a test of early grade mathematics	3 x 2 months	International ARF C4
	Support to NESU	To provide advice on continuous classroom-based assessment in particular of reading	2 months	International ARF C4
	Early Grade Numeracy Spcialist	To provide advice on initiatives to improve numeracy in the early years	2 x 4 months	International ARF C4
	Language in Education / ESL Consultant	(As currently specified in draft design) To provide support to the DFAT pilot To train mentors	Year 1: 81 over 4 trips Year 2 – 69 over 3 trips Year 3 – 47 over 2 trips	International ARF C3
D. Policy Planning and Resource	Policy and Economic Analyst	To provide assistance to improve policy analysis capability	24 months over 2 years	International ARF D4

[70] If possible, the learning materials adviser and the learning resources advisor function will be combined

Management	M&E Advisor / Coordinator	To support the M and E function of the SSU	4 x 60 days	International intermittent ARF C4
145	Support to teacher management	To support SSU planning in the management of teachers including recruitment, deployment	3 months	International ARF C4
	PFM Adviser[71]	To assist in streamlining MEHRD finance & minor procurement processes, and build capacity in PFM and procurement	24 months	International Intermittent / remote ARF D3
	Budgeting Adviser	To support budget implementation	2 x 3 months	International B4

NOTE: Short term advisers will be used on an as needed basis throughout the programme based on need identified by MEHRD. It is proposed that a fund be set aside as a discretionary budget for the engagement of additional technical assistance where necessary and approved by DFAT Honiara including support of innovations in the form of literacy pilots.

MEHRD and DFAT will together develop and agree to a TA Plan over the life of this design, that will be reviewed monthly. Australia and NZ will negotiate to lead in selected policy and corporate areas in relation to TA to enhance coordination, make best use of joint resources and relative advantages, and avoid duplication.

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[71] This is an additional position to the full-time procurement adviser already in place

5.14 Annex 14: Initial Implementation Plan

The Implementation Plan takes into account the fact that various sub-components are at different stages of detailed planning. As Year 1 of the program is also the final year of the current Sector Wide Approach (SWAp) and the NEAP, the activities for 2016 and beyond will need to be planned in detail during 2015, on the basis of the final assessment of the NEAP (2013-2015) and the design of the next NEAP (2016-2020) and its supporting SWAp.

As a result, Year 1 of program implementation sets the ground work for Years 2 to 4 of the programme, while working with counterparts to refine the activities planned for Years 2 to 4 as part of the next Ministry Education Strategic Plan. Implementation arrangements therefore provide for an element of flexibility, although there is clear agreement on the main parameters of the planned support, and on the focus on implementation rather than new initiatives. Components B and C (Skills for Economic Growth and Higher Education Scholarships) have detailed implementation plans, except where they are involved in the joint financing and SWAp arrangement, and hence subject to tri-lateral discussion. Implementation of these components can begin as soon as funds become available. Preparatory work is already under way.

Table 40: Component A - Indicative 4 year implementation overview

COMPONENT A: FOUNDATION SKILLS: LITERACY AND NUMERACY IN BASIC EDUCATION	RESPONSIBILITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4
• Review all literacy pilots including UNICEF, New Zealand as well as all MEHRD initiated	LPMU, Language in Education /ESL specialist, Development Partners	▨			
• Roll out first phase of Provincial literacy pilot to 10 schools	LPMU, Language in Education /ESL specialist / Technical Team Leaders / Mentors	▨	▨		
• Expand Provincial literacy pilot based on findings from first phase	LPMU, Language in Education /ESL specialist / Technical Team Leaders / Mentors			▨	▨
• Identify ways to support LPMU to develop into a Literacy and Numeracy Management Unit	LPMU, Early Grade Numeracy Adviser			▨	
• Monitor all pilot initiatives and make recommendations for expansion based on findings	SSU, LPMU			▨	
• Develop and pilot Early Grade Reading Assessment Tool	NESU, EGRA Adviser, LPMU	▨			
• Administer Early Grade Reading Assessment Tool and act on results	NESU, EGRA Adviser, LPMU		▨		

		YEAR 1	YEAR 2	YEAR 3	YEAR 4
• Develop and pilot Early Grade Mathematics Assessment tool	LPMU, NESU, Assessment of Early Grade Mathematics Adviser				
• Administer Early Grade Mathematics Assessment Tool and act on results	LPMU, NESU, Assessment of Early Grade Mathematics Adviser				
• Review early years curriculum and develop early years materials learning profile	CDD, Learning Resources Adviser				
• Modify materials for early grade literacy and numeracy based on review	CDD, Learning Resources Adviser				
• Procure materials based on review	ERU, Major Procurements Unit				
• Continue to roll out Teachers in Training Programme	SINU, TTD				
• Major Procurement Unit staffed and operational	Major Procurement Unit Managing Contractor (MC) / MEHRD Management / Development Partners				
• Draw up Procurement Plan for new school infrastructure	Major Procurement Unit MC / Development Partners				
• Bill of Works drawn up & Contracts let for construction activities	Major Procurement Unit MC				
• Build new school classrooms built and sign off according to agreed procedures	Major Procurement Unit MC / MEHRD Finance Division				

Table 41: Component D - Indicative 4 Year implementation overview

COMPONENT D: POLICY PLANNING AND RESOURCE MANAGEMENT	RESPONSIBILITY	YEAR 1	YEAR 2	YEAR 3	YEAR 4
• Draw up new policy drafting Template for discussion with & agreement by Ministry senior management team	Policy Analysis adviser / MEHRD Strategic Adviser / MEHRD Management team				
• Train key ministry staff on incorporating cost, economic and implementation data & analysis into policy papers	Short-term Policy Analysis adviser / MEHRD staff				
• Streamline SIEMIS database	EMIS Adviser / SIEMIS manager				
• Validate SIEMIS data through revision of school returns	EMIS Adviser / SIEMIS manager / EAs / schools				

• Routine management information reports drawn up & utilised in management forums	MEHRD Senior management / EMIS Adviser				
• New SIEMIS software support contract in place	MEHRD Senior management / EMIS Adviser				
• First phase of School leadership training rolled out	TTD, USP				
• Training to EAs and first phase of training to School Boards rolled out	MEHRD Training				
• Ministry payment & procurement processes reviewed and streamlined in agreement with MoFT	Short-term Finance TA / Dep Financial Controller / Procurement TA / Finance Division staff / MoFT staff				
• Training provided on using finance data to generate improved ministry and sub-sector budgets	Short-term Finance TA / Finance Controller / members of Budget Implementation Committee				
• Improved process to monitor in-year spending and commitments put in place and validated	Short-term Finance TA / Procurement TA / MEHRD Finance Division staff / MoFT staff				
• Improved capacity within SSU to monitor and evaluate quality of training provision	Short-term M and E advisor, SSU				

It is anticipated based on draft NEAP sub-sector implementation plans that the following key activities will take place during the first year of the programme. There may be minor modifications to Components A and D as these plans reach finalisation. Only critical path activities have been included. The phasing of activities is linked to the plan for TA to ensure both that critical activities take place in the correct sequence as well as make sure that MEHRD does not have to manage too many TA at any one time.

Table 42: Component A Indicative Year 1 Implementation Plan

Sub-component A1: Improved learning outcomes in Basic Education	Q1 2015	Q2 2015	Q3 2015	Q4 2105
• 72Key personnel in provincial pilot programme trained to support teachers at school level				

[72] It is anticipated that the following activities will already have occurred under the AAP provincial literacy pilot.

• Resources to support literacy procured and supplied to pilot schools	▓			
• Teachers in pilot schools supported to improve literacy outcomes			▓	▓
• Early Grade Reading Assessment Tool developed		▓		
• Monitoring tools developed by LPMU	▓			
• Cluster based training approaches piloted		▓	▓	▓
• Early years curriculum reviewed		▓		
• Learning materials profile developed		▓		
• TiT expanded to all provinces		▓	▓	▓
• Review proposals received from EAs and provide incentive grants as appropriate		▓		
• Continue with roll-out of vernacular pilot		▓	▓	▓
Sub-component A2: Expanded and more equitable access to Basic Education				
Asset Management Study completed	▓			
Management Contractor mobilised with resources to run Major Procurement Unit	▓			
Asset Management Unit staff secondment plan into Unit in place		▓		
Key personnel in place in Major Procurement Unit to deliver school works projects		▓		
First phase of works for priority schools underway				▓
Improved School Grants accountability arrangements drawn up	▓			
Supplementary grants to schools piloted			▓	▓

Table 43: Component D Indicative Year 1 Implementation Plan

Sub-component D1: Policy, planning and information for management	Q1 2015	Q2 2015	Q3 2015	Q4 2105

1) Finalisation of detailed implementation plan 2) Agreement and signing of MoU between the Australian Aid Programme and Provincial Government 3) Key personnel recruited 4)Provincial offices set up

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Develop a practical monitoring and evaluation plan to measure results under NEAP				
Consider options to redesign a more up to date and user friendly SIEMIS software				
Complete stocktake of existing ministry policies				
Analyse existing policies				
Rationalise and refine Inspectorate data collection instruments and processes				
Train 'flexi' inspectors				
Inspections rolled out				
Use results of inspections in ministry budgeting and policy making				
Sub-component D2: Human and financial resource management				
Evaluation of management skill needs of MEHRD Management Team, EAs and School Boards				
Training providers and/or TA selected for MEHRD management and school leadership training				
School leaders selected for training				
EAs and School Board trained				
Review of MEHRD / MoFT payment and procurement processes				
Scoping study on use of AX information into financial planning & Budget review process				
Support provided to Finance Division on use of AX data in budgeting				
Support to senior management team on financial management & procurement planning				
Support to NESU on learning outcomes				

5.15 Annex 15: Education Performance Matrix for 2015 and 2016

	Letter of Arrangement 2013-2015 Measure	2014/15 Target (to be completed by 30 April 2015)	Definition/Measurement	2015/16 Target [Provisional only]
Performance target 1: quality of education				
1.1	SISTA Year 4 and 6 Literacy and Numeracy performance measured and improved	MEHRD is collaborating with Education Authorities and schools to use SISTA baseline data as the basis for improving students literacy and numeracy, including areas of lower performance such as writing	**Performance Indicator:** • MEHRD disseminates the SISTA 2013 key findings and provides to Education Authorities and sample schools an accessible and explained detailed analysis of their SISTA 2013 results in a simplified format. • MEHRD uses the information to make pedagogical and operational adjustments in planning for improvements in key areas such as classroom assessment, pedagogy practices and supporting teaching and learning materials to improve areas of lower performance such as writing and higher order numeracy operational skills. **Means of Verification:** • Copy of NESU reports on SISTA Results to Education Authorities and sample schools • Evidence of response to SISTA findings in 2015 NEAP Implementation plans of the Teaching and Learning Department	*Overall improvements in student achievement in Year 4 and 6 literacy and numeracy as assessed by SISTA 2015 National standardized testing instruments, indicating less than 5% improvement in numeracy and literacy results compared to 2013 baseline data.* *A draft copy of the Solomon Islands Standardized Test of Achievement (SISTA) early grade Literacy and Numeracy testing instruments for Year 2 is available.* *Focus is on early grades, and so can't expect changes in 2015 SISTA.*
1.2	Percentage of trained teachers in the primary sector increased to 70% as per NEAP target.	66% of primary teachers are trained as defined by the Teacher Service Handbook.	**Performance Indicator:** 66% of primary teachers in post are trained. The definition for trained teachers will be taken from the Teaching Service Handbook: a trained teacher is a teacher with a Certificate, Diploma, Degree, Masters or Doctorate in teaching or education. **Means of Verification:** Using the Aurion database, a report will be provided to MEHRD management by the Teaching Services Department on the percentage of trained primary teachers.	*70% of primary teachers are trained as defined by the Teacher Service Handbook.*

	Letter of Arrangement 2013-2015 Measure	2014/15 Target (to be completed by 30 April 2015)	Definition/Measurement	2015/16 Target [Provisional only]
Performance target 2: improved resource management				
2.1	Recurrent allocation to primary education is protected	2014 per unit cost of primary education is at least equal to the 2013 per unit cost of primary education indexed to inflation.	**Performance Indicator:** Subsector expenditure analysis using existing methodology completed by Finance Division and approved by Management Team confirms 2014 per unit cost of primary education is at least equal to the 2013 per unit cost of primary education indexed to inflation **Means of Verification:** MEHRD Management Team minutes records approval of subsector expenditure analysis report.	*2015 per unit cost of primary education is at least equal to the 2014 per unit cost of primary education indexed to inflation.*
2.2	On-time retirement of school grants	100% retirements are received and processed by MEHRD on time A plan for School Grants reform, including an implementation plan, is agreed and implementation has commenced. The plan is to include development of monitoring processes to investigate how the grant contributes to improved learning outcomes particularly in literacy and numeracy skills	**Performance Indicator:** • On time retirements refers to retirements received by FD/MEHRD by the deadline of 15 June 2014. The 100% retirements includes schools which have not retired but where MEHRD has instigated appropriate follow up processes to ensure accountability of all school grants that as a minimum requires that letters have been sent to Education Authorities requiring action on schools that have not retired their grants. • School Grants Reform Plan completed approved by Management Team that includes provision for monitoring of contribution of the grant to improved education quality. **Means of Verification:** • Finance Division school grant reports submitted to Management Team as recorded in minutes confirm number and percentage of schools that have retired their grant and that follow up action has occurred with schools that did not retire their grant.	

	Letter of Arrangement 2013-2015 Measure	2014/15 Target (to be completed by 30 April 2015)	Definition/Measurement	2015/16 Target [Provisional only]
			• Approval of School Grants Reform Plan recorded in Management Team meeting minutes	
2.3	PFM Action Plan implementation on-going	The Public Financial Management Action Plan is reviewed and updated and includes recommendations from audit reports, and provides a timeframe for implementation.	**Performance Indicator:** MEHRD Senior Management Team approves The Public Financial Management Action Plan as part of the NEAP 2015 Implementation Plan. **Means of Verification:** Management Team meeting minutes record approval of Plan	*50% of the Public Financial Management Action Plan is implemented.*
2.4.1	MEHRD manages key risks to its budget (Scholarships)	Scholarship Policy and Procedures are endorsed (no longer draft) and the Annual Scholarship Plan implemented. Solomon Islands Government scholarships budgeting and expenditure is sustainable.	**Performance Indicator:** • Cabinet approves Scholarship Policy and Procedures • The Scholarship Information Management System (SIMS) captures information and data on existing and new Government funded scholarships administered by MEHRD so that it is an effective tool for scholarships Monitoring and Evaluation, and decision making. • 2014 actual scholarships expenditure is within the 2014 scholarships budget. • 2015 scholarships budget is not higher than 2014 scholarships budget. **Means of Verification:** • Cabinet minutes confirm approval of Scholarship Policy and Procedures. • Review of Scholarship Plan Implementation Report approved in Management Team minutes, which confirms effectiveness of use of SIMS. • MEHRD Management Team minutes confirm and approve subsector expenditure analysis report on scholarship expenditure received from Finance Division.	

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	Letter of Arrangement 2013-2015 Measure	2014/15 Target (to be completed by 30 April 2015)	Definition/Measurement	2015/16 Target *[Provisional only]*
2.4.2	MEHRD manages key risks to its budget (Teacher Workforce Management)			*Reforms to the teacher establishment and the Human Resource Information System are being implemented, in partnership with Education Authorities.*

5.16 ANNEX 16: Education Policy Dialogue and Partnership Engagement Strategy

Related development objective	Policy outcome sought	Program entry points for policy dialogue	Influential stakeholders	Resources required	Potential Risks	Possible Partners	Policy dialogue lead for DFAT
Improved literacy and numeracy rates for Yr 4 and Yr 6	• New literacy interventions and provincial pilots • Teacher training coverage • Text book and resource distribution (1:2) • Vernacular and multi-grade interventions	• Literacy Project Mgmt Unit • Aust pilot • NZ Cognition • Teacher mentors and school clusters • ICT4E	• PS, Minister • US • EA Directors • Churches • Live and Learn, COESI • SINTA	• Audrey • Literacy TA • Strategic TA • NZ • EA grants • Teacher mentors • MEHRD project mgmt. unit	• NZ Cognition not aligned • Lack of coordination • Focus on hardest areas	NZ UNICEF ADB ACER	Counsellor/ First Sec
Learning environments in poor performing environments are more equitably and adequately resourced	• School grants • Text book and resource distribution (1:2) • Infrastructure upgrades/mtc	• Reviews of school grants and book distribution • Procurement TA • Procurement Plan • Outsourcing to GMC • ICT 4E	• PS, Minister • US's • EA Directors • Churches •	• Review TAs • Literacy TA • Strategic TA • Private Sector • MEHRD project mgmt. for each reform	• Costs • Geographic targeting not done well	Private Sector NZ, UNICEF ADB	Counsellor/ First Sec
Teacher quality improves so that students learn better in difficult low resource environments	• Teacher training coverage • Teacher payroll • Caps and freeze on teacher numbers	• Teacher survey • Employment Gates at EAs and MEHRD, TSC • Distance learning • SINU – School of Ed • ECE policy • ICT4E	• PS, Minister • US's • EA Directors • Churches • SINU • MOFT • SINTA	• MEHRD staff • HRM TA • Local TA on payroll mgmt	• Unregulated teaching workforce • Poor quality • High costs	NZ, Waikato UNICEF ADB	Counsellor/ First Sec
SIG primary education budget maintained for education, not displaced by scholarships, or other demand pressures	• Adequate resources for primary education (per capita) • Scholarship planning and budgeting • Costings for subsectoral pressures in ECE, junior secondary and teachers payroll • Legislation strengthened to minimise MP involvement • Merit based processes protected thru Cabinet endorsed policy and procedures	• Budget Committee • CEWG matrix with cap linked to PLA, inc 22% education minimum overall spend • Education performance matrix w cap – linked to PLA	• PS MoFT, Ed • Cabinet • CEWG • Min Finance, Min Education • PM • MoFT • MEHRD budget committee	• MEHRD staff • WB involvement • HRM TA • Scholarships TA • Costings TA • MoFT budget advisers • Ed Act TA	• SIG political risks • Election • Weak bureaucracy and processes • High failure rates • 6% overall expenditure on scholarships	NZ WB MOFT	Counsellor/ MC

Related development objective	Policy outcome sought	Program entry points for policy dialogue	Influential stakeholders	Resources required	Potential Risks	Possible Partners	Policy dialogue lead for DFAT
Quality of Expenditure and procurement	• Financial controls in place • PFM roadmap implemented • Removal of procurement bottlenecks • Improved quality of expenditure and efficiency of expenditure • No Fraud	• Audit and Finance Committee • Deputy FC, Procurement and IA TA • PS and US • AJR • DG's Directive • CEWG WG, matrix • Education PLA matrix	• A/g Acc Gen, Payments position MoFT • Education Deputy FC, IA/PFM TA • PS Ed, PS MoFT • US	• Education Deputy FC, IA/PFM • Deputy FC, Procurement and IA Adviser	• Relationships SIG • TA fatigue • Waivers • TA conflicts • Withholding funds damages services	NZ WB	Counsellor/ First Sec
TVET pathways from rural training centres to SINU and APTC	• RTCs and Don Bosco teaching Cert II and III courses in trades • SINU teaching trades at Cert III and Cert IV level and partnering with APTC • NQF captures Cert 1-IV	• RTCs • Don Bosco • SINU • Nat Qual Framework • SABER baseline study • Labour Mobility	• MEHRD Executive • Training Orgs • PM, Minister • Local MPs • Churches • RTC Association	• APTC staff • Tertiary TA • Design team • Skills MC - planned	• Weak RTCs • SINU not ready • SINU not focused on trades	NZ Industry	Counsellor/ First Sec
More SI people with internationally recognised qualifications	• Accession of SINU to Quality Framework • Quality of courses improve for teachers, nurses, trades, accounting, ICT (where there is labour market demand) • SIGs own scholarships managed well	• Skills design • Nat Qualifications Framework, TEC • USP Doma Campus • Aust own scholarships program (60 per annum) • Scholarships Taskforce	• PM, Minister • MEHRD Exec • SINU Executive • USP Suva	• Tertiary TA • Scholarships team • Outsourced MC • MEHRD project mgmt. • Skills MC - planned	• Poor quality local graduates • Expensive overseas scholarships • High failure rates	WB, Aust regional SYP, Industry	Counsellor/ First Sec
Functioning statistical collection and reporting system	• Reliable Statistics for MDGs • Reliable Statistics for SIEMIS and evidence based decision making • Reliable literacy and numeracy rates	• SIEMIS upgrade • School survey • RTC survey • Teacher distribution • ACER student assessment	• MEHRD • EAs • Schools • ACER	• Short term TA • ACER twinning	• Risk of poor evidence base for decisions	NZ SPC	Counsellor/ First Sec

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