




## AUSTRALIA-SOLOMON ISLANDS PARTNERSHIP FOR THE PRIVATE SECTOR DEVELOPMENT PORTFOLIO REVIEW MANAGEMENT RESPONSE

### Portfolio Review Recommendation and DFAT responses

Recommendation	DFAT Response
<p>1a. DFAT use the option to extend Strongim Bisnis for another three years.</p> <p>1b. There is also a need to leverage Strongim Bisnis' extensive knowledge of market realities in Solomon Islands to build trust, change government perceptions and attitudes, and influence government policy around private sector development and explore new activities for Solomon Islands Chamber of Commerce and Industry (SICCI) to expand the reach of policy efforts and advocacy.</p> <p>1c. Strongim Bisnis should also re-work its end of investment outcome (EOIO) 3 to improve the logic chain from existing activities.</p>	<p>DFAT accept recommendations 1a and 1b.</p> <p>DFAT accepts in-principle recommendation 1c and will continue to assess all EOIO remain fit for purpose as part of the 3-year extension for Strongim Bisnis within the current resourcing envelope. DFAT will also leverage its economic governance program to support Solomon Islands Government to advance economic reforms that improve the enabling environment for the private sector.</p>
<p>2. DFAT should wait until the evaluation of PHAMA plus has been completed to better understand how a new activity would fit within its portfolio. There is also an opportunity to recalibrate as PHAMA Plus finished and DFAT should influence the design to align with Strongim Bisnis and manage the balance between 'regional' and 'multi-country' programs.</p>	<p>DFAT accepts recommendation 2.</p>
<p>3a. To improve effectiveness, foster sustainability, and maximise public diplomacy, Honiara Post should more clearly articulate its private sector development related strategic objectives and proactively manage the totality of its investments.</p> <p>3b. DFAT should identify entry points for greater coherence across DFAT's portfolio of investment and develop practical mechanisms to further reforms in a more joined up way and the development of an overall strategy (if necessary). This approach could be used to develop a range of public diplomacy products that communicate the full extent of DFAT's</p>	<p>DFAT accepts recommendations 3a and 3b. Leveraging existing resources, DFAT will maximise public diplomacy and strategic communication opportunities across all private sector development investments to clearly articulate Australia's objectives. DFAT will also explore new public diplomacy products that showcase the extent of Australia's support through placemats, online and local media and events.</p>

support for private sector development in Solomon Islands.	
<p>4a. DFAT could strengthen coordination and coherence across private sector development investments with involvement in the private sector. Honiara Post – Private Sector Development Team could involve developing an intervention matrix that identifies bilateral and regional investments with private sector equities and then contribute to the design and evaluation of broader development programs to ensure these programs incorporate lessons learnt from Solomon Islands. Honiara Post – Private Sector Development Team could facilitate a cross-program workshop once every six months to identify synergies and entry points to strengthen program coherence and collaboration (if any).</p>	<p>DFAT accepts recommendation 4. Honiara Post – Private Sector Development Team will establish a 6-monthly coordination meeting to bring together all related investments to better identify opportunities for collaboration and complementarity and/or updating on the challenges and opportunities faced by the private sector.</p>
<p>5. DFAT commission a meta-evaluation of AHC Honiara’s overall contribution to private sector development through its programs and use the lessons to further strengthen coherence across investments. Other activities/products that could be developed include:</p> <ul style="list-style-type: none"> <li>- <b>seeking input into bilateral and regional aid program designs</b> (for example PHAMA/MDF) to incorporate lessons from Solomon Islands private sector development portfolio experience and influencing prioritisation and strategic objectives to ensure designs countenance private sector development issues.</li> <li>- provide inputs into <b>strategy development</b> and <b>program documentation</b> at the intervention level (e.g. during inception) to ensure DFAT programs establish strategic parameters and decision-making mechanisms that induce a focus on private sector development issues (in balance with other priorities). Examples of such programs would include Pacific Australia Skills, Australia Awards, PLMSP, PDEP, new PHAMA/MDF investment.</li> <li>- provide <b>input into the Terms of Reference</b> of advisors who work with SIG on issues that directly or indirectly address one of the six reform priorities</li> </ul>	<p>DFAT accepts in-principle recommendation 5, subject to available resources.</p> <p>DFAT will also undertake an evaluation as part of the end of program evaluation of Strongim Bisnis to inform the design of the next investment before the end of the 3-year extension.</p>



outlined in this paper (such as advisers in Treasury, Finance or the Office of Prime Minister and Cabinet).

- **strengthen localisation strategies** to ensure they include sufficient focus on building local private sector capacity
- **provide input into the design of intervention-level evaluations to ensure evaluation questions around private sector development, as a cross-cutting issue, are incorporated into evaluation design.**
- **commission a meta-evaluation** of Australia's contribution to private sector development through all of its programs and use the lessons to further strengthen coherence.