Papua New Guinea

Strongim Pipol Strongim Nesen

(Empower People: Strengthen the Nation)

Program Design Document

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Executive Summary

Government of PNG and Government of Australia Policy Context

The Australia-Papua New Guinea Development Cooperation Treaty (1999) governs the development assistance provided to PNG by Australia. This year, at the 19th Australia-Papua New Guinea Ministerial Forum, both Governments agreed to review the Treaty in order to present outcomes in 2010.

Under the Treaty, the Papua New Guinea-Australia Partnership for Development was formalised by Prime Minister Grand Chief Sir Michael Somare and Prime Minister Kevin Rudd during the Pacific Forum Leaders' Meeting held in Niue on 20 August 2008. The Partnership includes the Millennium Development Goals and represents a new era of cooperation between Australia and Papua New Guinea and other Pacific Island nations.

Civil Society and Sub-national Governance Policy Context

PNG and Australia have endorsed the 2008 Accra Statement on Acceleration and Implementation of the Paris Declaration on Aid Effectiveness, which committed donors and developing countries to deepen engagement with civil society organisations as independent development actors, whose efforts complement those of governments and the private sector.

PNG's Medium Term Development Strategy 2005-2010 recognises the importance of strategic alliances and partnerships with key stakeholders, including provincial and local level government, churches, Community Based and Non-Government Organisations (NGO), citizens, development partners and the private sector. The Department For Community Development's (DFCD) Integrated Community Development policy reflects a shift from welfare oriented roles to a rights-based approach with a focus on facilitating resources and assistance in community learning, governance, economics and environment. The PNG National Government's provincial reform agenda, executed by the Department of Provincial and Local Government Affairs' (DPLGA) and other agencies, demonstrates a commitment to improving service delivery at the sub-national level.

Current Australian aid policies and strategies (including the PNG-Australia Development Cooperation Strategy 2006 – 2010 and AusAID's "*Building Demand for Better Governance*" position statement) recognise the role of civil society in promoting good governance and include priorities and strategies to enhance and strengthen the role of men and women in promoting stability and creating demand for participation, accountability and transparency.

AusAID support to Democratic Governance in PNG

Initiatives currently supported through AusAID's Democratic Governance Program include the: Media for Development Initiative; Electoral Support Program; Church Partnership Program; Women In Leadership Program; Sport for Development Initiative; Democratic Governance Program – Transition Phase (previously the Community Development Scheme); and funding agreements with Media Council PNG, Consultative Implementation and Monitoring Council, Transparency International PNG and Peace Foundation Melanesia.

Australia is also supporting PNG's efforts to decentralise and improve service delivery through the Sub-National Strategy, which includes support for PNG's Provincial Performance Improvement Initiative and supports AusAID officer placements in Provincial administrations in five provinces. AusAID also funds programs in the law and justice, health, HIV and AIDS, rural development and climate change, and the education sector. In addition, AusAID funds a series of initiatives for volunteer activities, which (at various levels of engagement and support) contribute in support of PNG civil society.

At the community or village level in PNG, the principle form of association is the customary social structure (e.g. the clan) and this is not voluntary. Churches are predominant

intermediary organisations, focusing mainly on health and education service delivery, with some community organisations and intermediary groups. Member-based organisations representing men and women in society (or undertaking policy research, analysis and advocacy) are notably absent, so communities have little representation in governance beyond the community or village level.

Following a Scoping Mission, AusAID's support for Democratic Governance shifted its approach from 'community development' and 'strengthening civil society' towards fostering democratic governance: in which civil society and the private sector participate with the government in public matters including policy making and implementation, resolution of public problems and the allocation of public resources. This approach emphasises that civil society is required to 'supply' as well as 'demand' good governance, and similarly the state should 'demand' on behalf of the men and women it serves, better governance of civil society and the private sector. It recognises that development strategies of donors have typically focused either on technical reform of the state bureaucracy or on the empowerment of Civil Society Oganisations (CSOs), whereas support across both areas is required. This approach is articulated in the PNG Democratic Governance Strategy 2006, to be implemented over a ten year time frame. The goal of the Strategy is "*to help articulate demand for democratic processes and institutions in PNG, and support the required reforms of the state and civil society (and private sector) to meet that demand*".

This design draws together elements of existing activities and new initiatives into an integrated initiative under the PNG Democratic Governance Strategy, called Strongim Pipol Strongim Nesen (Empower People: Strengthen the Nation). The goal of SPSN is "*to enable civil society, together with the state and others, to better meet the needs and priorities of men, women and children in communities across PNG".* SPSN incorporates those existing Democratic Governance initiatives listed above, with the exception of the Electoral Support Program, the Church Partnership Program, the Women in Leadership Program, and support to the National Broadcasting Corporation, which will continue to be directly supported by AusAID alongside SPSN.

Mobilisation of SPSN will allow a seamless transfer for current initiatives into SPSN. New directions introduced by SPSN include: supporting key institutions with core and operational funding allowing more flexibility to respond to emerging opportunities; involving a broader range of men and women from private sector and government (particularly the Department For Community Development, Department of Provincial and Local Government Affairs, and relevant provincial, district, and local level agencies) as well as informal customary, women's and family groups; addressing the strengthening of local governance arrangements in more depth; and creating opportunities for national networks to address issues that impact on democratic governance such as civic education, social inclusion in development, local level government strengthening, gender equality, and peace, conflict and development issues.

The following lessons learned have been incorporated into this design: ownership by PNG stakeholders is critical; capacity building takes time, needs sufficient resources, is complex, and needs to be considered for all partners involved; efforts to build capacities of men, women and professional networks across sectors are important given the instability and high turnover of staff in individual organisations; activities need to use new strategies to effectively address gender inequality; and programs have struggled to engage sub-national government and have been affected by its capacity challenges.

Other donors also provide support to civil society and democratic governance in PNG. The European Union (EU) supports two major programs – one targeting civil society; the other improving local level governance. NZAID provides support to selected organisations that play a role in governance and service delivery (through multi-year core funding for capacity building as well as for partner activities), and also supports a program to improve local level

governance. Other donors (including the United Nations Development Program, the World Bank and the Asian Development Bank) have ongoing programs working with civil society and promoting democratic governance in PNG. To date, there has been some engagement by donors in communicating on civil society support through an informal donor working group. A priority during implementation of these larger civil society and democratic governance programs will be to support progression towards greater coherence and streamlining of processes amongst donors, and responsiveness to PNG stakeholders' own priorities.

Objectives and Components of the SPSN

The SPSN has five main Objectives and Components. A Managing Contractor (MC) will be selected to perform management services for implementation. The MC is to operate mostly as a facilitator and enabler of other parties for the delivery and implementation of the SPSN itself, rather than being the main direct implementer of outputs and activities.

Component 1: Strengthened practice and promotion of democratic governance by Key Partners: This Component will support AusAID's direct engagement with four existing (and up to five new) Key Partners. These Government of PNG (GoPNG) and civil society Partners will enter into a strategic partnership relationship with AusAID, to strengthen and extend both AusAID and each Partner's contribution to democratic governance. A partnership agreement between AusAID and each Key Partner will articulate the aim of the partnership; respective roles and responsibilities; mitigating risks; communication protocols; joint decision-making principles and approach to performance measurement. This will be supported by an Annual Operational Plan, detailing the level and type of support to be provided and identifying agreed outcomes.

It is anticipated that Key Partners will progressively improve their systems, capacity and human resources, leading to increased sustainability. Support for Key Partners will strengthen their ability to act as catalysts for change and to improve their operations and services across PNG. In addition, over the coming years, the two-way dialogue will progressively assist AusAID identify priorities and constraints in relation to democratic governance and to better plan and provide responses and support to initiatives across the PNG program. The MC will also facilitate reviews of the partnership, as well as activities underneath it, and promote internal learning, innovative methods and research.

Component 2: Communities working together to address identified priorities: This component provides a range of grants to communities and eligible organisations in order for them to undertake activities in support of improved democratic governance. This could include funding for local community development; linking communities to government at all levels; improving service delivery; capacity building; and networking and strengthening of the enabling environment (including public awareness, legislative and policy reform). This SPSN will establish and maintain operational mechanisms for the implementation of small, medium and large grants. These grants will be aimed at local organisations and communities and involve mobilising and supporting a network of locally based resource men and women. To improve the effectiveness of the grant applications and outcomes, the SPSN will undertake organisational capacity assessment and development for local groups, as part of fostering inclusive, participatory planning processes for grant activities. These grants processes will link with, and strengthen, GoPNG's own policies and systems as appropriate.

It is anticipated the grant scheme will improve policies, outcomes and awareness of good democratic governance at local, provincial and national levels. A large number of local initiatives will be supported, targeted at improving services, opportunities and capacity. There will be increased awareness of GoPNG and donor funding options and avenues to meet local priorities and needs will better empower local communities to advocate their position. Importantly, the process of engaging communities and organisations in inclusive planning and

implementation will develop a cohort of communities and individuals who have a stronger appreciation of, and respect for, the principles of democratic governance.

Component 3: Improving local governance in selected geographic areas: This is designed to stimulate inclusive, participatory planning and lead to improved local governance practices. The focus will be on identifying and addressing local development priorities and establish links and engagement with men and women within government, communities, development partners and the private sector. It will build on existing systems and processes as part of modelling an approach that empowers stakeholders to initiate and maintain improvements in services, opportunities and local circumstance. SPSN funded initiatives will be based on demand, opportunity and need, with technical assistance and capacity building provided.

Over time, the focus on inclusive identification of local needs and priorities, and meeting these through targeted support, can increase community and government awareness of the positive impact that applying sound democratic governance principles can make. The tangible outcomes of the funding will be strengthened by an increased awareness and understanding of democratic governance principles, and by coherence with GoPNG systems and policies. These principles and lessons learned can be transferred to other aspects of PNG community and individual life, or modelled in other geographic areas, enabling more effective partnerships between GoPNG agencies, NGOs, CSOs and PNG private organisations.

Component 4: Strengthened collaboration of men and women stakeholders for the promotion of democratic governance: This will promote dialogue and engagement among stakeholders across PNG on democratic governance principles and practice. It will support men and women within informal networks of government and non-state actors to work together, strengthening collaboration between civil society, the private sector, GoPNG and donors. The Component supports priorities that emerge in thematic areas (e.g. gender equality, conflict prevention, local governance reform) and will steadily build a cohort of advocates who apply principles of good governance in agencies and organisations.

Over time, the SPSN will encourage groups and individuals to share and learn from their experiences and strategies, with these being promoted across participating organisations, agencies (i.e. GoPNG, NGOs and CSOs) as well as with other donors. This greatly expanded network will enable influential individuals and PNG organisations to advocate for, and implement, inclusive processes and practice, better governance and dialogue, and improved access to services.

Component 5: Strengthened human capital of men and women for the practice of democratic governance. This component complements organisational capacity building in other Components by supporting the professional development for men and women at all levels of society. The SPSN will provide and fund training and professional development for men and women, as well as contracting local PNG institutions to provide education and qualifications in community development and democratic governance related topics. Over time it is expected several thousand individuals will receive the benefits of training, courses, professional development initiatives and mentoring. The large numbers of beneficiaries from this Component will be well placed to advocate and support improvement in democratic governance principles and practice across a large number of PNG agencies and organisations.

Governance and Implementation

Each of the five components has its own set of delivery organisations, stakeholders and funding, management and coordination arrangements. Existing PNG policies, systems and institutions will be strengthened as far as possible. Elements such as capacity building, monitoring and evaluation, HIV and AIDS prevention, conflict-sensitivity, addressing disability and gender equality will be addressed across SPSN. A Monitoring and Evaluation

(M&E) Framework provides the means for monitoring progress and achievements against the objectives, assessing impact and promoting learning and adaptation through implementation.

The SPSN will also contribute to efforts to mainstream Democratic Governance across AusAID's sector programs. This involves working with initiatives in Law & Justice, Health, HIV and Aids, Education and other sectors to support constructive engagement and partnerships between civil society and state institutions, and to learn from (and share) the experience of sectors. It will identify and maximise linkages (for example HIV and AIDS and anti-corruption) to ensure coherence and coordination, and maximise opportunities for influence and leverage, increasing impact and minimising transaction costs for PNG partners.

The SPSN policy, strategic direction and implementation oversight will be provided through a Joint Governing Council, made up of men and women from the Government of Australia, Government of PNG (Department for National Planning; Department for Community Development; and the Department of Provincial and Local Level Government Affairs), civil society, private sector, development partners and other stakeholders. A MC will have responsibility for facilitating management of the SPSN, with a head office in Port Moresby and seven field offices at local level.

Some key responsibilities for AusAID include participating in the strategic direction and policy of SPSN, identifying and ensuring linkages to other AusAID programs, managing relationships with Key Partners, and SPSN management and review. An AusAID staff member is co-located within DFCD to strengthen implementation at the sub-national levels and to help identify additional entry points and linkages between the Department, SPSN and other elements of the aid program.

An Independent Review Mechanism (IRM) will review the quality of SPSN systems and procedures and make recommendations to the JGC and AusAID. It will ensure SPSN complies with GoPNG and GoA policy, contractual and legal obligations, and recommend improved administration and delivery. The IRM will be contracted by AusAID to assess aspects of SPSN including M&E; quality assurance processes for grants; gender equality and participative processes; human resource management practices; relationships and expectations of implementing parties; and confirm that these align with the design.

SPSN has been designed for a five year period, with existing Key Partner and grant commitments rolled into this initiative. The SPSN has been allocated an initial funding amount of up to AUD $100m and summary of the design framework is on the following page.

Design Framework for PNG Democratic Governance: "*Strongim Pipol Strongim Nesen*"

PNG Democratic Governance Strategy Goal: *To help articulate demand for democratic processes and institutions in PNG and support the required reforms of the State and civil society (and private sector) to meet that demand.*

SPSN Governance:
Joint Governing Council (GoPNG/DNPM/DFCD/DPLGA, GoA, private sector, and Civil Society stakeholders)

SPSN Goal: *"to enable civil society, together with the state and others, to better meet the needs and priorities of men, women and children in communities across PNG".*

Monitoring and evaluation framework elements:
1. Assessing progress and achievements against objectives
2. Impact assessment
3. Internal learning and reflection
4. Quality Performance and Risk Monitoring
5. Effective SPSN reporting to JGC and AusAID

Program Components and Objectives

1. Strengthened practice and promotion of Democratic Governance by Key Partners

Engagement with up to 9 Key NGO and GoPNG Partners

Existing Key Partners:
- Sports Foundation.
- Media Council.
- CIMC.
- Transparency International.

2. Communities working together to address identified priorities

•Provision of funding for a demand driven, responsive scheme of small, medium and large-scale grants.

3. Improving local governance practices in selected areas

•Geographically based local initiatives that engage communities, government, private sector and other stakeholders in local governance arrangements to address agreed development priorities.

4. Strengthened collaboration of men and women stakeholders for the promotion of democratic governance.

Formal and informal SPSN networks to address thematic issues, stakeholder engagement, and AusAID and GoPNG coordination.

5. Strengthened human capital of men and women for the practice of democratic governance.

Individual and group based capacity building and leadership formation through targeted training and professional development initiatives.

6. National Partners (other AusAID initiatives involving direct engagement between AusAID and Partners)

Parliamentary Support Program

Electoral Support Program

Media for Development Initiative

Church Partnership Program

Modality and Key Features

- •Partnership Agreements (AusAID-KPs) Planned and working through:
- Strategic / Work Plans.
- Budget detailing core and program funding.
- •Supported by
- TA/Capacity building.
- Organisational development/institutional strengthening.
- Systems and procedures.
- Partnership Performance Reviews.

- •SPSN Managed by:
- 8 Satellite Offices (incl. the National Office in POM).
- Fieldworkers.
- Local and National Grants Selection Committees.
- Criteria approved by Joint Governing Council (includes AusAID, GoPNG, and Civil Society members).
- Enhanced participatory planning processes.

- Initiatives selected and developed through inclusive design processes
- The initiatives Sub-contracted for implementation.
- strengthened local links to GoPNG, AusAID SNS and other sectoral programs.
- Demonstrating reforms, good practice or addressing priority development constraints.

- Suites of activities planned and implemented.
- Priority issues may include peace, conflict and development; LLG strengthening and reform; gender equality; people with disability.
- Operational support for Civil Society engagement within the sector, across the aid program and with GoPNG and the private sector

- •Professional Development Programs for men and women
- •Funding for Training Institutions to deliver specific courses / programs
- •Supported by:
- Capacity building from members of SPSN team,
- Specialist support and mentoring by sub-contractors and STAs.

Embedded cross cutting themes

- Capacity building and technical assistance
- Monitoring and evaluation arrangements (including SPSN staff resources, database and reporting mechanisms)
- Consistent systems and procedures used across the SPSN offices and initiatives
- Mainstream cross-cutting issues: disability inclusiveness; gender equality; HIV and AIDS; child protection; peace-building; Do No Harm

Abbreviations

ANCP	Australian NGO Cooperation Program
APNGIF	Australia-PNG Incentive Fund
AusAID	Australian Agency for International Development
CBOs	Community Based Organisations
CDS	Community Development Scheme
CDD	Community Development Division
CDWIC	Community Development Worker Industry Council
CIMC	Consultative Implementation and Monitoring Council
CSO	Civil Society Organisation
DCS	Development Cooperation Strategy
DFCD	Department For Community Development
DGP	Democratic Governance Program
DGTP	Democratic Governance Transition Program
DPD	Deputy Program Director
DPLGA	Department of Provincial and Local Government Affairs
ESP	Electoral Support Program
EU	European Union
GoPNG	Government of Papua New Guinea
HO	Head Office
HRD	Human Resource Development
IPR	Independent Progress Report
INGOs	International Non Government Organisations
IRM	Independent Review Mechanism
JGC	Joint Governing Council
LGC	Local Grants Committee
LLG	Local Level Government
M&E	Monitoring and Evaluation
MC	Managing Contractor
MDI	Media for Development Initiative
MEF	Monitoring and Evaluation Framework
MFP/MEP	Microfinance and Microenterprise Program
MIS	Management Information System
MTDS	Medium Term Development Strategy
NBC	National Broadcasting Corporation
NGO	Non Government Organisation
NGOs	Non Government Organisations
NGC	National Grants Committee
NZAID	New Zealand's International Aid and Development Agency
OLPLLG	Organic Law on Provincial Governments and Local-Level Governments
PD	Program Director
PDD	Program Design Document
PFM	Peace Foundation Melanesia
PLSSMA	Provincial and Local Level Services Monitoring Authority
PNG	Papua New Guinea
PNGSF	PNG Sports Foundation
PPII	Provincial Performance Improvement Initiative
SFDI	Sport for Development Initiative
SNS	Sub-National Strategy
TA	Technical Assistance
TI	Transparency International
TOR	Terms of Reference
WB	World Bank

1 Introduction and purpose

1. AusAID's 'Engaging Civil Society Strategy 2002-2006' involved implementation of over ten discrete programs and projects, some managed by contractors and others through direct partnerships. This included a significant small grants scheme for community based and civil society organisations and support to national government agencies. A scoping mission, followed by a consultation process, resulted in the adoption of a Democratic Governance Strategy, establishing a new direction and simplified management approach to the sector.

2. A design team was commissioned to operationalise the Strategy, building on current initiatives and lessons learned within the current policy context of the Governments of Australia and GoPNG. The design process consisted of synthesising available materials (twenty-seven separate reports, reviews and commissioned studies), reviewing feedback from the consultation process[1], a series of design workshops with a nine person design team including civil society organisation and GoPNG participants, specific fieldwork to investigate key feasibility issues, a design workshop and the drafting of the design.

3. This design document comprises a summary of the analysis undertaken, the rationale for SPSN, a description of the objectives and anticipated impact and delivery modalities.

2 Situation Analysis

2.1 GoPNG and GoA joint agreements on aid and development

4. The Australia-Papua New Guinea Development Cooperation Treaty (1999) governs the development assistance provided to PNG by Australia. It was signed by both parties in May 2009, with the objective of making Australia's aid program to Papua New Guinea more accountable and responsive to the needs of Papua New Guineans throughout the country.

5. At the 19th Australia-Papua New Guinea Ministerial Forum in June 2009, the Forum welcomed the recent agreement between Prime Minister Somare and Prime Minister Rudd to review how Australia's aid can best support PNG's long term development aspirations, including gradual phasing out of reliance on Australian assistance over time, through a review of the Papua New Guinea-Australia Development Cooperation Treaty. The Forum endorsed terms of reference for the review of the Papua New Guinea-Australia Treaty on Development Cooperation and tasked a Steering Group to be established in order to report on outcomes at the 2010 Ministerial Forum. The findings of this Steering Group will shape Australia's aid to PNG in coming years.

6. The Papua New Guinea-Australia Partnership for Development was formalised by Prime Minister Grand Chief Sir Michael Somare and Prime Minister Kevin Rudd during the Pacific Forum Leaders' Meeting held in Niue on 20 August 2008. The Partnership for Development includes the Millennium Development Goals and is an initiative that represents a new era of cooperation between Australia and Papua New Guinea and other Pacific Island nations. The initiative provides the guiding and practical framework for implementation of the Port Moresby Declaration that was announced by Prime Minister Rudd on 6 March 2008.The Papua New Guinea-Australia Partnership for Development is founded on principles of mutual understanding, mutual respect and mutual responsibility for improved development outcomes. The Partnership reflects the shared vision of the two Governments to work together to meet the common challenges and to improve the quality of life of all Papua New Guineans. Specifically, the Partnership seeks more rapid progress towards poverty reduction and the other Millennium Development Goals by 2015.

1 See Goudsmit, I 2007 Discussion Papers 1, 2 and 3 in bibliography.

7. To this end, at the 19th Australia-Papua New Guinea Ministerial Forum in June 2009 the Papua New Guinea-Australia Partnership endorsed five initial Implementation Schedules to the Partnership in transport infrastructure; basic education; health; the public service; and statistics. The Forum also welcomed the addition of HIV and AIDS, Higher Education (universities and technical education) and Law and Justice to the Partnership schedules.

2.2 GoPNG policy and programs

8. PNG's Medium Term Development Strategy 2005-2010 (MTDS) provides the broad framework for development priorities and planning in PNG. The strategy focuses on good governance, export driven economic growth and rural development, poverty reduction and empowerment through human resource development.[2] It acknowledges the importance of gender equality as a development objective in its own right, as well as in achieving other development objectives. The strategy recognises the importance of strategic alliances and partnerships with key stakeholders, including the provincial and local level government, churches, Community Based Organisations (CBOs) and Non-Government Organisations (NGOs), citizens, development partners (donors) and the private sector. The Consultative Implementation and Monitoring Council (CIMC) is noted as having a role in facilitating a productive relationship between civil society, government and the private sector.

9. There are a wide range of government policies, strategies, laws and agencies relevant to the democratic governance sector.[3] There is broad agreement that engagement with communities and inclusive participation is a critical element of service delivery and accountability across government. However, there remain significant challenges for national level agencies to deliver services to local level communities, with a lack of participation and transparency in the involvement of communities in service delivery. The Organic Law on Provincial Governments and Local-Level Governments (OLPLLG - 2005) passed primary responsibility for service delivery to sub-national government. The DPLGA has developed a Provincial Performance Improvement Initiative (PPII)[4] to improve capacity of local government staff to undertake their functions. Areas identified for further reform include provision for community participation and input to policy development and implementation[5] and for women to be elected, rather than appointed, to positions in Local Level Government[6].

10. Other national line agencies (e.g. health, education and law and justice) have strategies and assistance for supporting capacity and service delivery at sub national level. Civil society has engaged to some extent with these agencies and programs; i.e. churches have agreements with health and education on service delivery arrangements (including direct funding from provincial and national budgets for some costs and provision of personnel) and (limited) input into policy development. The Community Justice Liaison Unit within the legal sector supports civil society input into policy formulation and implementation. The Provincial AIDS Councils support civil society involvement in government HIV and AIDS planning and responses. The National Council of Women has a legal mandate to represent women's affairs to government.

11. The Department For Community Development (DFCD) released a policy on Integrated Community Development[7] in January 2007, reflecting the DFCD's mandate to strengthen the

2 GoPNG, Medium Term Development Strategy, 2005-2010, November 2004 p. iii.
3 These include: National NGO Policy 1996, Department For Community Development's (DFCD) Integrated Community Development Policy (2007), National Broadcasting Corporation Act, PNG Electoral Commission Act, Organic Law on Provincial and Local Level Government Elections, Organic Law on Integrity of Political Parties and Candidates, Family Violence Act & Informal Sector Act, National Sports Policy, Women's Policy, GoPNG – Churches MoU, Media Council Constitution, Partner CSOs' & Churches' strategic and annual plans.
4 This is supported by AusAID's Sub-National Strategy; see "Government of Australia policy and programs".
5 Civil Society Scoping Mission, Papua New Guinea, Final Report, Vol 1.
6 Sepoe, Dr O. and McLeod, Dr A., Gender Analysis for the PNG Democratic Governance Program, April 2007.
7 Department For Community Development, Integrated Community Development Policy, GoPNG, January 2007.

informal sector, a shift from its previous welfare oriented role to a rights based approach with a focus on family and community development. The policy focuses on strengthening communities through facilitating resources and assistance for a range of actors in community learning, governance, economics and environment. While the DFCD's role is a facilitating one (it has some experience or capacity constraints for sub-national service delivery) specific priorities include establishment of community learning centres, mainstreaming HIV and AIDS, building networks of 'change agents', building capacity of government at all levels, social mapping and developing partnerships (with donors, and civil society and other stakeholders).[8] The policy includes an appreciation of the demand and supply side of good governance at community level, but it does not explicitly set out broader analysis or strategy for democratic governance for PNG across government, civil society and the private sector.[9]

12. Following the international Aid Effectiveness conference in Accra, the GoPNG endorsed the 2008 Accra Agenda for Action on acceleration and implementation of the Paris Declaration on Aid Effectiveness, which committed donors and developing countries to deepen engagement with civil society organisations as independent development actors in their own right whose efforts complement those of governments and the private sector. Accra also re-emphasised the importance of gender equality within development efforts.

13. Following Accra, the Department of National Planning and Monitoring (DNPM) expressed increased interest in formally engaging with the non-state sector, in particular churches. A church-government summit involving DNPM and representatives from mainline Christian churches in PNG resulted in a partnership policy framework for future collaboration and funding. The design notes that while it is the responsibility of government to ensure services to its citizens, it is not required to be the delivery agent, with the role of churches in service delivery to be strengthened. DNPM sees the Consultative Implementation and Monitoring Council as its key mechanism for civil society interface.

2.3 Government of Australia policy and programs

14. Current Australian aid policies recognise the role of civil society in promoting good governance and include priorities and strategies to enhance and strengthen its roles in promoting stability (through service delivery and poverty reduction) and creating demand from both men and women for participation, accountability and transparency by government. The "*Building Demand for Better Governance*" position statement[10] places AusAID's policy and guidance in line with international approaches, recognising the inherent political nature of reform and importance of relationships between citizens and state institutions as part of fostering effective states. There is a priority to engage in dynamic interaction between citizens and state institutions and work with the supporters of reform outside the formal state sector. Key lessons include the need for donors to become involved in the citizen-state relationship with great care, with an approach based on a careful analysis of the local context; have a long term engagement; and to work across a broad range of stakeholders. "Effective strategies with all stakeholders need to be tailored to respond to local needs and dynamics. This takes time. Creating lasting political and social change will take decades rather than years"[11]. A range of effective strategies is canvassed within the position statement.[12]

15. The Pacific 2020 report stresses political governance as a central obstacle to economic growth. AusAID's Peace, Conflict and Development Policy committed the aid program to

8 The DFCD is the European Union's key partner for its Non-State Actors program. AusAID provides a Strategic Adviser and a Finance Adviser and is providing an AusAID co-located officer.

9 AusAID's DG Strategy attempts to improve engagement between communities and government on supply and demand.

10 "Building Demand for Better Governance: new directions for the Australian aid program", July 2007

11 Ibid. p. 4

12 These include partnerships between donors, civil society and government; social accountability, civic education, civil society strengthening, media, community driven development, research and analysis.

increase its focus on preventing conflict and building peace in the Asia-Pacific region[13]. The Volunteers and Australian Development Cooperation policy, recognises the contribution of volunteers to development[14]; and a recent review of the volunteer program explored a more integrated, expanded approach to volunteers in the aid program[15].

16. Other relevant polices include the Anti Corruption for Development Policy, the Gender Equality Policy, the Violence Against Women in Melanesia and East Timor report, the Disability-Inclusive Development Strategy, and the HIV and AIDS policy which emphasises the need for mainstreaming across all aid activities, particularly at community level. The PNG-Australia Development Cooperation Strategy 2006 – 2010 (DCS), which supports the GoPNG MTDS, has a prominent focus on improving governance and nation building.

17. Programs currently included in AusAID's Democratic Governance Program include:[16]

- Media for Development Initiative (MDI), delivered through National Broadcasting Corporation (supported by the ABC), and previously also delivered through the Media Council PNG;
- Electoral Support Program (ESP), delivered through a Managing Contractor and a twinning arrangement between the PNG Electoral Commission and the AEC; Church Partnership Program (CPP), a partnership with seven Australian Non-Government Organisations and their sister church organisations in PNG;
- Women In Leadership Program, supported by UNDP and UNIFEM;
- Sport for Development Initiative (SFDI), in partnership with PNG Sports Foundation;
- Democratic Governance Program–Transition Phase (DGTP) delivered through a MC; and
- Funding agreements with Media Council PNG, Consultative Implementation and Monitoring Council (CIMC), Transparency International PNG and Peace Foundation Melanesia.

18. AusAID's engagement has been largely institution based and internally driven, focused on capacity building and service delivery rather than on engagement between communities and government or on the 'common public realm'[17]. Activities have been largely uncontested partnerships with formalised institutions of the state or NGOs, or relationships mediated by commercial contractors. There has been little coordination or exchange between programs. The Church Partnership Program heralded a new way of working between AusAID and civil society, with stronger engagement on strategic issues, more flexible support for organisational governance and civil society functions, rather than sub-contracted service delivery.[18]

19. The Community Development Scheme evolved from an administrative vehicle for disbursing grants to PNG's principle instrument for strengthening of CSOs and NGOs. The CDS adopted a number of strategies for community development and civil society strengthening to adapt to the local context; these include the development of networks of

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[13] Lewis, N. 2007. PNG Democratic Governance Program-Integrating Peace, Conflict and Development Considerations.
[14] Volunteering and Australian Development Cooperation 2004
[15] Ludmilla Kwitko and Diane McDonald, "Australian Government Volunteer Program Review 2009" http://www.ausaid.gov.au/partner/pdf/volunteer_review.pdf,
[16] Previously under the DG program, AusAID also supported the Parliamentary Support Program (PSP) through UNDP. In addition, under AusAID's previous Civil Society Strategy 2002-2006, the following programs were included: Community Development Scheme (CDS) (extended to the current Democratic Governance Program – Transition Phase), delivered through a Managing Contractor; Bougainville Microfinance Project (BMFP) directly funded in partnership with Australian Volunteers International; Start Your Business Improve Your Business (SIYB), jointly funded with ADB; ADB Employment Oriented Skills Development Program (EOSDP); and the Local Level Government Partnerships Program (LLGPP), delivered by the Commonwealth Learning and Governance Forum.
17 Civil Society Scoping Mission, PNG, Final Report, August 2005, Vol.1., p 4
18 Mid Term Review, Church Partnership Program, PNG, Dr L Kelly, 2007.

Field Workers and Core Groups from a range of organisations (including government), working directly with communities to strengthen their capacity in order to qualify for funding[19]. CDS worked with formal civil society organisations (CSOs), but somewhat constrained in its engagement with broader civil society or other key stakeholders, particularly informal groups, political and advocacy groups and private sector.

20. Australia is supporting PNG's efforts to decentralise and improve service delivery (as described under the OLPLLG, and the Provincial Performance Improvement Initiative) through the Sub-National Strategy (SNS). AusAID SNS officers are working in the PNG Department of Provincial and Local Government Affairs and in four Provincial Administrations (Eastern Highlands, East New Britain, Bougainville and Central Province). AusAID funds programs in the law and justice, health, HIV and AIDS, rural development and education sectors as well as the Australia-PNG Incentive Fund (APNGIF Phase 2) which has various levels of engagement with civil society. Linkages between the SPSN and these other initiatives will require clarification, both strategically and operationally.

21. AusAID is increasing its engagement with NGOs as development partners in aid policy development and program delivery. In PNG, AusAID currently supports:

- Australian NGO Cooperation Program (ANCP) which supports Australian NGOs to work with partner organisations in PNG;
- the Cooperation Agreement Program, which enables AusAID country/sector programs to partner with NGOs to deliver country/sector objectives (i.e. PNG Churches Partnership)

AusAID is currently progressing new initiatives to support NGO engagement with the aid program including Strategic Partnership Agreement mechanisms and an NGO Innovations Fund. The SPSN will need to ensure complementarity with these emerging directions for AusAID-NGO engagement.

2.4 Institutional analysis

Civil Society sector

22. The Scoping Mission[20] concluded that "*PNG civil society – defined fundamentally as an intermediary realm of voluntarily formed and autonomous self-governing associations pursuing public purposes – is very weak both internally and vis-à-vis the State and Market externally*". Civil society is relatively young and "*thus lacks density and diversity. There has been little differentiation and specialisation structurally and functionally, there are low levels of social capital and the values and practices which it exhibits are not always democratic. The enabling environment while generally benign in terms of allowing for CSO formation is a structural impediment to civil society's effective participation in the full range of demand and supply side governance*"[21].

23. There are distinctive features about civil society in PNG: at local level the principle associational form is the customary social structure (the clan); churches are the predominant intermediary organisations, focusing on health and education service delivery and mainly address the interests of their members; a smaller number of intermediary groups undertake

[19] PNG CDS, Phase 2, Final Evaluation Report, AusAID, May 2007. Selected key achievements of CDS include: improved 'readiness' of communities to participate in and lead their development (including empowerment of women and youth); 329 water, 21 literacy and 31 health activities highly beneficial; strengthening of 78 CSOs, 16 CSO networks; 83 CSOs trained in finance and HR; establishment of a national network of Field Workers; 14 Development and Assistant Development Coordinators trained and working across national level NGOs and development partners; handbooks and toolkits for community driven development. This is highly selective to demonstrate scope and approach.

[20] Civil Society Scoping Mission, Papua New Guinea, August 2005, Final Report, Vol 1; p. 18.

[21] This definition and assessment of civil society is contested in the PNG context given the strength and diversity of traditional social structures than often have the same functions as associations that are voluntarily formed.

civic action functions (community mobilisation, civic education or community justice). There is a dearth of member-based organisations (federations, unions or cooperatives) which bring citizens together for broader purposes; and tertiary level organisations, which act on behalf of society or major sectors and could undertake research, analysis and advocacy and monitor performance of the State or promote reform. CSOs are largely male dominated, reflecting broader PNG society. Although women are more likely to have a voice in CSOs seeing as they are close to the community level, women's involvement is still marginal across the sector compared to that of men.

24. Individuals and communities have very little representation in governance arenas beyond the local level, especially women. Importantly, "*social capital (including the values of trust, reciprocity, tolerance and inclusion) is extremely high among clan and kinship groups, but there are only sporadic examples of supra-associational structures that are capable of transcending clan and cultural interests.*"[22] Customary social structures often favour men's participation and decision making, though this varies from place to place – for instance, in matrilineal cultures (the minority), women have more say over land allocation but not necessarily use of the land.

25. Analysis of working more closely with customary social structures highlights a need to generate a deeper understanding of customary social groups and sensitivity to local power structures and gender relations. While transparency and accountability usually feature prominently in local decision making and resource allocation, it is recognised that democratic practices of participation and equality (particularly gender equality) are less common.

26. There are actors relevant to the promotion and practice of democratic governance beyond narrow definitions of 'civil society'. The informal business sector (where most economic activity from women takes place) is extensive, with 100,000-120,000 micro and informal enterprises, primarily in agriculture and small trading. It is estimated that over 87% of PNG's population participate in the village agricultural economy.[23]

27. The major philanthropic organisations are trust funds of resource companies such as CDI Foundation Trust established by Oil Search and PNG Sustainable Development Ltd established from BHP Billiton's sale of its interest in the Ok Tedi mine. The trusts have potentially significant resources to contribute to community development and civil society efforts. Law, advocacy and political NGOs are an unrepresented category of CSOs. The PNG affiliates of international NGO networks (Red Cross, Transparency International) often operate in isolation from their international colleagues. International NGOs (World Vision, Oxfam etc) operate either through a local partner NGOs or sometimes directly.

28. Quasi-government organisations such as the National and Provincial Councils of Women have previously been influential and effective, but they are significantly weakened at present due to poor morale and internal transparency issues. Existing research institutions (such as the National Research Institute, National Agricultural Research Institute, Institute for Medical Research, Melanesian Institute, Divine Word University and University of PNG) are often reliant on external funding for specific research tasks. There is significant potential to develop a stronger independent PNG policy research agenda.

29. The role of the media in development (including national and local radio, national television and national and local newspapers) is being strengthened through AusAID's Media for Development Initiative. There is significant potential in this sector that could be built upon

[22] Ibid p.16. The report goes on to analyse the 'enabling environment' and highlights the issues of registration (with the Investment Promotion Authority), that there are only two high-level fora for public participation in governance (the CIMC and the Ombudsman Commission), and the weaknesses of the Organic Law implementation, and other State institutional measures for ensuring participation (Provincial Assembly, Ward Development Committees, school management boards etc).
[23] AusAID, Working Draft, Engaging with Civil Society in PNG Strategy, July 2005.

both in terms of the watchdog role of the media; its role in providing information to rural PNG about development and life choices; and supporting community radio initiatives. More support is needed for media organisations to be independently active development partners.

30. AusAID's gender stock-take of the PNG program recommended grants include selection criteria that demonstrate how both men and women will benefit and participate throughout the project, as this was found to support women's activity within the community sector.[24]

Other donors

31. Other significant donors that support development of civil society in PNG include: World Bank (WB), Asian Development Bank (ADB), United Nations Development Program (UNDP), New Zealand Agency for International Development (NZAID) and the European Union (EU).

32. The EU has commenced 'Support to Non-State Actors' ($10 million over 6 years), located within the Department For Community Development (DFCD) and provides grants and capacity-building to community-based organisations, civil society organisations, and provides advisory, logistical and technical support to the DFCD. The EU's "Strengthening of Districts and Local Level Governments Project" ($30 million over 7 years) is located within the DPLGA and provides grants and training at the district and local government level, management support to DPLGA, and technical assistance to existing governance institutions. Implementation is scheduled to commence in 2009.

33. NZAID support civil society through direct grants, and has recently commenced work designing the "Empowering Local Government" program, which aims to support effective development and implementation of GoPNG district development plans, strengthening sub-national engagement with civil society. AusAID and NZAID previously collaborated on ESP's civil society engagement activities.

34. AusAID has worked with both the WB and ADB on rural development and private sector development (including the informal sector). Neither have substantive civil society programs in PNG[25]. The WB has promoted a Community Driven Development model in Indonesia and other countries, and has been in dialogue with GoPNG regarding trialling the model in PNG.

35. AusAID has commenced engagement with other donors through a Civil Society Donor Working Group, to ensure complementarity. It is intended SPSN will actively develop and implement processes for donor harmonisation in a "whole of sector" approach. Sustained communication through this group will be a priority for AusAID during SPSN.

Other stakeholders

36. Other primary stakeholders and potential partners for Democratic Governance include the formal business sector (e.g. PNG Chamber of Commerce and Industry), the resource extraction industry, and the informal business sector. In PNG, with a small formal sector dominated by resource industries and support services and a large informal and subsistence economy, there are generally weak links between business and government at a formal level, (for example, large companies are able to negotiate individual tax arrangements).

37. The planned Papua New Guinea Liquefied Natural Gas (PNG LNG) project proposes to develop gas fields in Southern Highlands and Western Province of PNG and transport gas via pipeline to an LNG facility near Port Moresby for shipment to markets overseas. Construction is scheduled to commence in 2010, with 12,000 workers employed over the five year

[24] Susan Ferguson, "It's just good practice, Gender equality within the Papua New Guinea Australian aid program", AusAID, PNG, 2008

[25] A WB representative participated in the scoping mission that shaped the Democratic Governance Strategy.

construction period. The estimated cost is K36 billion, with an average recurrent operating expenditure of K680 million each year. Projections estimate the value of PNG's petroleum exports will rise by 400%, and gross domestic product will double to K18.2 billion.

38. The PNG and Australian governments have noted that the project provides an enormous opportunity to improve the well being of all Papua New Guinean's, and will require the commitment of both countries to work together to address capacity constraints through training and skills development, and other targeted assistance. Supporting participatory planning for use of, and equitable access to, LNG revenues for communities (both men and women) across PNG is an area which could be supported through SPSN.

3 Democratic Governance – theoretical and conceptual basis

39. The Scoping Study and Democratic Governance Program Concept [26] provide justification for transition from a 'community development' and 'strengthening civil society' approach towards promotion of democratic governance.[27] Development strategies of donors have typically focused either on technical reform of the state bureaucracy or on the empowerment of CSOs. A democratic governance strategy brings these two development approaches together, building links that enable government and civil society to complement each other.

40. Democratic governance embodies the notion of shared governance, in which civil society, democratically elected local government and the private sector work with national government, participate in public matters including policy making and implementation, resolution of public problems and the allocation of public resources. Features are that both government and civil society are responsible for 'supply' and 'demand' aspects of good governance (i.e. participation, accountability, legitimacy, transparency, equity and responsiveness)[28] and it is the nexus between government, civil society and the market that is critical for good governance. Critical conditions for a democratic governance approach to be effective include having a pluralist and inclusive approach to the public realm, characterised by political tensions and contestability of ideas, and having a supportive enabling environment - an open media, and supportive government structures, policies and systems.

Key features of AusAID's Democratic Governance Strategy

41. The Democratic Governance Strategy[29] is to be implemented over ten years (2007-2017). Its outcome is " *men and women, civil society and the state working together on issues of public interest, shaping policy, allocating resources and enabling the exercise of rights"*.

42. Given a focus at local level, the primary stakeholders of the Democratic Governance Strategy include men and women in local communities and CSOs, and sub-national government. The strategy also aims to influence the enabling environment: this will include media, capacity building organisations (NGOs, volunteer organisations and other institutions) that can help support efforts at the local level, the private sector where relevant, and national level government. The Strategy suggests three major themes: community development, enabling environment improvement, and cross-sector engagement. A range of stakeholders will be engaged in different ways and proposed mechanisms may include grants for community development projects[30], strategic partner grants, facilitation and technical assistance by field officers, advisors and volunteers, research grants and cooperative

[26] Democratic Governance in PNG, Draft Strategy and Program Concept Design for Peer Review, August 2006.
[27] Civil Society Scoping Mission, Papua New Guinea, August 2005, Final Report, Vol 1
[28] Civil society does not just demand better governance from government, but must exercise and demonstrate good governance in its own organisation, services and the way it works and relates to communities, members and stakeholders.
[29] PNG Democratic Governance Strategy
[30] These will build on the CDS grant scheme but have greater emphasis on practices that build democratic governance and open to a broader range of stakeholders (including customary social structures, sub-national government and private sector).

agreements with third parties. The Strategy also involves strong collaboration with other AusAID sector initiatives as well as donor programs in other sectors.

43. The Democratic Governance Strategy identifies key content areas which AusAID should program in a more substantial way than in the past, including civic education, gender based violence and gender equality, HIV and AIDS prevention and care, and peace, conflict and development. For some of these, the SPSN is the primary vehicle for implementation, due to the range and nature of partners involved. Newly emerging strategies and policies (of PNG and Australia), such as disability inclusiveness, will also be pursued through this design.

44. The Democratic Governance Strategy purposely seeks to engage with customary social groups while carefully addressing possible less constructive aspects such as lack of participation of women within traditional structures. This requires:

- embracing the structure and nature of traditional groups and customary practices of mobilising and organising transient groups in a flexible way for concrete purposes;
- promoting inclusive, participatory planning to create partnership within and between customary social groups, and between them and other local institutions such as the churches, LLGs, District Administrations, and NGOs;
- engaging intermediate organisational structures that have experience with customary social groups or provide access to coordination; and
- focussing on capacity building of individuals as well as organisational strengthening[31].

45. In relation to this activity, the Strategy will be delivered through:

i) Strongim Pipol Strongim Nesen, as described in this design;

ii) Key National Partners – direct partnerships with national level organisations whose core functions relate to the goal of the Strategy, particularly the enabling environment; and

iii) Mainstreaming Democratic Governance– by supporting GoPNG sectoral agencies, AusAID sectoral programs, and other development partners, to partner with civil society.

46. Oversight of the strategy and management of the SPSN will involve an expanded AusAID team with an increased focus on social inclusion, strategic engagement and partnership relationships, and the procurement of (a) contractor(s) for key operational functions.

47. This document articulates a rationale and justification for the scope of SPSN to operationalise part of the Strategy (i. and iii. above). The Terms of Reference for the design included identifying a set of interdependent, linked activities which combined to contribute to implementation of the Strategy in line with its principles and underlying intent.

Lessons from current programs

48. Significant lessons have been identified from reviews of the programs operating under the civil society strategy to date and across the aid program[32]. Many lessons and recommendations from individual project reports and evaluations are highly detailed and specific to each initiative; there are a number of common themes and issues that emerged.

49. Ownership by PNG men and women stakeholders is critical. This is relevant from local to national levels, starting from existing needs and areas of interest, and integrating with existing PNG processes and mechanisms, whether government, civil society or business. The CIMC, CDS and the DGTP have achieved ownership and uptake because they respond to indigenous ideas and local demand, working at a pace and absorptive capacity of stakeholders.

[31] Goudsmit, I. 2007. Discussion Paper 2: Customary Social Groups and Democratic Governance Approach in PNG. AusAID

[32] Overview of Civil Society Program – Successes and Lessons Learned, Annex B; Media for Development Initiative: Review of Phase 1 and Recommendations for Phase 2, September 2006; Evaluation of the UNDP PNG Support to Parliament Project, May 2007; MDI Component 2 — Phase I NBC/ABC Partnership, Vol 1, Project Completion Report.

50. Capacity building takes time[33]; it needs sufficient resources, is difficult, and needs to be considered for all partners involved (including participating men and women, partner organisations and targeted stakeholders). Consideration needs to be given to the impact that initiatives such as SPSN have on a partner organisation's ability to implement its existing core responsibilities and functions[34] and effective capacity building programs do not leave partner organisations dependent on donor support. Further lessons from CDS were the size of an organisation may not correlate to capacity; many larger groups require significant capacity building support. This includes financial support to cover what can be extensive transport and administrative costs, supporting partner organisations to develop specific strategies for how to build and use networks and support to increase uptake and sustainability.

51. Efforts to build professional capacities of staff and networks across sectors are important, given the instability and high staff turnover in individual organisations. Providing opportunities for exchange of experience and sharing of lessons within sectors and across organisations is important to generate self-improvement and mutual accountability. The Church Partnership Program provides a model of benefits likely to emerge from investment in networking and collaboration[35]. The peer review processes and shared learning established through the CDS program have also been instrumental in building individual capacities.[36]

52. All programs appear to have struggled to engage sub-national government and affected by its weak capacity. Inclusive training and capacity building across civil society and government is useful for creating common understanding and effective working relationships. Use of existing GoPNG structures and mechanisms at sub-national level is important for coherence and sustainability. Flexible, responsive management to accommodate local initiatives and differences contributed to success of CDS and Church Partnership Program.

53. The CDS, Media for Development Initiative, Electoral Support program and the Law and Justice Sector Program provide lessons for how gender issues can be addressed in programming[37], although generally AusAID programs in PNG recognise the need to do even more to address gender issues adequately. Strategies include:

- paying greater attention to the roles of men as well as women, seeking opportunities to support men to lead and participate in activities promoting gender equality, while at the same time, ensuring male leaders work closely with women to set the direction;
- addressing structural barriers (discriminatory workplace policies, lack of women in leadership positions);
- supporting the emergence of women's advocacy networks to become a voice for women's issues across the country;
- providing support for women to move into leadership roles within CSOs, government at all levels, and political governance structures;
- providing oral briefing sessions for female grantees to overcome literacy barriers;
- being conscious of and addressing the risk of backlash faced by women that participate in 'empowerment' programs; and
- providing gender training for implementing staff and beneficiaries, as well as partnering with women's organisations (e.g. National Council of Women).

[33] CDS achieved greater results when project applicants were supported through the life cycle of projects with help to develop strategic and focused projects (i.e. generating 'informed demand'), and follow up.
[34] Media for Development Initiative: Review of Phase 1 and Recommendations for Phase 2, September 2006.
[35] Church Partnership Program, MTR, April 2007. This is relevant given the focus of the Democratic Governance Strategy on the public sphere, and the nexus between organisations which contributes to good governance, Kelly, Dr L.
[36] This point was raised through the program design fieldwork and consultations.
[37] Sepoe, Dr O. and McLeod, Dr A., Gender Analysis for the PNG Democratic Governance Program, April 2007. See the full report for 21 recommendations on how gender can be addressed in the Democratic Governance Program.

4 Key design issues: analysis and implications

54. The design team identified nine key issues to operationalise the Strategy into a design. These issues were discussed and tentative conclusions and recommendations made. These tentative conclusions were tested through fieldwork in two provinces (Sandaun and Oro) and consultation with key stakeholders at the national level. As a result of this process, the analysis and implications for the design focused on improving the:

- Understanding and commitment to 'democratic governance' concepts in PNG context;
- Understanding the nature of 'civil society' and its relationship to PNG Government[38];
- Integration with GoPNG policies and programs;
- Complementarity and coordination with other AusAID programs; and
- Support for sustainable community development processes.

4.1 Understanding and commitment to 'democratic governance' concepts in PNG context

55. An issue is the extent to which language and approach of 'democratic governance' should inform SPSN design when there is little understanding and practice of the concept of 'supply and demand' principles of democratic governance by both non-state actors and government at all levels in PNG. Feedback from local stakeholders, including the PNG Reference Group[39] for Democratic Governance[40], suggests the SPSN should continue to support inclusive 'community development' activities because it is practical, responds to identified needs, is meaningful to local communities and can address real need for poverty focused activities at local level. The promotion of democratic governance principles will result from continued, deeper engagement with local organisations on the basis of their programs and interests, not by imposing a new language and approach.

56. The SPSN should build on the structure of the former CDS and the current Democratic Governance Transition Program (DGTP) with a demand driven community development grant scheme as its basis, towards inclusion of a broader range of innovative activities and a more comprehensive 'democratic governance approach'. Where a broader range of activities is required (for instance, in a broad based civic education, reform of Local Level Government policy and regulations and peace building approaches) the SPSN should adopt a tentative and exploratory approach, working with interested male and female stakeholders, attempting to stimulate action from local actors rather than impose an externally driven solution.

4.2 Understanding the nature of 'civil society' and its relationship to Government in PNG

57. The standard description of the function of 'civil society' is derived from a western political economy analysis of government (civil society acting as the intermediary between citizens and government) does not reflect PNG reality. There are unique features in the PNG context: citizens do not see themselves as individuals who are members of institutions which make up civil society; their primary identity is that of a collective group, such as local community, church or their customary social structure. Also, formal institutions are weak and not sustained in the long term; instead, communities and leaders organise around issues and events, and thus do not sustain institutions per se.

[38] Note CIVICUS definitions and criteria for assessment were drawn upon in the Scoping Mission and are a useful guide. Reference to use of CIVICUS materials will be included in the MEF later in this document.
[39] A Reference Group was formed by AusAID's Democratic Governance Unit in 2006 to guide the strategy and program, ensuring it is grounded in the PNG context and evolving social, economic and political environment.
[40] Goudsmit, I, Civil Society Organisations in PNG; Capacities and Interest in Democratic Governance: Paper 1, July 2007.

58. Non-state actors broadly fulfil a range of functions of democratic governance beyond the intermediary function, particularly in terms of delivering services on behalf of, or in place of, government. Government is unlikely in the medium term to be able to undertake its mandated role without the support of non-state actors; therefore 'civil society' acts in the function of 'government' in many areas. There are very few trained and experienced personnel in this sector (particularly women), and individuals often wear multiple 'hats'. One individual often plays several 'government', 'civil society' and 'private sector' functions due to both the lack of people to play different roles and because leaders are expected to play multiple roles.

59. The reach of government to the communities at the local level is generally weak, and often there is very little engagement between various levels of government (particularly national and provincial) and individual communities. As a result there are few opportunities for organised civil society to 'represent' citizens' interests to government in order to demand accountability and representation. CSOs tend not to link citizens with government, but rather replace that link.

60. Women are marginalised from decision making roles in government and many community organisations (i.e. churches) so they have even less opportunity to raise their concerns with decision makers, or make decisions that benefit themselves and their children. This means development can be lop sided and cannot be sustained.

61. The church and the private sector (particularly extractive industries) play dominant roles within some communities, often excluding women's needs, and in the broader political and governance life of the country that re-define the roles of 'civil society' and 'the market' compared to a westernised democracy.

62. Any initiative should reflect existing roles played by various parties in PNG society that currently have, or have the potential, to promote democratic governance principles and practices. The classification of 'functions' of non-state actors suggests how communities are engaged with government (and how they can be further engaged in this process) to demand better governance and how non-state actors can be active participants in providing better governance. The six democratic governance functions include:

(a) community 'empowerment' (or local community development) which includes the role of men and women within organisations and groups in mobilising, organising and building capacity of communities to engage with external actors (including government and other service providers such as the church, private sector, NGOs);

(b) capacity building for community development, including the roles of organisations and groups from outside communities in building capacity of local groups;

(c) strengthening community to Local Level Government engagement (and other levels as appropriate), particularly in inclusive participatory planning, resource allocation and service delivery;

(d) service delivery, which includes the non-state actors (primarily church, private sector and NGOs) in delivering health and education services in lieu or on behalf of government;

(e) networking, which includes building relationships between men and women in communities, community organisations, government, non-state actors, academia; and

(f) fostering public debate and dialogue, which includes the wide range of advocacy, campaigning and public information which builds an enabling environment (of legislation, policy and capacities) within which democratic governance is possible.

63. Implications for this design are that it should support the different democratic governance functions that make up the practice and promotion of democratic governance by non-state actors. All parties who undertake these functions (whether NGOs, community groups,

churches, private sector[41] or others, not just narrowly defined 'CSOs') should be included, as it is the nature of the role they play that is important, not the constitutional or organisational basis of the institution. This should include working more flexibly at community level with informal groups such as customary social structures, paying attention to ensuring women are part of these discussions. The design should also equitably support individuals and leaders (through training and professional development opportunities) who participate in fulfilling any of the six democratic governance functions (above) rather than just institutions.

64. It is also important to build the broader human capital resource of men and women, potential across society in recognition of the instability of institutions and the multiple roles of individuals across institutions and functions. Institutional strengthening approaches take a long term perspective recognising that sustainability of short term 'project' oriented support is not realistic. Careful selection of organisations which fulfil multiple functions, and have a focus on diverse participation, is important, as will the provision of sustained and dedicated resource support and organisational development in the medium to long term.

4.3 Level of integration with GoPNG policies and programs

65. A further issue is the extent to which SPSN should be integrated with GoPNG policy and programs, both through the DFCD Integrated Community Development policy, as well as the Gender Equality and Women's Empowerment policy, and through supporting DPLGA's strengthened involvement in Local Level Government engagement with communities[42]. CDS worked deliberately outside the government system to support bottom-up community development processes and provide assistance direct to the community, in contrast to the majority of AusAID's sectoral programs. It is also accepted that working outside of government systems may involve risks that AusAID will need to manage, including reducing accountability links between government and communities.

66. There are opportunities within the Democratic Governance Strategy to work within and alongside DFCD, the new Office for Development of Women, DPLGA, and GoPNG staff at provincial, district, and local level, to support agencies to fulfil their own mandate through provision of capacity-building support and strengthening their owns systems and programs.

67. There are, however, significant constraints to completely integrating with government in promoting democratic governance:

- *Constraints to government empowerment of civil society*: building 'demand' for better governance creates a contested environment which affects the relationship between communities and government, and it has proven inappropriate for governments to empower communities towards this end, both practically and philosophically[43].
- *Capacity constraints of national government:* the capacity of DFCD and DPLGA to work at provincial, district and local levels has limitations. This includes the capacity to support provincial Community Development Divisions (CDD). PNG is undertaking a process to clarify responsibilities of sectors across the different levels of government. In this context DFCD and DPLGA have limited direct responsibilities at the lower levels – particularly as implementers. DFCD and DPLGA's role in providing a clear policy

[41] This is important where private sector provides services to the community and undertakes community development activities, and where government reach is weak. Other groups might include women's groups and health workers unions as discussed in Goudsmit, I. Civil Society Organisations in PNG, Discussion Paper 1, July 2007.

[42] The SNS is AusAID's primary program of support for decentralisation and works with DPLGA on Provincial and District level government strengthening. This includes support for GoPNG's Provincial Performance Improvement Initiative (PPII) and the Provincial and Local Level Services Monitoring Authority (PLLSMA).

[43] Particularly so when policy framework of Agencies is relatively weak in analysis and ability to operationalise democratic governance principles. For community empowerment and community development it is necessary to work directly with communities to engage government, support bottom up participatory processes which governments are unable to do. Mercer, C. "NGOs, civil society and democratization: a critical review of the literature", *Progress in Development Studies 2, 1* (2002)

framework, reform agendas and prioritisation tools around democratic governance matters (including government-community relations, capacity of government to ensure basic service provision and proposed electorate changes) requires investment. It will be important for SPSN to support DFCD and DPLGA in this respect.

- *Capacity constraints of provincial and local government*: provincial CDD staff at the provincial, district and local levels constitute the primary interface between communities and government. These men and women are responsible for taking forward policy provincial government, DFCD and other national agencies, implementing these as appropriate to the specific context. Staff are also responsible for delivery of GoPNG's community grants programs (in some cases delivery of district discretionary funds) and staff face significant capacity challenges and SPSN will support capacity development of provincial, district, and local level staff in fulfilling their responsibilities.
- *Constraints of policy, regulatory and legislative frameworks:* while there is emerging support for capacity-building of sub-national government to engage with communities, coordination and coherence of frameworks around these needs to be supported. Without this the risk of promoting numerous and competing frameworks, as well as undermining PNG systems and capacity, is increased and sustainability of approaches compromised. For national to local levels, existing policy, regulatory, and legislative frameworks require development, review and/or dissemination (includes areas such as participatory planning, accountable resource allocation and improved service delivery).

68. SPSN will work with stakeholders to promote democratic governance: with civil society and private sector, as well as area government agencies as appropriate, according to their functions and core business. This requires working with government agencies beyond DFCD and DPLGA at national level and beyond CDD at the provincial, district and local levels.

69. The implication is that SPSN should support current efforts of DFCD and DPLGA for stronger engagement with communities, including the practice and promotion of democratic governance principles, but not work only with these Agencies. Given the challenges in PNG in capacity development of government for community engagement, particularly sub-national levels, SPSN will explore ways in which this can be achieved through successful mechanisms as well as through development of models which can be scaled up or replicated.

70. AusAID will develop specific mechanisms to ensure high level coordination with DFCD for the overall strategic direction of SPSN[44] and linkages with DPLGA in each Region. The SPSN will carefully select initial sites for fostering closer government and community engagement to ensure that participating parties express an interest in (and commitment to) participating with a range of stakeholders.

4.4 Complementarity and coordination with other AusAID programs

71. AusAID has multiple programs involving non-state actors with different funding arrangements, contact points, systems and procedures, and there is considerable desire on behalf of CSOs to simplify access to Australian assistance and make opportunities and procedures more transparent to all potential participants. AusAID has a desire to strengthen its engagement with non-state actors to include policy dialogue and information exchange, reducing the overall transaction costs for CSOs and AusAID in maintaining relationships. AusAID programs with significant democratic governance and civil society linkages include the Sub-National Strategy (includes co-located AusAID officers at the provincial level), the Law and Justice program (particularly through the CJLU), Sanap Wantaim (HIV and AIDS), the Media for Development Initiative, the Volunteer program, the Democratic Governance –

[44] This includes the co-location of an AusAID officer in the Department.

Transition Phase, the Church Partnership Program, the Electoral Support Program and the Sport for Development Initiative. Each of these has (to differing extents) capacity building and technical support and grant funding. AusAID supports capacity building of the Department for Community Development through a Strategic Advisor and Finance Advisor (through the Advisory Support Facility) and through a co-located AusAID officer.

72. In analysing options for greater coordination, it was found to be critical that some key functions should be centralised through the SPSN, including:

(a) acting as a focal point for information on assistance available through AusAID (for non-state actors) and on non-state actor participants in the aid program (for AusAID);

(b) streamlining systems and procedures for organisational assessment, funding proposals, reporting and financial management of key stakeholders;

(c) building non-state actor capacity in a coherent and planned manner, including provision of support over the longer term, and for core costs as well as activity costs, rather than one-off project based funding and ad hoc capacity building assistance; and

(d) providing opportunities for whole-of-sector analysis and learning that leads to policy dialogue between AusAID, non-state actors, GoPNG, other donors, and the private sector.

73. It is not desirable for AusAID grant funding to be pooled into a common fund and administered centrally. Each AusAID sectoral program has its own geographic and functional priorities, its own funding criteria and its own range of potential participants. Furthermore, to do so could potentially circumvent or undermine more direct engagement between sectoral agencies and civil society, which would be in contradiction with the intent of the DG Strategy, which seeks to promote state-civil society engagement across the sectors[45].

74. The implication is that SPSN needs mechanisms for streamlining, simplifying, and coordinating information, systems and procedures and for facilitating relationships between various AusAID sectoral areas and non-state actors. AusAID will need to coordinate its engagement by adopting common implementation principles and practices.

4.5 Support for sustainable community development processes

75. In pursuing sustainability, donors usually seek to build the capacity of local institutions with an ongoing mandate and role to perform functions once assistance has ended. Given the limited field of such institutions in PNG at the time, the former Community Development Scheme established and directly supported a network of Core Groups with Field Workers who undertook community development using participatory planning and implementation processes. Core Group members and Field Workers were often formal employees of government or non-governmental agencies but received modest financial support for work undertaken in CDS roles. This approach had AusAID establishing intermediary organisations, working directly with individuals, and undertaking direct activities in communities, in line with community needs.

76. The scheme succeeded in implementing over 1,000 projects that met key development needs of PNG communities and built a cadre of Field Workers trained in participatory development. However, Core Groups were established to a predetermined model with program related functions and were dependent upon donor support. The Core Groups were not representative stakeholder groups nominated by communities to represent them or to undertake policy dialogue or planning with government on their behalf.

77. Rather than creating organisations, the design advocates closer partnership with government, in terms of its overall direction and in working together to support community development processes on the ground, as well as engages with existing and emerging local

[45] Detail on the potential for selected SPSN location to provide a ‘one-stop’ shop for AusAID is provided under section 9.1

community institutions (formal and informal) in their given form and supporting them to be more effective to fulfil their mandates. Given the diverse range of organisations and contexts, this will require a highly nuanced approach; thirdly, place much greater emphasis on strategic engagement with significant ("key") non-state organisations, working with them on institutional strengthening over the medium to long term, not expecting short term gains[46].

78. The SPSN will continue to engage women and men to work with communities as Field Workers for several reasons: (i) many individuals supported to undertake community development activities already have this role in their current institution but are unable to achieve as much as they could for a range of reasons; (ii) there is high mobility between positions and institutions, so building individual capacity assists the sector as a whole over time; and (iii) the institutional base for community development and capacity building requires development. Ongoing training and support for individuals to perform their roles will build their capacity and also benefit the institutions they come from.

79. SPSN will work directly with communities on the community empowerment process through the grants, which will lead to greater identification of leaders (both women and men) who can fulfil local organisational roles in the medium to long term. The core team play an active role in local capacity development and in training and skill formation of community representatives and field workers. Strengthening civil society by building upon what exists, working with individuals already on the ground, recognises the resource constraints on the context and works within a longer term sustainability strategy.

5 Rationale and Strategy

80. The approach to the design takes into account this analysis of context and key issues. It pursues the principles of the AusAID Democratic Governance Strategy (to foster state-civil society partnerships and to work at as local a level as possible) by building on existing structures and lessons while advancing the promotion of democratic governance principles and practices. This needs to be done in a way which appropriately balances the absorptive capacity, interests, commitment and ownership of PNG stakeholders with the pursuit of an externally derived policy agenda.

81. The key aspect to be taken into SPSN is to maintain emphasis on a demand driven community level grants scheme which addresses poverty and social inclusion. This is regarded as the key entry point for working with communities and institutions to engage them in longer term, more substantive democratic governance issues, as well as addressing priority local development needs. Key lessons for improving the effectiveness of this assistance include enhancing the inclusive design and participatory planning of local activities to ensure (for example) gender equality in decision making, providing supportive capacity building for local institutions and working with individuals who fulfil multiple state and civil society roles.

82. New directions introduced into SPSN to advance democratic governance include:

- a broader range of stakeholders, engaging deliberatively with men and women in government and the private sector as well as informal, customary and family groups;
- a broader set of potential activities for assistance, seen as promoting democratic governance (networking, service delivery, strengthening local government-community engagement, networks and collaboration and enabling environment activities);
- more innovative mechanisms for supporting institutional development and PNG-led approach to governance reform, supporting core and operational funding for key government and local institutions flexibly: over a longer term respond to opportunities emerging from local organisations' and communities' experiences and interests;

[46] Further discussion of the involvement of Core Groups is under section 9.1

- explicitly resourcing the coordination of democratic governance initiatives supported via SPSN with other AusAID, GoPNG, and donor systems, processes, and activities;
- committing to a partnership approach with organisations based on shared objectives and risks, joint decision-making, transparency and mutual accountability; and
- creating space for addressing key substantive issues such as civic education, LLG strengthening, gender equality and peace, conflict and development issues where there is potential and capacity to explore them.

83. Operationally, SPSN should have an emphasis on facilitating direct relationships between AusAID, GoPNG and key local institutions for potential policy dialogue and engagement, strengthening the role of all levels of government in implementation, building in a strong focus on learning and reflection so that innovation can flourish. At the same time, the design addresses management and operational challenges through defining the MC's role as a facilitator and supporter of the various delivery organisations funded by SPSN.

84. The SPSN will have five components addressing

- Key partnerships with key government and CSOs;
- Small, medium and large grant activities in communities;
- Innovative, programmed approaches addressing governance arrangements in selected geographic areas;
- Opportunities for key thematic issues to be shared and addressed; and
- Strengthened human resources of men and women through training and professional development.

Underlying common activities and approaches cut across SPSN, particularly concerning capacity development, M&E and the promotion and practice of democratic governance principles. These are reflected in the separate 'outputs' for each component[47].

The particular merits of this approach are:

- creates space and flexibility for initiative and innovation to emerge from local actors;
- Using Community Development Workers, supplemented with specialist STAs, provides an effective mechanism for training, development and support for local capacity building of individuals and organisations;
- it meets the expectations and interests of local stakeholders;
- it ensures cross cutting themes are integrated throughout;
- it builds stronger linkages between civil society and government at all levels; and
- facilitates direct relationships between AusAID, GoPNG, CSOs, and the private sector across the aid program.

85. M&E arrangements are fundamental and address accountability and learning needs for external and internal audiences. The M&E Framework will address reporting on progress and achievements (against outputs and objectives) and introduce impact assessment, participatory approaches and commissioned research on substantive issues, to influence policy and strategic direction. The M&E must build on what exists, providing meaningful, accurate information that meets specific management, planning and reporting needs of the SPSN and of AusAID.

[47] A design was adopted based on component objectives and 'outputs'. Component "objectives' and 'outputs' terminology is an approach where the MC typically delivers the outputs, whereas each 'component' in this case is a major sub-program and the MC facilitates program-wide implementation while other parties 'deliver' activities under each 'output'. The term 'Key processes and implementation' is used to avoid miscommunications that project-based 'outputs' terminology may create.

6 Description

86. The goal of SPSN is '"*to enable civil society, together with the state and others, to better meet the needs and priorities of men, women and children in communities across PNG"* and will directly contribute to achieving AusAID's Democratic Governance Strategy. AusAID will also continue to support other initiatives that also contribute directly to the strategy (for example the Electoral Support Program, the Church Partnerships Program and the Media for Development Initiative).

87. In the following description, an initial estimation has been conducted on the number and size of grants and the proportion of funds to be allocated across components. These figures are indicative, representing the minimum amounts to be disbursed as grants, the training of men and women, as well as other forms of support for the development of democratic governance. For example, an estimate of a maximum of $12,500 (K25,000) has been made for a minimum of 1,000 small grants. Clearly not all small grants will be at this maximum amount, so many more than 1,000 will be available. The figures are for the purpose of outlining the minimum expectations for Components 1-5 in relation to implementation costs.

88. From the overall SPSN 5-year budget of AUD$100m, a minimum of $56.4m will be allocated across Component 1-5. This amount does not include reimbursable costs for such things as offices, staff, travel, field workers, committee expenses or any other operational or implementation costs. Methods and approaches will be used that maximise direct SPSN impact through work undertaken across Components 1-5.

6.1 Component 1: Strengthened practice and promotion of Democratic Governance by Key Partners

Rationale and overview

89. 'Key Partners' refers to organisations AusAID (endorsed by the JGC) selects due to their influence on the six functions that promote democratic governance (community driven development, capacity building, networking, service delivery, enabling environment, and community-government linkages) within an environment of gender equality and through participative, inclusive planning and implementation. Key Partners may be from government and civil society. Consultation found that the organisations involved in the promotion and practice of democratic governance in PNG typically have low capacity that is further stretched by a lack of operational funds. AusAID already has an existing funding relationship with several partners, to be continued under SPSN. AusAID currently has limited strategic (as opposed to contractual) engagement with these organisations.

90. Key Partners will be supported to increase the scope and influence of their work with communities, building a critical mass of individuals involved in promotion and practice of democratic governance. Having a network of strengthened partner organisations will be critical to implement other SPSN Components. AusAID will have a direct strategic relationship with the Key Partners and the MC will facilitate and administratively support these relationships, in addition to direct engagement in helping develop their capacity.

Key processes and implementation
The following six key processes and outputs apply to Component 1:

1. **Engage with a range of Key Partners.** SPSN will increase collaboration amongst existing and new Key Partners and AusAID, on democratic governance issues, fostering mutual trust and respect. The four existing Key Partners that will be provided with ongoing funding under SPSN are:

    - The Media Council of PNG

- The Consultative Implementation and Monitoring Council
- Transparency International
- The PNG Sports Foundation[48]

A Partnership Agreement will be negotiated between AusAID and each of these Key Partners, supported by the MC. Partnership Agreements are developed through a process in which parties develop a common understanding on why and how they will work together. Through a joint process, parties develop a Partnership Agreement which articulates, for example, the objectives of the partnership (shared and individual); each party's roles and responsibilities; mitigating risks; communication and consultation; joint decision-making principles and procedures for transparency; M&E, including indicators for monitoring and measuring performance of the partnership as well as activities. A funding agreement (based on strategic plan and annual work plan) sits underneath the partnership agreement[49]. In addition to the four existing Key Partners, an additional five will be jointly identified and funded through the SPSN, comprising two new Key Partners in the first year, with an additional three joining in the second year, with at least one new Key Partner being a women's advocacy network. The amount of funds allocated for each of the five new Key Partners will be up to $500,000 (K1m) per annum. The new Key Partners will be proposed by AusAID and endorsed by the Joint Governing Council (JGC) in a transparent, accountable process for up to a 5-year funding cycle.

Criteria to select new partners will be developed by the MC in liaison with AusAID, for approval by the JGC. Criteria might include experience, capacity to implement, existence of a clear mandate aligned to the Democratic Governance Strategy, maintenance of a geographical balance, a focus on participation of women, solid networks with constituents and constructive relationships with the state and churches. SPSN will prioritise support for 'home-grown' PNG organisations (local NGOs and CSOs as well as government agencies), but recognise that International NGOs can play a key role in driving change making them also eligible for support[50].

2. Funding via a Funding Agreement between the MC and each Key Partner

AusAID and each Key Partner are responsible for setting the strategic direction and endorsing the support proposed for each Key Partner. Once the individual Key Partner Partnership Agreements and proposed funding levels and types of support are agreed by both parties, the MC will draw up a Funding Agreement between the MC and each Key Partner. The funding will be aligned to the Partnership Agreement and include a five year Strategic Plan, Annual Operational Plan and Capacity Development Plan (or similar), to be approved on an annual basis by the JGC[51]. Based on demand from partners, particular efforts will be made to ensure that disability inclusiveness, gender equality and HIV and AIDS mainstreaming are incorporated into capacity building plans of Key Partners.

3. Provide funding for Key Partners to manage and sustain programs and projects.

Activity funding will be provided on the basis of a five year strategic plan and annual operations plan, extending the scope and coverage of Key Partners' community

[48] There is a separate PDD for the Sports for Development Initiative which is being reviewed in 2009. The PNG Sports Foundation will be supported as a key partner under SPSN, replacing current funding agreement between PNGSF and AusAID for the Sport for Development Initiative. AusAID and PNGSF will continue to engage in a direct strategic partnership and relevant SFDI objectives will continue to be implemented through funding provided via SPSN

[49] AusAID has started engaging with some partners in this way, and this will be continued during SPSN.

[50] This funding is not a substitute to the Australian NGO Cooperation Program and is only available where international institutions primarily manage their engagement through an existing PNG office managed by locally engaged staff.

[51] In many cases, it may be possible for the AusAID funding to contribute to the whole organisation's annual plan and budget (and rely on organisation wide financial and reporting processes), rather than a specific set of activities within it. In others with less developed systems and capacities, a specific plan for AusAID funding may be appropriate with separate reporting.

development and civil society activities across locations and activity types and increases their influence in the promotion and practice of democratic governance. The 'Annual Operations Plan' should be applied to each organisation's internal planning and budgeting system. While a standard format or approach may be helpful, specific requirements and approach should be negotiated with each of the nine Key Partners to reflect their own internal systems and processes as far as possible. For the five new Key Partners, funding of up to a total of $2.5m annually will be available for flexible core and activity funding, allocated on the basis of the Key Partners' strategic and annual plans. MC will support all Key Partners in developing Annual Operations Plans and manage the six monthly tranches, acquittal and reporting of funds. Financial audits will be commissioned as part of the overall agreements and be consistent with partnership principles.

4. Assist Key Partners in their institutional strengthening efforts. Through the strategic Partnership Agreement planning process, Key Partners will identify their institutional and technical capacity development needs in an annual Capacity Development Plan. This might include a range of areas from financial[52] and human resource management, through to ensuring the technical quality of its services. Examples of MC support Key Partners are:

- providing financial support for Key Partners to employ or sub-contract staff;
- providing a technical team (employed or sub-contracted by the MC) to deliver support for Key Partner activities in accordance with the strategic plans;
- providing in-house advisers or volunteers, training, workshops and twinning etc.

5. Negotiate, establish and support systems and procedures for Key Partner use. The MC will negotiate with Key Partners to develop systems for organisational assessment, funding arrangements, reporting and M&E, endorsed by the JGC. While flexibility will accommodate different types of partners and build upon what exists, the systems will help ensure AusAID requirements are efficient and consistent. Information will be recorded in a Management Information System (MIS), enabling AusAID to conduct analysis and assessment and share data with GoPNG and development partners.

6. Facilitate review, learning, innovation and research. The MC will support Key Partners and AusAID to review and learn from their experiences (through reflection, internal reviews and research) and to trial innovative practices. The MC will arrange annual review workshops with AusAID and Key Partners to review the implementation of strategic plans, performance of the partnership and the impact of capacity building and technical strengthening, as part of informing the next round of strategic planning.

Funds (over the five years) to Component 1 comprise up to $10m (K20m) for the four existing Key Partners and up to $11m (K22m) for five new Key Partners, a total of $21m.

6.2 Component 2: Communities working together to address identified priorities

Rationale and overview

91. The CDS demonstrated the value of a grants scheme to mobilise communities to address development needs. This Component builds on social capital (i.e. Field Workers, Core Groups and widespread recognition and support) and experience of CDS by delivering a similar grant scheme but with adaptations. The grant scheme will support activities that fall under the six supporting functions of democratic governance. The scheme will include community planning, gender equality, longer time-frames for projects to be implemented, explicit links to

[52] Such as considering financial sustainability e.g. endowment funds.

Local Level Government and other GoPNG structures and avenues for projects to be scaled up to address more strategic governance issues over time (see Component 3).

92. The seven field offices provides a national approach to community mobilisation, located at Vanimo, Mendi, Kiunga, Lae, Kokopo, Goroka and Buka. These locations (which provide access to surrounding provinces) enable SPSN to extend into many communities currently under-represented in relation to having access to external (donor) support, including for community, systems and individual development.

93. A wide range of groups will be eligible to apply for small grants including informal community groups (i.e. those that are not legal entities, such as many women's groups) and associations, and (where there are clear collective benefits for the community) customary social groups. Local Level Government and the private sector will be eligible to apply for the grants in exceptional cases, where they are clearly in partnership with, and supported by, civil society. Eligibility of groups and proposals will be determined by the eight Local Grants Committees (LGC), supported by the seven field offices and Port Moresby Head Office[53] for small grants (up to $12,500 or K25,000 per grant) and medium grants (up to $50,000 or K100,000 per grant). There will also be large grants (up to $200,000 or K400,000 per grant) available for significant initiatives and selected through a National Grants Committee.

94. Around $2.5m (K5m) will be allocated for a minimum of 200 small grants each year. These individual projects would last for one, possibly up to two years and be assessed using straightforward criteria that are freely available[54]. Over the five years of SPSN, at least 1,000 of these small grants will be awarded by the Local Grants Committees, using agreed criteria and budget allocations. Each grant will be designed to provide maximum benefit and impact at the local and community level.

95. For slightly larger initiatives and those over a longer time (i.e. 2 years), up to $800,000 (K1.6m) each year will be set aside for the medium grants (K100,000 per grant). During implementation, a minimum of 16 medium grants will be designed and managed, to a total of at least 80 medium grants over the five years of SPSN for a total expenditure of at least $4m (K8m). These grants will also be considered and determined by the LGCs, using approved criteria and budgets.

96. Organisations with proven financial and activity management capacity and an ability to deliver and manage large scale grants will be eligible to apply for one of a minimum of 30 large grants, each to a value of $200,000 (K400,000). Over the 5 years, a minimum of $6m (K12m) will be expended on the large grants scheme. Allocation of large grants will be considered by the National Grants Committee (NGC) and (where appropriate) clear links will be made between the relevant field offices and DFCD's community learning centres.

97. The grant scheme will build on the significant demand to improve service delivery, addressing these issues in a way that builds the interest and capacity of communities to consider the role of democratic governance in providing longer-term solutions. Ideally, the grant scheme will evolve to be more closely integrated with PNG institutions and systems. Grants will be delivered using accountable, transparent, inclusive and participatory processes which demonstrate the principles and practice of democratic governance at the local level.

Key processes and implementation

The following six key processes and outputs apply to Component 2:

[53] The National Office will also host a Local Grants Committee for consideration of small grants.
[54] Communities often submit proposals for one year projects, but successful implementation requires significant up front dialogue and planning so the average timeframe for completion is two years.

1. Establish and maintain operational mechanisms for the implementation of the grant scheme. The MC will establish the systems and human resources to administer the grant scheme, including a team of staff at the national level (located in Port Moresby), and seven field offices[55] located in Goroka, Mendi, Vanimo, Lae, Kokopo, Buka, and Kiunga. The MC will ensure a gender balance of staff and adoption of equitable policies and procedures. The field offices will have (according to the local need and demand) a Field Program Coordinator, Development Coordinators and administrative support (with sub-contracted technical support as required)[56]. The MC will support development of tailored regional strategies for each field office to guide implementation of the SPSN in each geographic context[57]. The national office will also comprise a small team equivalent to that of a field office to cover grant related functions in its vicinity. A map of PNG showing the locations of the field offices can be found at Annex 2, with draft Field Office and the Port Moresby Office details included in Section 7.

Operational mechanisms should complement and strengthen, where appropriate, existing GoPNG systems. Where appropriate, clear links will be made with DFCD's community learning centres and the Provincial Administration including the CDDs and staff at the provincial, district and local level. This approach will reinforce PNG responsibilities and systems, build the capacity of PNG administration and maximise efficiencies of resources. This could include alignment with provincial specific strategies, information exchange and GoPNG participation in key activities as appropriate. SPSN will consider opportunities, risks, benefits and efficiencies of moving towards use of a single shared funding mechanism in each field office location for community grants processes. Where possible, GoPNG systems at national and sub-national levels will be used for soliciting, developing, assessing, funding and monitoring of projects. It is recognised that the enabling context and prevalent risks of different departments, levels of government and locations will need to inform decisions to work with and through PNG systems. In the context of the longer-term timeframe, contexts and risks will need to be assessed and responded to in an ongoing manner.

Criteria and eligibility standards will be developed by the MC and approved by the JGC. To promote gender equality and prevent violence against women, a preference for activities proposed by women's groups and those directed towards women's strategic and practical needs will be included in grants selection criteria and eligibility criteria. Stakeholders will be required to outline how they will mitigate gender-related risks such as backlash against women. The MC will develop and annually review systems and procedures for proposals, screening, organisational assessment, appraisal, appeals and complaints, reporting and participatory evaluation and review. The SPSN legal officer will assess defaulters and suppliers and deal with fraud and other legal issues.

Projects will be screened and approved by one of the eight Local Grant Committees (LGCs[58]). The selection of small and medium grants will occur at the sub-national, rather than the national level to increase the level of local engagement in the process.

The National Grants Committee (NGC) will be supported in Port Moresby to deliberate on large grants and other nation-wide initiatives. The JGC will approve membership of the NGC

[55] Based upon the need to provide coverage across PNG, locations have been selected using criteria including access to transport, links with other organisations, and ease of procurement. They do not reflect regional or administrative boundaries.
[56] Staff in these offices will be involved with other program components as explained in management arrangements.
[57] Each regional strategy should cover the geographic area for which the field office is responsible for (most field offices will provide support to individuals and organisations from several provinces) developed in consultation with relevant government, civil society, private sector, and development partners. Strategies should be shared with stakeholders, updated annually.
[58] Due to geography, grant applications from some provinces will be considered by a Local Grants Committee situated in a neighbouring Province. While a selection process within each province would be ideal, this is not feasible. In the longer-term, the number of Local Grants Committees could be expanded in response to capacity development, once approaches and mechanisms for managing the risk of local politics intervening in the process have been developed.

and LGCs, ensuring appropriate representation, particularly with regard to gender[59]. The JGC will endorse an indicative budget for each of the eight Field offices, based on a realistic estimate of the level of project activity in the geographic area covered and population issues such as number of people; geographic accessibility. Funding will be approved by the JGC based on the LGCs having fulfilled all required processes in the grant selection process[60]. The stakeholders responsible for each of the main steps of the grant process are listed below.

Grant process	Responsibility
Expressions of interest lodged after initial contact with SPSN and (where appropriate) support in defining the request.	Applicants (where appropriate, with support of the SPSN Field Workers)
Expressions of interest screened and selected using criteria for eligibility and some level of contestability.	Screening of EOIs will be coordinated by the SPSN field offices, and will be carried out by accredited Community Development Workers, the Community Development Adviser of the Provincial Administration, or other Field Workers identified by the project.
Selected expressions of interest developed into projects through an inclusive, participatory planning process.	Planning process facilitated by accredited Community Development Worker with input from technical staff as needed. Where possible the CD Worker and any technical staff will work with and support the capacity of staff at the provincial, district and / or local levels (aligned with their responsibilities). Where the project has ownership or recurrent expenditure implications informed support from the LLG, district and/or provincial level will be obtained. This may require support from both the administrative and political levels.
Projects assessed against criteria, and approved with a budget.	Local Grants Committee (LGC) in each of seven field areas, and one in Port Moresby. The National Grant Committee (NGC) for large grants. Membership of LGC and NGC to be approved by JGC.
National oversight and approval of the operating guidelines and annual budget for the grant scheme, not for each project.	Joint Governing Council.

2. Network of locally based resource men and women mobilised and supported. Field offices will contract a network of Field Workers to support development and implementation of grants (including raising awareness of the grant scheme, facilitating the planning process, facilitating technical input to the projects, assisting in the management, reporting and acquittal of the activities and coordinating monitoring and review). It is expected that 6-8 male and female Field Workers will be selected in each location. Specific support will be provided to ensure women participate equally in assigned tasks e.g. extra funds for security, consideration of child care matters. Some Field Workers will also be contracted to participate in the screening process, assess organisational capacity of CSOs and support implementation of other components. These individuals could be contracted privately or from organisations (such as the former CDS Core Groups, or other CSOs/local organisations etc) but must be accredited through the Community Development Worker Industry Council (CDWIC) or a

[59] It may be appropriate for the SNS co-located officers to be members or observers of the Local Grants Committee. This will be discussed in more detail with AusAID and stakeholders prior to commencement.
[60] Unlike previous advisory / approval committees, the JGC will not be approving each small grant for the SPSN, but it will receive and comment on data showing overall sectoral data and trends.

comparable qualification[61]. Ongoing capacity building would be supported through Component 5. Men and women Field Workers would be paid on a per diem basis (rates set by CDWIC) and administrative support provided. Where possible, Field Workers would work out of existing local institutions such as within the Community Development Division of the Provincial Administrations, local NGOs, churches, private sector, or other stakeholders.

3. Undertake organisational capacity assessment and development for local groups. Through CDS, organisations were assessed and supported to build their capacity in community development. This helped build the quality of the activities implemented through the grant, as well as the institutional strength of these organisations to supply and demand good governance. Similar support will be provided to the range of organisations and groups involved in the grants scheme. The MC will coordinate each Field Office's resource people to work annually with a minimum of 30[62] eligible local groups, to assess their capacity and to develop and implement a capacity development plan. Importantly, this assistance strengthens internal democracy of these organisations, including accountability, gender equality, responsiveness and representativeness to their own constituents[63].

4. Support inclusive, participatory planning processes for grant activities. Field Workers are a central resource for the success of the grants process and will be trained in participatory, gender sensitive consultation techniques (including backlash relating to women's empowerment) as well as how to consider disability inclusiveness, HIV and AIDS, Do No Harm. They will support applicants to complete the expressions of interest for grant funding. Following selection of successful expressions of interest, Field Workers will facilitate an inclusive community planning process to review priorities and develop grant proposals[64]. This will allow exploration of both immediate and strategic issues that need addressing and incorporate democratic governance principles and processes - including linkages to Local Level Government (possibly through involvement of the Ward Councillor, or Ward Committees) other development partners (e.g. Churches) and gender. If a community planning process has been undertaken, the results will be built on for this grant scheme. In relation to providing support to communities and organisations, the MC will ensure that up to 10 days of Field Worker, community development organisation or sub-contracted specialist support is provided for the development of their grant applications. For successful grants applications, the MC will provide an additional 15 days for follow up and monitoring. As a broad average, it is expected each SPSN Field office will administer up to 30 grants each year, with the likelihood that a minimum of 100 applications will be received. On this basis, it is anticipated each office will need to mobilise Field Workers to support the grant application process (i.e. 100 grant applications X 10 days each), as well as the subsequent monitoring / follow-up for successful grants (i.e. 25 successful grants X 15 days each) as well as other the SNSP initiatives in support of building local democratic governance. This equates to over 1300 Field Worker days per year. For the purposes of estimation, it is anticipated that the 1,300 Field Worker days will require a minimum of 6 – 8 Full Time Equivalent (FTE) Field Workers required for each SPSN Field Office. All Field Worker days will be applied in ways that maximise benefits and local impact.

[61] A newly established association for the accreditation of community development workers, following the work of the CDS in developing a training and accreditation program.

[62] Assuming each field office would receive 100 applications and subsequently provide around 25-30 small and medium grants to community groups annually. Obviously this is the minimum number and it is likely that a larger number of smaller grants will be provided, depending on the local demand and needs.

[63] The importance of building internal democracy of civil society organisations is emphasised in Rakner L, Menocal AR, Fritz V (August 2007) 'Democratisations 3rd wave and the challenges of democratic deepening: Assessing international assistance and lessons learned', Overseas Development Initiative (UK).

[64] The planning process can involve a change from the original expression of interest as applicants are supported to diagnose their development needs in more depth and in a more inclusive way.

5. **Implementation of local grants.** These grants will focus on democratic governance strengthening processes (community driven development, capacity building, networking, service delivery, enabling environment, and community-government linkages). It is expected SPSN will provide a minimum of 200 small grants annually once fully established, with 1,000 small grants over 5 years. Plus 16 medium grants will be provided annually, minimum of 80 over 5 years. As mentioned, the estimated number of small and medium grants is a minimum.

6. Select and implement large grant proposals. There will be opportunity for organisations with demonstrated experience and capacity to apply for a minimum of 6 large grants per year, available for clustered, larger or longer projects, implemented by partners with a proven track record. Care will be taken to ensure men and women in the community have access to grants. Large grants support organisations undertaking capacity building and support of other local CSOs for implementation of local activities, as well as multi-year activities for eligible organisations across the range of the six identified functions supporting democratic governance. A NGC will oversee an annual invitation, screening and selection process. Field offices will work with selected organisations to oversee and support implementation of the projects. The MC will develop mechanisms and criteria to assess capacity of applicant organisations, eligibility of proposals, and systems for managing and reporting on grant implementation for endorsement by the JGC.

6.3 Component 3: Improving local governance in selected geographic areas

Rationale and overview

98. The objective is to identify and model how particular development needs can be addressed through improving local governance practices. Examples of possible development needs include issues such as water and sanitation, health and HIV and AIDS, disability inclusiveness, poverty reduction, conflict resolution and peace-building, disaster planning, sustainable resource planning, vulnerable area protection, equitable service planning, gender equality, violence against women, and the provincial/district/local government nexus. This component will be delivered proactively in selected areas and will involve government, community, development partners and, in some cases, the private sector. The desired outcomes include greater transparency, accountability and participation in decision making and resource allocation, improvements in how community needs and priorities are addressed and increased community awareness and understanding of political, administrative and planning processes. These will be implemented in ways that will strengthen collaboration between development partners to come behind and support local solutions to local priorities.

99. The initiatives will also help clarify how the SPSN can influence and support other sectoral programs to engage with communities and provide operational support to build and strengthen linkages in a consistent way. Collaboration with the SNS to ensure coherence and coordination between provincial/district/local planning and inclusive service delivery is a priority[65]. The initiatives require GoPNG to be supported to articulate clear policy and operational frameworks consistent with each level of government's responsibility and fiscal framework. This will be actively progressed by AusAID in consultation with key stakeholders and with administrative support from the MC.

100. While Component 2 will support projects with individual communities, Component 3 will operate within a district or across several districts. Engagement could be based on a thematic issue (social concern such as family violence) or around problems of a particular

[65] A pilot of participatory ward planning was conducted in Bogia, Madang Province. This is described in "Bogia Pilot Report – Brief and Way Forward", report by URS under PNG DGPTP, November 2008. Findings and recommendations from the 2009 Mid-Term Review of the SNS program should be applied to SPSN during implementation.

landscape (a valley/watershed approach to environmental concerns). This will enable deeper, more strategic exploration of governance arrangements and greater scope for change. The type of initiative will be unique in each area, but might increase community involvement in the creation and implementation of ward and district development plans[66], increase transparency of development initiatives of large-scale resource companies, or mobilising several development partners to help communities identify and address development needs[67]. Each initiative will require consideration of how it can: reinforce the role and responsibility of different levels of government; assist community to engage with relevant levels and parts of government on key issues; and support coherence with PNG's policy and administrative frameworks.

101. In contrast with the Grants Scheme (Component 2), selection of these initiatives will not be contestable. The selected initiatives could be delivered through different modalities such as contracting a local organisation, through a competitive tender process, or could be in response to a partner coming to AusAID for support to implement a particular idea. Where possible GoPNG systems will be used as a priority. Initiatives might emerge from the activities within other components (particularly Component 2), or may be in response to developments within another AusAID, donor or GoPNG program (for example from AusAID's SNS). While there are some existing and emerging activities that neatly fit within this Component[68], it is likely interest will need to be stimulated and fostered, and support provided to interested organisations and communities. Through supporting a strong focus on learning and improvement, this component will be critical to better understand the realities of how governance can be improved in PNG and how this can best be supported.

The following seven key processes and outputs apply to Component 3:

1. **Select areas based on need, demand and opportunity.** Areas will be selected considering need (communities requiring greater support due to remoteness, poverty, severity of gender inequality, conflict or serious governance imbalances), demand (communities and other sectors demonstrate innovation and commitment in dealing with local governance issues which can be expanded through further assistance) and opportunity (sufficient capacity and experience exists within the community, local government agencies, local partners or Key Partners). A minimum of 16 initiatives would be undertaken over the duration of SPSN, selected across a range of provinces. It is likely these initiatives would run for around two years, with each up to a cost of around $175,000 (K350,000), with a total of $2.8m (K5.6m) over the life of SPSN. The MC would coordinate the NGC (which includes representatives from AusAID, GoPNG, Key Partners, and other stakeholders) to identify 3-4 target initiatives for JGC approval each year. It is likely some SNS Provinces would be included to promote synergy across the aid program. Annually the JGC would reflect on progress of initiatives and identify which types of initiatives need to be actively targeted in future years.

2. **Design initiatives.** Individual initiatives will be designed over a period of three months through an inclusive, participative process that models democratic governance principles, includes gender analysis and Do No Harm principles (recognising development

[66] Identifying good practices for how local and district level government can implement their responsibilities in a democratic manner could be scaled up to the provincial or national level, and potentially influence the reform of the OLPGLLG (Goudsmit, I. Sub-National State Agencies in PNG, Discussion Paper 3, August 2007).

[67] In selecting target areas in extractive resource provinces, SPSN will ensure support is not only directed at communities within the resource project areas (who typically receive assistance through company and government funding) but that communities *outside* project areas receive prioritised support and attention. Taking this into account in selection of target areas will avoid compounding 'aid orphan' or exclusionary effects that can exacerbate inter-group tensions and conflict. In difficult environments with significant power imbalances (i.e. mining or logging areas), SPSN will consider how to involve NGOs who are already brokering relationships to facilitate dialogue between local communities and companies.

[68] For example AusAID's support in the Kokoda Track vicinity under the Kokoda Development Program.

assistance in conflict-prone environments is not neutral i.e. it has the potential to 'do more harm than good')[69]. The MC would coordinate this process, which may differ in each area depending on the entry point (i.e. private sector governance, government processes, other development partners' processes), issues being addressed and the capacity of stakeholders.

3. Establish linkages with other GoPNG agencies, donors and stakeholders. Clear linkages will be made to other GoPNG agencies and programs, donor initiatives and stakeholder interests such as the AusAID funded SNS, health, HIV and AIDS, education and law and justice programs where these relate to the geographical or topic area in the initiative. The MC would explore how SPSN initiatives can add value, supporting engagement with community and development partners. The MC would establish operational mechanisms to ensure linkages occurred, which may involve PNG counterparts from the other programs in the design of the initiative, in training and capacity building activities and by ensuring regular reporting about the initiative to PNG and AusAID staff from these programs. Where possible the MC will ensure strategic guidance and capacity development support through SNS is leveraged through the SPSN.

4. Provide technical assistance and capacity building support to communities, government, private sector and development partners. Technical assistance and capacity building support will be provided to communities, government, private sector and development partners to implement the initiatives. This might be delivered through in-house advisers or volunteers, training, workshops or other forms of assistance, described in a capacity building plan developed by the MC. The areas of assistance would depend on the initiative, but likely include supporting local level government to develop processes and skills to engage women and men in local communities in planning and decision-making processes. In some areas the MC would deliver assistance with locally-employed staff; in other areas it might subcontract local partners to provide training and assistance within an overall agreed capacity building framework. These different models of delivery would be reviewed and compared. Where possible, the MC would ensure that technical assistance and capacity building support are integrated, gender inclusive and complement the assistance provided by other development stakeholders.

5. Support a local team to effectively implement initiatives which engage communities, government, private sector and development partners. Each activity will be managed by a team of local stakeholders, implemented by local parties where possible. Initiatives could be supported for up to three years based on regular reviews; ongoing funding would be based on agreed performance criteria. Different models would be tested with the MC playing different levels of involvement in coordinating and supporting the initiative. Across all initiatives, the MC would be responsible for supervising the progress of activity implementation, compliance and financial oversight.

6. Positioning and supporting AusAID to engage with GoPNG on key policy and reform agendas that contribute to better targeting of Australian aid and strengthen the Australian – Papua New Guinean partnership. At all stages (identifying focus areas; defining specific projects and their operation approaches; and monitoring and learning lessons from initiatives) this component must be developed and implemented in a manner that is consistent with, and contributes to, PNG's policy and reform context. The MC will also support AusAID engage with GoPNG on its sub-national policy and reform agenda.

7. Establish intentional learning processes for ongoing adaptation and improvement. Stakeholders will be facilitated by the MC to reflect and learn from their experiences. This could involve participatory reviews of their progress within each

[69] AusAID (2006), Peace, Conflict and Development Policy Evaluation, Canberra

initiative and peer reviews between initiatives. Lessons learnt would be incorporated into other components, for example by considering how to better involve local level government in the grants scheme in Component 2 as well as across AusAID's sector program in PNG. AusAID, the JGC and the MC would review the progress of Component 3 after two years of implementation to consider the relative emphasis placed on the approach and whether it needs to be adapted or expanded to be a larger mechanism for change.

6.4 Component 4: Strengthened collaboration of men and women stakeholders for the promotion of democratic governance

Rationale and overview

102. SPSN will build collaboration between stakeholders for the promotion of democratic governance to build momentum, provide mutual support and to share information and resources. This is between the range of actors working within PNG including government, private sector and development partners and other AusAID and donor initiatives. Support will be provided for national and Pacific-regional networks of stakeholders to address particular issues impacting on democratic governance, to build a critical mass of stakeholders debating and considering democratic governance, and to provide guidance to AusAID and other development partners on how to best support and engage with civil society.

The following four key processes and outputs apply to Component 4:

1. **Promote dialogue and engagement among a broad range of men and women stakeholders on democratic governance principles and practice.** While the term 'democratic governance' is not common in PNG, a broad range of stakeholders are actively involved in using and supporting community engagement, community development and in some cases, governance reform. There is limited networking and sharing of ideas between these stakeholders and the MC will facilitate opportunities to increase engagement amongst women and men in state, non-state and other actors to share lessons and policy dialogue. The MC will develop and implement a proactive, accessible Communication Plan to keep stakeholders informed about SPSN principles, approaches and activities. Special attention will target communication to diverse groups e.g. people with disabilities, women, people in remote areas. The Communication Plan should ensure that SPSN is a key reference point for AusAID, donor, GoPNG and CSO program opportunities for civil society. In the first six months this Communication Plan will focus on informing stakeholders of the transition from DGTP.

2. **Support informal networks of government and male and female non-state actors to work together on thematic issues that impact on democratic governance in PNG.** Issues will largely emerge from stakeholder interests, but they may also be proposed by the JGC, based on an analysis of democratic governance processes and opportunities. Examples of issues might include women in political leadership, involving men and boys in support of eliminating violence against women and other gender equality matters, civic education, strengthening Local Level Government practices in community engagement and reform, eligibility of customary social structures for community development activities and support, and conflict prevention. Issues may also arise through the other Components (particularly Component 3). Networks would be supported to consider approaches, lessons and strategies and, in some cases, to implement a suite of activities to address the issue/s. The networks would be supported with resources for facilitation and administration based on an approved implementation plan.

Each year, a minimum of two thematic issues will be supported, to a maximum of $100,000 (K200,000) for each theme. A total of $1m (K2m) would be provided over the 5-years of

SPSN. Membership of the networks would be open and on a voluntary basis. The MC will develop systems and processes in consultation with the networks for the design, reporting and review of activities and dissemination of lessons. Opportunities for engaging with relevant stakeholders from other Pacific countries should be explored.

3. Provide operational support for the AusAID bi-lateral program to engage with non-state actors and to progressively mainstream the principles of democratic governance (participation, equality, inclusion, accountability and transparency). The SPSN will build a knowledge base on civil society and non-state actors and how they can be supported and engaged by donor and government programs. AusAID's Democratic Governance team will identify opportunities to provide this knowledge to other sectoral programs to support their initiatives with non-state actors. The MC will coordinate information and analysis, systems and procedures to AusAID sectoral programs and other donors as required. The MC will support the selection, organisational assessment, design, monitoring and review functions for non-State actor participation in sectoral programs as negotiated and agreed by the AusAID Democratic Governance team. The longer-term objective is to streamline AusAID's requirements for women and men in civil society to participate in programs, build a knowledge base on civil society, and mainstream the principles of democratic governance (inclusive participation, accountability and transparency) in AusAID's policy dialogue with GoPNG. SPSN will involve AusAID sectoral programs in implementation as appropriate; e.g. in Components 3 and 4, the SNS team have a role to play in Local Level Government strengthening and the design of initiatives related to District and Provincial governance. Education and health sectors may also be involved in initiative design. In Component 5, scholarship, leadership and advisory support facilities may play supportive roles in the training and professional development of men and women.

4. Facilitate review, learning, innovation and research to promote synergies, effectiveness and impact. Given the exploratory nature of the SPSN, it will be important that the MC coordinates regular participatory review processes involving all key stakeholders including AusAID and ensures that the information generated is used to adapt and improve implementation. Each SPSN Component has a strong focus on reflection and reviewing lessons learned and the MC will ensure information and lessons learnt are shared between Components. Support will be provided to stakeholders to build their capacity in M&E. The SPSN will support six pieces of research, analysis and impact assessment each year, comprising two significant research activities and four minor ones on specific issues. Over the life of the SPSN, a total of up to $270,000 ($540,000) will be available to support these research initiatives, implemented by civil society stakeholders. Research outcomes will contribute to the MC's use of a range of methods to capture and assess SPSN impact. The MC will use information generated through M&E to produce the annual SPSN-Wide Implementation Strategy and the Six Monthly Report on progress, to be provided to the JGC, AusAID and Key Partners.

6.5 Component 5: Strengthened human capital of men and women for the practice of democratic governance

Rationale and overview

103. Individuals in PNG often wear multiple 'hats' and play a leadership role across several organisations including government, private sector and civil society. Achieving objectives of SPSN will require harnessing, supporting and building capacity of men and women at all levels of society to promote and practice community development and democratic

governance[70]. SPSN will support development of general skills in community development and democratic governance, as well as specific skills for implementation (skills which will also be transferable to other programs and processes within PNG). Links will also be made with the Australian Scholarships available in PNG and the Pacific Leadership Program. This component also provides an opportunity to mainstream key policy issues such as disability inclusiveness, gender equality and HIV+AIDS.

The following two key processes and outputs apply to Component 5:

1. Professional development program for men and women participating in Democratic Governance activities. There are many individuals involved in community development and government reform across churches, civil society organisations, government agencies etc. There are barriers for these individuals to exert leadership and drive change within their organisations, in particular for women. While other components provide support to build the capacity of organisations, this component will strengthen the capacity of individuals. The MC will analyse the barriers and constraints for individuals to support democratic governance paying particular attention to the different barriers and constraints of men compared with women. Based on this analysis, support will be provided through methods to be described by the MC in a capacity building framework, which will outline how individuals (both men and women) will be identified, mobilised, mentored, trained, networked and supported to implement their skills in their organisation or workplace. In the first year a minimum of 300 men and women will be involved in capacity building, increasing to 400 men and women in the second year and a minimum of 500 men and women per year thereafter, with at least 50% of these participants being women. An initial assessment of the barriers faced differentially will reveal whether more women should benefit from this component than men if it is deemed that this will address significant gender barriers. An allowance of $800 (K1,600) has been allowed for each individual, with a total of up to $1.76m (K2.52m) over five years of SPSN for a minimum of 2,200 people. In training / professional development, there will be inclusion of gender issues relevant to PNG. Individuals targeted will primarily be those participating in SPSN, although individuals from other institutions engaged in democratic governance will be invited to participate. The MC will ensure training and other activities incorporate key aid policy themes of disability inclusiveness, gender equality and HIV + AIDS.

2. Support for community development and related education conducted by local institutions in PNG. The SPSN also supports local institutions for the design and delivery of training and development programs that provides relevant skills and knowledge to SPSN participants. Funding of $35,000 (K70,000) to each of 8 institutions in Year one, increasing to 16 institutions in Year two and thereafter will enable local PNG institutions to deliver formal and informal education related to democratic governance. Up to $2.52m (K5.04m) will be available from SPSN, as part of a strong focus on strengthening local capacity, through a minimum of 72 grants to providers. To facilitate this, the MC will review the role for existing training organisations (e.g. Academe, Melanesian NGO Centre for Leadership and Leadership PNG, CDWIC) and assess their capacity to deliver components of this capacity building program. The MC would work with a range of institutions to identify education programs that would be supported and negotiate how to build the capacity of institutions to provide teaching and learning that is directly relevant to principles of democratic governance.

[70] '..a democratic governance approach could focus on the capacity building of individuals, irrespective of their customary or institutional background' (Goudsmit, I. Customary Social Groups and a Democratic Governance Approach in PNG Discussion Paper 2, August 2007:14).

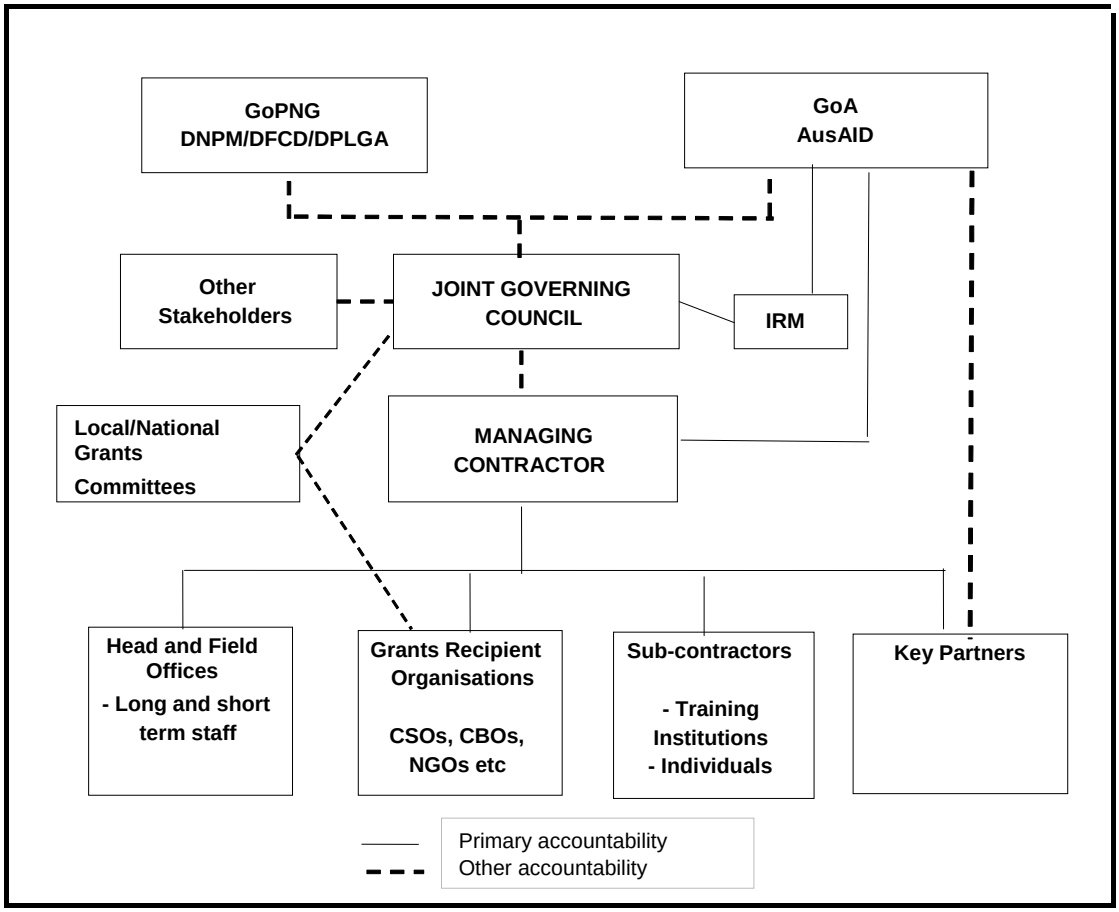
7 Management and Coordination

7.1 Roles and Responsibilities

104. This section sets out mechanisms for management and decision-making for the SPSN and for each component. Bringing together this support to civil society is expected to bring greater coherence and cross-learning, resulting in more widespread impact. It is also anticipated that it will result in the MC taking responsibility for the SPSN administrative and contractual processes, providing more opportunity for AusAID officers to focus on relationships and strategic engagement with key stakeholders.

105. The diagram below illustrates accountability relationships. The roles of the JGC, the Local Grants Committee (LGC), the National Grants Committee (NGC), the Independent Review Mechanism Group (IRM), AusAID and the MC are explained in more detail.

Figure 1: Governance and Management Structure



Joint Governing Council (JGC)

106. The JGC will provide the policy, strategic direction and implementation oversight, including roles such as:

- endorsing criteria for Key Partner selection (Component 1);
- endorsing membership of the Local and National Grants Committees, criteria for grants selection and indicative budgets for grants for each Field office (Component 2);

- endorsing selection of priority areas for improving local governance practices (Component 3);
- endorsing thematic areas and priorities (Component 4);
- ensuring cross cutting themes are integrated throughout;
- approving the equitable capacity building framework (Component 5); and
- contributing to the M&E and the Independent Review Mechanism (IRM).

107. The JGC will also be engaged by AusAID to consider strategic directions and participate in policy discussion between AusAID, GoPNG and non-state actors. For example, AusAID may draw on the JGC for input to other programs' engagement with civil society. Functionally, the JGC will review the MC's annual plan and SPSN performance reporting and have input into AusAID's assessment of MC performance, levels of staffing and resourcing.

108. The JGC will be made up of men and women from GoA, GoPNG, civil society, private sector, donors, development partners and other stakeholders. Individuals can nominate through an open process. The JGC will include up to three representatives from GoPNG and two from GoA. GoPNG representatives will likely be drawn from the DNPM, DCD and DPLGA. Selection of AusAID and GoPNG nominees will reflect both individual merit and the position held. An additional five representatives would be chosen to provide a cross representation of non-state actors including churches, private sector, national and provincial CSOs, CBOs and academia. Selection of these non-state members will be based on their individual skills and their affiliate organisations, not to formally represent particular organisations. A donor representative[71] will be invited from the Donor Working Group on Civil Society. The SPSN Program Director and Deputy Program Directors would have observer status, with AusAID providing Secretariat support. Administrative and logistical support to the JGC is to be provided by the MC.

109. The JGC will be representative in terms of gender and geography (i.e. a mix of people from both urban and rural areas). All members of the JGC will be expected to sign a Code of Conduct that reiterates expectations of good governance, gender equality and transparency and provides operational mechanisms that deal with conflict of interest issues. The Code of Conduct will be developed by the MC and approved by the JGC.

AusAID (in relation to SPSN Implementation)

110. Key SPSN responsibilities for AusAID include:

i) Participating in setting strategic direction and policy through the JGC, which will also provide opportunities to identify issues and new partners for deeper policy engagement;

ii) Identify and ensure SPSN linkages to other AusAID programs. While the cross-sectoral engagement and inter-linkages with SNS will be technically supported by the MC, it will be driven and oversighted by the AusAID Democratic Governance team;

iii) Leading greater consistency and coherence in relation to engagement with civil society across AusAID sectoral programs and with other donors;

iv) Selecting Key Partners for endorsement by JGC, managing relationships and supporting capacity-building of Key Partners, jointly developing principles with partners to guide the AusAID-Partner relationship, jointly developing and reviewing partnership agreements, acting as a "translator" and "advocate" for Key Partners in relation to AusAID and other donor's engagement with civil society, participating in partner forums and activities that provide opportunities to inform and influence policy;

[71] Donors may choose for this position to be a permanent representative or a rotating position between donors.

v) Participating in the formal SPSN reviews and ensuring ongoing integration of cross cutting themes and activity level monitoring;

vi) Overseeing SPSN contract management and administration;

vii) Acting as Secretariat for the JGC (administrative and logistical support by the MC);

viii) Contracting and managing the IRM.

111. An AusAID Officer is co-located[72] within DFCD to strengthen implementation, to support close collaboration between SPSN and DFCD at provincial and district levels, where DFCD is an important strategic and delivery partner. This will also help identify additional entry points and linkages between SPSN and the Department. AusAID's closer engagement with DFCD through the co-located officer and Advisory Support Facility Advisers will reinforce the clear intention to avoid establishing mechanisms parallel to the state, and its aims to collaborate with GoPNG on promoting constructive engagement with civil society at the sub-national level.

112. The remaining AusAID functions relating to the democratic governance sector include policy and strategic direction setting, analysis and reporting at the sector level, overall relationships with government, internal financial planning and reporting, contract management, policy analysis and briefings, Whole-of-Government engagement, and the management of other related initiatives. AusAID will consider its roles and responsibilities in light of these broader functions when determining and allocating responsibilities and personnel. The current team in the Democratic Governance Unit are well placed to engage strategically and be supported by the MC, as required.

113. AusAID is also responsible for assessing progress against its Democratic Governance Strategy and the gender strategy. While the SPSN goal will be assessed through M&E arrangements, progress towards the Democratic Governance Strategy will be monitored through additional means, including changes in governance arrangements, the strength of civil society, and civil society perceptions of service delivery.

Independent Review Mechanism

114. The IRM will be designed and contracted by AusAID to perform review functions across the entire Democratic Governance initiatives (including SPSN, CPP, MDI, and ESP), and possibly for other elements of the aid program seeking to assess their engagement with civil society. The IRM will review the quality of SPSN's systems and procedures, provide analysis and make recommendations to the JGC and AusAID. It will ensure SPSN complies with GoPNG and GoA policy, contractual and legal[73] obligations, and make recommendations to improve administration and delivery.

115. The IRM will assess particular systems during implementation such as the MC's M&E system, the quality assurance processes for the grants scheme, human resource management practices, gender equality aspects, relationships and expectations of implementing parties (MC, AusAID). It will review systems of implementers, including AusAID, MC, Key Partners and proponent organisations. It is estimated this will require two independent advisors to conduct periodic short term inputs (likely two visits per year), with its first task to facilitate the MC and AusAID to develop a plan for how these reviews will be conducted.

Local Grants Committees (LGC)

116. There will be eight LGCs linked to field offices including Port Moresby. They will oversee screening, selection, implementation and review for the grants scheme in Component

[72] The DFCD Co-located AusAID Officer will commence in the position at the Department in 2009.
[73] Such as the Commonwealth Procurement Guidelines

2. Membership of the committees will be approved by the JGC and consist of between seven and ten representatives including at least one province-based representative connected with the Department For Community Development, or other provincial staff. Where appropriate, AusAID co-located Sub-National Strategy officers will sit on the committee as observers. The LGCs will:

- assess the eligibility of groups;
- screen and select expressions of interest;
- assess project applications against criteria in an accountable, transparent manner; and
- select projects and allocate a budget to each grant.

117. Each LGC will be representative in terms of gender and geography. Processes will model good practice for Democratic Governance, with all members expected to sign a Code of Conduct that reiterates AusAID's expectations of good governance, gender equality, and transparency, and provide operational mechanisms to deal with conflict of interest issues.

National Grants Committee (NGC)

118. A NGC will be appointed by the JGC to oversee the screening, selection, implementation and review for the large grants scheme in Component 2. Similarly to the LGC, this committee will:

- assess the eligibility of organisations;
- screen and select expressions of interest;
- assess project applications against criteria in an accountable, transparent manner; and
- select projects and allocate a budget to each grant.

119. The MC will make recommendations regarding the location of the NGC to the JCG for consideration. Membership will be approved by the JGC and consist of between 7-10 representatives, balanced in terms of gender and geography and (as for LGCs) model good practice for Democratic Governance. All members will sign a Code of Conduct that reiterates AusAID's expectations of good governance and transparency and provide operational mechanisms that deal with any conflict of interest issues.

120. In addition, the NGC, in consultation with the appropriate LGC, will also select initiatives for improving local governance practices in selected areas (Component 3). In this role they will be coordinated by the MC to reflect on progress and identify which initiatives need to be actively targeted in future years.

Managing Contractor (MC)

121. The MC will perform management services for implementation, divided into two key responsibilities. These encompass SPSN-wide implementation functions, as well as operational support required for each Component (including the grants, specialist technical support via the SPSN team and STAs, as well as promoting, advocating and modelling good practice in all aspects of democratic governance and inclusive methods. The MC is to operate mostly as a facilitator and enabler of other parties for the delivery and implementation of the SPSN itself, rather than being the main direct implementer of the outputs and activities. This requires in-depth knowledge of the principles of democratic governance and the capacity to provide guidance, leadership (where appropriate) and support to the various agencies and organisations involved. The MC will also undertake capacity building of participating organisations and individuals as part of strengthening transparency, technical skills, service delivery and the application of inclusive practices. In addition to the organisational development responsibilities, the MC will be required to identify and manage data, providing regular reporting that maps progress and disaggregates the data along important themes; e.g. by gender and geography. There are aspects where the MC will be required to lead. These

include managing the performance of sub-contractors who are delivering support and other services, as well as in the implementation of key policies such as disability, gender, HIV and AIDS and child protection.

122. In both cases, the MC operates as a facilitator and enabler of other parties for the delivery and implementation of SPSN, rather than a direct implementer of outputs and activities.

123. Functions include:

- ***Relationship management***: with local institutions implementing SPSN activities (Key Partners, grant recipient organisations, sub-contractors) and with a wide range of stakeholders, including Government at all levels, private sector and donors, AusAID's Democratic Governance team and other AusAID staff;
- ***Capacity building and institutional strengthening***: including planning and implementing a range of training, professional development and organizational development activities for Key Partners, participating stakeholder organizations, relevant government agencies, and individuals working in the sector;
- ***Financial management:*** including budgeting and expenditures for operational and grant funds, as well as maintaining an audit regime;
- ***Agreement and Contract administration:*** negotiating contracts and Agreements with organizations, facilitating agreements as required for the broader Aid program.
- ***Administrative and Logistical support for the JGC Secretariat:*** AusAID provides the Secretariat for the JGC, but the MC will provide support as requested (AusAID will set the agenda, call the meetings, take and produce a final draft of the meeting minutes).
- ***Systems and Procedures:*** including ensuring business processes (financial, administrative and M&E) are consistent with partnership principles developed by AusAID and Key Partners, and build on existing GoPNG systems and procedures as appropriate. This also includes the streamlining of processes and formats for proposals, organizational assessment, funding, reporting and administration of grants and sub-contracts;
- ***Monitoring and Evaluation:*** including facilitating a detailed M&E Framework with AusAID, Key Partners and other stakeholders, to meet both learning and accountability needs; establishing the processes and systems to operationalise the MEF and supervise its implementation by a wide range of stakeholders and organisations. In particular, the MC will have responsibilities for aggregating, synthesizing, analysing and reporting from a wide range of evidence available to the JGC and AusAID in a usable form. Importantly, AusAID requires specific data and information in relation to its programs in PNG (for example) in relation to SPSN initiatives by province, grants by sector and specific cross-cutting information (for example initiatives that engage with people with disabilities; reducing domestic violence or increasing gender equality; combating HIV and AIDS); and public diplomacy/good news stories. The MC will be required to work with AusAID at commencement to ensure systems and data provided are the kind and level of information required by the agency in order to meet its reporting needs. The MC will also seek to align M&E with relevant government agencies' own processes where appropriate;
- ***Continuous Improvement and learning***: the MC will contribute to a process of continuous learning, in conjunction with AusAID. This includes the MC sharing examples of best practice and lessons learnt with AusAID (including other AusAID contracted programs), GoPNG and CSO stakeholders and through the cross-SPSN initiatives;
- ***Human resource management***: including the recruitment and selection of appropriate, well qualified international and local staff to fulfil key personnel positions, managing a network of Field Workers and identifying and mobilizing appropriate long and short term TA as required for implementation;

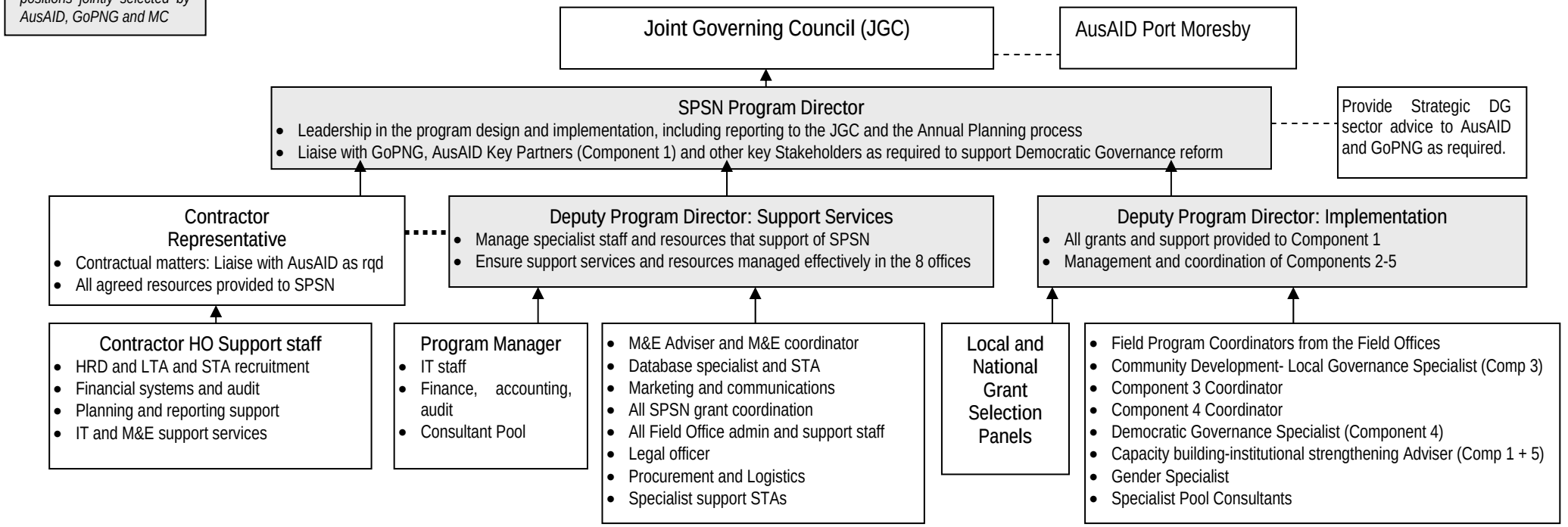
- ***Implementation of Disability, Gender and HIV and Aids and other policies:*** including development, mainstreaming and monitoring of disability, gender equality, child protection and HIV and Aids strategies. This includes all aspects of awareness raising, training and on-going mentoring as part of integrating and modelling good practice;
- ***Transition Arrangements:*** The MC will be responsible for ensuring a smooth transition from the current DGTP arrangements;
- ***SPSN Subcontractors:*** manage the performance of all subcontractors and service providers to ensure the agreed outcomes are achieved;
- ***Reporting:*** including forward Annual planning; 6-Monthly Reports (including progress against agreed outcomes, M&E, financial reporting); and other reports and information as required by the JGC and / or AusAID.

124. Functions related to the implementation of each component are aligned to each of the outputs. Detailed responsibilities and key requirements are included in the Scope of Services and Basis of Payment.

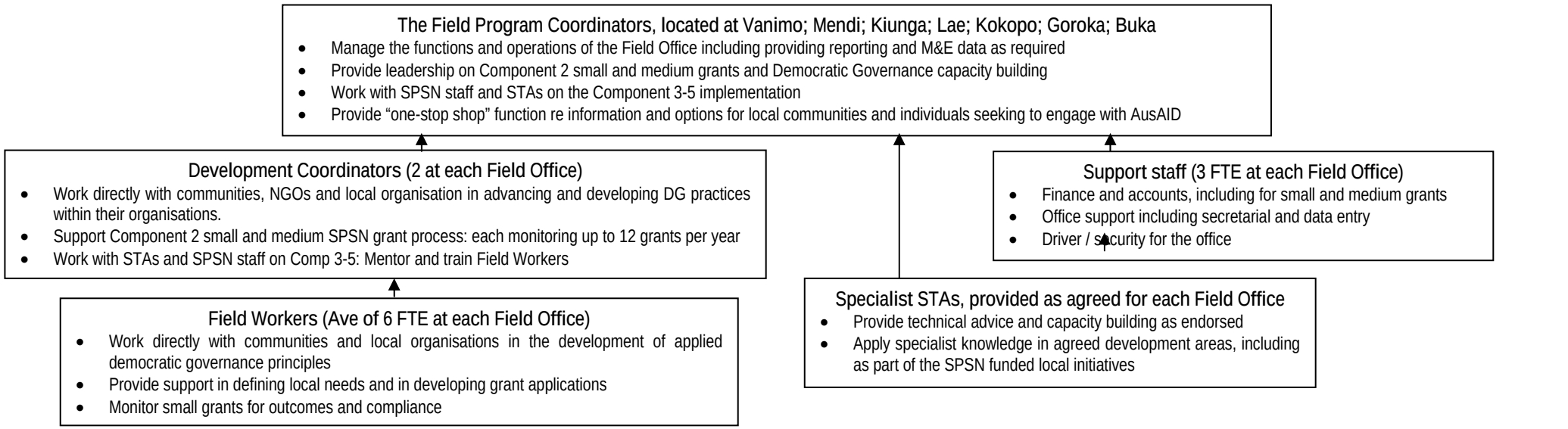
125. There will be three senior managers - the Program Director and two Deputy Program Directors (for Implementation and for Support Services). A full time Program Manager will take responsibility for the day to day MC support operations. The following diagram provides an indicative structure of the office in Port Moresby and the seven Field Offices. The in-country personnel will also be supported by a team of short term specialists drawn from a Consultant Pool, with TOR prepared by the MC for endorsement by the JGC.

Figure 2: **Indicative SPSN Management Structure**

The 3 SPSN leadership positions jointly selected by AusAID, GoPNG and MC



The 7 SPSN Field Offices: Indicative Staffing Structure



126. There will be a balance between international and local personnel for full time in-country positions. Where it is not possible to recruit PNG nationals, a professional development plan be prepared for a less experienced professional to step into senior roles at an appropriate time. Overall, SPSN should aim to ensure no more than five international personnel are appointed to full time in-country positions and at least half the Consultant Pool should be PNG or Pacific nationals. It is also expected there will be an appropriate balance between men and women, as well as gaining access to volunteers under AusAID's volunteer programs, or other volunteer schemes as appropriate.

7.2 Contracting Strategy

127. A staffing profile is provided at Annex 3 and Terms of Reference for key positions included in the Scope of Services at Annex 4. The Contracting Strategy for SPSN proposes selecting the MC on the basis of:

(i) experience and capability to provide corporate support systems and services required for SPSN (including nomination of the Contractor Representative and the in-country Program Manager positions);

(ii) the ability to source and manage international and local personnel to fulfil key positions and quality of proposed Consultant Pool;

(iii) an understanding of key aid policies in PNG as they relate to this design;

(iv) detailed understanding of democratic governance issues in PNG, the SPSN design and strategies, as well as the constraints and risks in implementation;

(v) analysis of the design and suggested alternate methods and activities that the MC will develop and deliver so that the vision held for the SPSN can be fulfilled; and

(vi) an understanding of how best to integrate the SPSN cross cutting themes such as gender equality, HIV + AIDS, people with disability, and the use of inclusive methods.

128. Once the MC is selected, AusAID, GoPNG and the MC will jointly select personnel for the Program Director, the Deputy Program Director – Implementation and the Deputy Program Director – Support Services. Once these leadership positions have been filled, the MC will undertake further recruitment and submit recommendations to AusAID and JGC for approval. Each year in the Annual Program Strategy (an Annual Plan negotiated between AusAID, GoPNG, the Program Director and Contractor Representative) the MC will propose short term positions and inputs required from the Consultant Pool.

7.3 Timing

129. AusAID and the current MC for the Democratic Governance Transition Program will work to ensure a smooth transition between DGTP and SPSN. It is expected that the process to contract the SPSN will be concluded by early 2010, followed by the establishment of enabling SPSN facilities and the joint selection process for the three leadership personnel.

130. It is envisaged that activities required to commence Components 1 and 2 will start immediately after contracting, with Components 3, 4 and 5 being progressively developed and implemented as soon as practicable during the first year. Throughout implementation, the appropriate balance of funding across components will be considered by the JGC to ensure SPSN is driven by demand.

7.4 Transition Phase

131. The SPSN follows on from previous initiatives in the sector. As a result, there are existing resources, equipment and facilities that will be transferred across into the SPSN at

contract commencement. These physical resources include office equipment, IT, furniture, vehicles and other related items, located in offices around PNG[74].

132. Potential MCs will be expected to review the existing DGTP equipment and other physical resources to minimise any duplication in procurement. This is especially for vehicles, several of which are reportedly in good condition and capable of providing ongoing service.

133. In relation to the existing staffing arrangements, should there be a change in MC from the existing DGTP contract, it is expected that there will be a number of DGTP staff who wish to apply for SPSN positions, either in Port Moresby or in the proposed Field Offices.

7.5 Establishment Phase

134. The MC will be required to develop an Inception Plan, in order to outline how the SPSN will move from the current transitional program into the establishment and management of this new initiative. The Inception Plan will detail the approach to existing DGTP local staff, physical assets, bank accounts and facilities, as well as identify how the MC will make best use of existing resources. This would include (for example) how existing databases can be refined to meet the SPSN needs[75]; how existing equipment and vehicles will be transferred and managed; how the initial 3-months of SPSN will be implemented to ensure a seamless transition; advocacy and providing information to the key stakeholders; as well as schedules for staffing, establishment of systems, location of offices and support for the JGC.

135. This design proposes seven field offices (8 including the Port Moresby office), located to provide maximum reach and impact for the implementation of SPSN. Within each of the nominated SPSN field office towns / cities, it is appropriate for SPSN to engage with the local communities and agencies in ways that suit the local context and that can maximise the benefit of the SPSN.

136. It will be important for the MC to establish and locate the individual field offices in ways that take into account existing structures and systems. This is especially the case for the locations in Vanimo and Kiunga, where is it imperative to engage with communities that are relatively isolated from the main decision-making forums in service delivery.

137. The MC must also ensure that any existing resources in the nominated towns / cities are not duplicated by the SPSN. As an example, it will be important for the SPSN office to coordinate closely with SNS officers based in provincial locations. Also, there may well be opportunities, on a case by case basis, for the SPSN field office to be physically co-located to an existing GoPNG agency or other organisation that relates to the purpose of the Democratic Governance Strategy.

138. Each SPSN field location has a unique local context. The resources applied and staffing structure need to reflect local needs and demand. As an example, the draft field office management diagram (Figure 2) provides an indicative staffing structure / function for the seven field offices, for the purposes of clarifying the split in responsibilities between the field and the main office in Port Moresby. However, it is not expected that all seven SPSN field offices would be identical in structure or staffing, with the local needs and environment being the key drivers of staff deployment.

139. The MC will be expected to locate the seven field offices and define the individual structures, staffing and local organisational linkages, as part of achieving the best structure and methods required to achieve SPSN outcomes. The field offices shall provide a secure environment for working and also lockable facilities for security of confidential information,

[74] The details of the equipment, the locations and the condition will be made available at the appropriate time.

[75] It is expected that the MC will utilise the existing DGTP MIS structure and amend it to accommodate the M&E and reporting needs. It is not expected that an MC would expend significant resources in a new MIS system design.

electronic files, the IT equipment and other resources. The data and files will be regularly backed up and securely stored off site.

140. In relation to the commencement of the SPSN grant structures, it will also be important not to raise expectations to a point that they cannot be realised. As part of strengthening local partners and agencies, the SPSN supports communities with knowledge, assistance and skill formation in how to best advocate for, and access, funds and support to improve the democratic governance arrangements, as well as improved service delivery. The SPSN is but one of several sources of fund, from GoPNG, other donors and other relevant organisations that fund community and local initiatives.

141. Very large numbers of grant applications for the finite SPSN funding is an indication that the eligibility criteria are too broad, or that the SPSN is not focused in its approach to grant management. It will be important to maintain a balance between the effort and support provided for those applying for SPSN funding, compared to the actual amount of funds that can reasonably be expected to be available

7.6 SPSN Finance Arrangements

142. SPSN will be funded through a combination of:

- an Imprest Account for grant funds and sub-contracted activity implementation;
- reimbursable operational costs inclusive of all long / short term personnel fees; and
- fixed contractor management costs and fees.

143. Replenishment of the Imprest Account will occur regularly (i.e. quarterly) and be based on forecasts and acquittals. Regular payments will be made to the MC and these will be related to contract management costs incurred in the specified period (i.e. each three months). The balance, which will relate to the remainder of the MC's management costs and the management margins and fees, will be paid as milestones[76].

144. Financial audits will be undertaken by an independent audit firm coordinated by the MC on the Imprest Accounts, grant agreements and subcontracts, through a rolling audit program. The audit program will be developed to meet AusAID's Fraud and Corruption policy guidelines and are consistent with the agreed partnership principles. The audit process will encourage strong financial and performance reporting by implementing partners, and be linked to building organisational capacity of partners. An audit regime will be developed by the MC for JGC and AusAID endorsement. The MC will arrange an annual audit of SPSN as a whole and provide a report to the JGC.

8 Monitoring and Evaluation

145. A draft MEF has been developed which addresses both accountability and learning needs for internal and external audiences. There are four key elements:

1. ***Assessing progress and achievements against component objectives.*** This includes establishing regular information collection, analysis and reporting against outputs and periodic assessment of the extent to which component objectives have been achieved. This includes building on the existing DGTP MIS database[77] in ways that accommodate the new SPSN structure, ensuring reporting and analysis is pitched at an appropriate level (impact and outcome rather process-based), standardised reporting requirements from

[76] It is anticipated that milestone payments will be paid at a rate that covers 80% of MC management costs and fees. The remaining 20% will be paid on 'satisfactory' or better ratings received in the six monthly contractor performance reports.

[77] The MIS will build upon and use the data contained in the MIS already established and used under CDS and DGTP, and where possible complement and strengthen existing GoPNG systems and processes.

grant activities and Key Partners (with some flexibility depending on Key Partners' existing systems and capacity), organisational assessments, commissioned research and studies, secondary analysis of activity evaluation and reporting, stakeholder consultation / feedback and pre- and post-testing as applicable. All data collected will be gender-disaggregated by locality and other relevant fields (where possible), informing AusAID of specific information relating to cross cutting issues (including engagement with people with disabilities; provinces and sectors covered and case examples where clear benefits from democratic governance practices have accrued to local communities). Monitoring information will where possible be in line with information gathered or required by PNG Government partners. Information and analysis will be synthesised for the JGC and AusAID in six-monthly and Annual Reports by the MC which will be publicly available. This data may be used to help monitor the progress of the Democratic Governance Strategy as a whole, and will feed into AusAID's Quality Reporting System[78].

2. ***Impact assessment.*** A set of tools and methods will be introduced for assessing the contribution of SPSN components towards achieving the Democratic Governance Strategy goal and towards broader aid program policy objectives such as disability inclusiveness, gender equality and HIV and AIDS prevention and care. Key aspects of democratic governance practices in PNG and the alleviation of poverty will be identified. Related longitudinal case studies and commissioned research[79] through the life of SPSN will be undertaken and will also feed into AusAID's Quality Reporting System

3. Internal and external learning and reflection. The SPSN will have a strong focus on internal review within and across each component. This involves the MC building a culture of continuous improvement among its staff, implementation partners and other stakeholders, encouraging open feedback and reflection. Opportunities to build the M&E capacity of partners (particularly civil society and GoPNG) will be pursued, including regular reviews between AusAID and Key Partners, participatory evaluations of grant activities, peer review across delivery organisations, thematic research and funds to undertake small scale innovative research as opportunities emerge. The MC will organise events to share and distil lessons learnt across SPSN (as described in Component 4).

4. ***Quality assurance and risk monitoring.*** A set of systems and processes for QA, risk monitoring and assessing MC performance have been identified in the MEF. Key mechanisms include establishment of a separately contracted IRM who would implement a cycle of QA reviews, the audit regime for financial and contract compliance of participating organisations and AusAID's Contractor Performance Assessment process.

146. In addition to these four internal M&E processes, AusAID will commission an external Independent Progress Report (Year 3) and an Independent Completion Review. A TOR for each review will be prepared by AusAID and approved by the JGC. As discussed under Section 7, AusAID will commission a separate monitoring process to assess progress towards the overarching objectives of the Democratic Governance Strategy. Information collected will be invaluable to help inform and improve SPSN.

147. The JGC will play an important role in M&E by considering information generated through M&E processes to identify where adjustments need to be made. AusAID will play an active role through having oversight of the implementation of the MEF for the SPSN, being involved as a participant in some of processes, working to ensure that information generated is considered by the Democratic Governance Program and other donor programs in PNG. The MC will collate all information and report against the MEF (on a six monthly basis) and ensure sex-disaggregated data is collected. Information must be in a useable format for

[78] Including quality at entry, implementation, and completion reports, sector performance reports, and annual program performance reports.
[79] The research studies in Component 4 would help to inform this impact assessment.

stakeholders, as well as internally for management and improvement. The MC will be responsible for supporting partners achieve their outcomes, ensuring information is collected on the impact, although the MC is not responsible for achieving this impact[80]. The IRM will play a role in carrying out independent assessments on various operational processes and systems. The role of the IRM and the use of its outputs will also be described in the MEF to ensure integration between M&E of the MC and the IRM.

148. The Draft MEF provides an outline of the types of information that will need to be assessed, the types of methods that could be used, who will be responsible and how products produced will be used and incorporated into the management cycle of SPSN and other AusAID programs where relevant. This information will need to be further refined with input from a range of stakeholders (including the JGC) to develop a comprehensive MEF. The framework will outline which types of information will be collected and analysed on a regular basis and which will be assessed on a more periodic, in-depth basis. In further developing the MEF, the MC will assess what information is being collected by PNG stakeholders (including GoPNG) and draw on this as much as possible. The MC will determine what information is available as a baseline and what new information might need to be collected, so trends can be assessed over time. Multiple methods will triangulate or results and both qualitative and quantitative methods will help identify the extent and nature of change or impact (both expected and unexpected) and why change occurred. Resources for the MEF include a M&E Adviser and Coordinator, Database Coordinator and STAs in M&E and database establishment. The coordinators will liaise with the gender adviser to ensure information gathered measure gender equality changes and impact on the development processes. The STAs will provide several months input in the first year and shorter inputs in later years.

9 Feasibility and Sustainability

149. The SPSN is complex with five components, each with a discrete set of key delivery organisations, funding arrangements and stakeholders. Management arrangements involve a set of relationships between the Governments of Australia and PNG and other development stakeholders, with an MC, all playing important but different roles. The scope is broad; it encompasses nation-wide coverage (particularly through the grants), a sophisticated set of content areas that embrace priority thematic issues and a menu of potential activities undertaken by different parties to promote democratic governance. In assessing feasibility and sustainability, consideration was given to a set of critical issues arising from the analysis (including peace/conflict context), as well as to risk and regarding gender. A sustainability framework provides a basis for implementation and review, included as Annex 7.

9.1 Specific Issues Addressed in the Design

150. A number of critical issues that arose from background analysis and consultations are addressed in the SPSN design as described below:

(i) ***Working with customary social structures (e.g. clans) and family groups:*** the context of PNG suggests customary structures and informal groupings, particularly family and clan networks, are pivotal to social life and that attempts for harnessing this potential would be valuable. The design addresses this: (Component 2) by broadening eligibility criteria for grants to informal groups, which may include customary (e.g. clan), family or women's groups, when the purpose is for a collective or community benefit (rather than individual or family benefit); (Component 3) by supporting participatory planning for more programmed approaches in locations which include customary and clan leadership in

[80] While the MC is well placed to collect and analyse data regarding the impact of the Program all stakeholders play a role in achieving that impact. The MC is accountable is for the specific tasks and behaviours described in the Scope of Services.

planning and implementation at local level; and (Component 4) by identifying engagement with customary social groups as a potential thematic issue. The design creates the possibility for greater engagement, learning and review to inform future planning and strategies. However, engagement with customary groups is not a requirement or fundamental strategy, given the lack of experience in this area and the tentative nature of the underlying analysis; there were suggestions that deeper reliance on traditional and customary structures would reinforce negative gender concerns and any support for customary social structures will need to ensure gender relations are addressed positively, not negatively. As a minimum requirement, a Do No Harm policy will be set by the MC.

(ii) ***Strength of linkages to Department For Community Development (DFCD) and Department of Provincial and Local Government Affairs (DPLGA):*** In transitioning from the DGTP, the SPSN focus on democratic governance requires a stronger engagement with GoPNG. The design works with and through non-state actors (broader than NGOs or CBOs) in order to strengthen their capacity to engage with government at all levels. In doing so, the design recognises the need to strengthen the GoPNG role without it becoming Government run and directed. Other parts of AusAID's sectoral programs focus on working with GoPNG institutions directly and SPSN is designed to complement these initiatives. The SPSN does address the need for GoPNG engagement in the following ways: inclusion of DNPM, DFCD, and DPLGA in the JGC at senior levels, to jointly guide and supervise SPSN with AusAID (including approval of Key Partners), participation of DFCD and other government officials at Provincial and District level as a requirement of grants proposals (Component 2); engagement of DFCD and Provincial and District officials in the selection, design and implementation of activities (Component 3); participation of men and women from the DFCD, DPLGA, government departments and provincial administrations as appropriate in thematic issues groups (Component 4); and participation of appropriate national, provincial, district and local level government men and women in training and professional development activities(Component 5). SPSN could provide GoPNG officers with professional development opportunities and work rotations attached to SPSN staff. Subject to interest by DFCD, SPSN could provide TA and other forms of support to DFCD's implementation of its Integrated Community Development Policy. This may support processes, systems, and skills development as required for DFCD's establishment and implementation of Community Development Learning Centres. Engagement of GoPNG stakeholders will be consistent with responsibilities of different stakeholders and reinforce their core business capacities. Engagement of GoPNG in development of SPSN systems and procedures (for example, the SPSN Operations Handbook) will be important.

(iii) ***Integration and complementarity across components:*** While the design is structured around five components, there is considerable commonality and complementarity across them. The design and management arrangements address the need for an SPSN-wide approach (rather than separate sub-programs): the M&E system under Component 4 provides a common basis for data collection and analysis to be applied across SPSN, with intentional learning mechanisms proposed for all parties; the MC's management team and functions are structured as a holistic SPSN team, rather than separate staff for each component; a number of delivery organizations will participate in different components, not limited to one aspect of SPSN only; the training and professional development aspects for men and women under Component 5 will support all SPSN activities; AusAID will focus on strategic engagement across all components, retaining and building upon its direct relationships with delivery organisations and progress streamlining of engagement with civil society within AusAID and with other development partners.

(iv) ***Relationship to the Democratic Governance Sector Strategy and other Partners:*** The SPSN brings together many existing funding arrangements and individual AusAID Partners. A number of AusAID Partners will remain directly supported under the Democratic Governance Sector Strategy with their own design and funding arrangements, for example the Electoral Support Program, the Church Partnership Program and support to the National Broadcasting Corporation. These programs are designated by AusAID as 'National Partners' to differentiate them from the SPSN Key Partners. National Partners would be those which are GoPNG institutions or quasi-government institutions which AusAID require a direct funding relationship with[81], or those with a mandate beyond or different in scope to SPSN objectives, and still contribute to the Democratic Governance Sector Strategy. The SPSN will engage with National Partners in the same way as other significant stakeholders in democratic governance through mechanisms for collaboration proposed under Component 4, or capacity-building through Component 5.

To expand on the relationship between CPP and SPSN, the Church Partnership Program has been a successful initiative of AusAID, Australian and PNG church partners. One major benefit has been the relationship and engagement between the Churches, AusAID and GoPNG which has potential for policy dialogue and exchange. Design of Phase 2 of the CPP is currently underway and AusAID and the Churches are considering the intersection between CPP and SPSN with a view to maximising strategic engagement.

In relation to International NGOs, there is potential for these organisations to participate. Under Component 2; they may apply for grant funding on a contestable basis where they meet the criteria for undertaking activities related to democratic governance functions. The criteria for the grant funding are on the basis of the activities undertaken and type of work, rather than the nature of the institution. They may also be engaged by SPSN as sub-contractors or grantees: under Component 3 where appropriate delivery organization are selected on local democratic governance priorities; in Component 4 where they are the selected organization to manage and/or implement activities related to thematic issues; and in Component 5 where they delivery training and professional development services to a large number of men and women. However, they are excluded from being eligible as a Key Partner except where the intention is towards long term institutional sustainability of domestic actors related to nation-building. INGOs may have a role to play in building this institutional capacity and sustainability, but it would be regarded as a support role (funded under Components 2-5) rather than a direct role in PNG political and social life.

The ongoing role of 'Core Groups' in the SPSN: The CDS program relied heavily on a flexible, informal structure of 'Core Groups' which undertook a range of intermediary functions at Provincial level, including screening of proposals, identification of potential CBO partners, capacity building and implementation oversight. Some of these Core Groups have gone on to become local NGOs with the aim of continuing this role for AusAID and attracting resources from other donors, as well as implementing their own programs. Core Groups emerged because of the lack of local intermediary groups and because the same individuals across DFCD, churches and other District level government agencies were relied upon to undertake many functions. In terms of democratic governance, the 'core group' is not a broadly representative stakeholder group who can undertake policy dialogue or planning with government, nor is it appropriate to select 'special' NGOs for funding or access to grant schemes without contestability. The SPSN has addressed the need to recognise and build on this experience. The concept of the 'core group' will be utilized as a more informal network of resource persons who can be called upon the undertake implementation, oversight and community liaison functions. These will largely be the Field Workers, paid on a per diem basis in line with national guidelines.

[81] Including Commonwealth agencies such as the Australia Broadcasting Corporation

These Provincial networks will be managed by the local SPSN Field Office. Core Group institutions which have become formalised will be eligible for grant funds under Component 2, on the basis of a proposal selected and approved by the LGC. This could be for direct implementation or to undertake intermediary type functions (of capacity building, supporting local CBOs etc). Men and women from the Core group will participate in training and professional development activities under Component 5. In selected locations, the core group network or institution will be involved in Component 3, as part of the rationale is to strengthen community to government engagement, as determined by the particular design and local context. Over time, it is hoped that key individuals and institutional stakeholders of civil society would work in a coordinated, collaborative fashion at Provincial level to represent civil society's interest in provincial planning and policy making. However, the grants scheme of Component 2 is not making this a requirement or mechanism of managing the grants scheme.

(v) ***Complementarity and integration with the Sub-National Strategy:*** The design makes a conscious effort to work alongside the AusAID Sub-National Strategy. There is strong justification for linking AusAID's work with communities and civil society to SNS efforts in provincial and local government reform and capacity building. The AusAID Democratic Governance Unit staff retain responsibility for ensuring linkages and communication, while the MC is responsible for resourcing and supporting agreed mechanisms and involvement. Specific mechanisms for maximising integration between SPSN and SNS include: inclusion of DNPM, DFCD, and DPLGA in the JGC at senior level; participation of DFCD and other government officials at Provincial and District level as a requirement of grants proposals under Component 2; engagement of DFCD and Provincial and District officials in the design and implementation of activities under Component 3; participation of DFCD, DPLGA, other government departments and provincial administrations in thematic issues under Component 4; and participation of appropriate national, provincial, district and local level government men and women in training and professional development under Component 5. Engagement with GoPNG will be consistent with the responsibilities and reinforce core business capacities.

9.2 Potential for several SPSN Field Offices to be a 'one-stop shop'

151. There is interest from AusAID and external stakeholders for SPSN Field Offices to operate as a 'one stop shop' for non-state actors to access information on Australia's aid program in PNG. The SPSN will streamline systems and procedures for NGOs/CBOs for use by other AusAID sectoral programs and other donors (for example, working with AusAID and other donors to develop coherent and simple proposal and reporting formats), as well as by establishing and maintaining a CSO database for AusAID, GoPNG and others' reference to assist in planning and managing activities which work with civil society.

152. Evidence indicates many people in rural and provincial PNG have little access to information or guidance in relation to external (donor) funding sources or other opportunities (i.e. scholarships), caused through poor communication or lack of information distributed through local government and community based organisations. It is expected that SPSN Field offices could provide a community service as a source of information to local stakeholders on AusAID and other donors relevant to the local context. This information could include (for example) forms and selection criteria for Australia's (and New Zealand's) scholarship program; training or development opportunities available under the various donor-funded HRD initiatives; or information on the PNG Incentive Fund.

153. The aim of the "one-stop-shop" concept for SPSN Field Offices would apply across those SPSN locations where AusAID requires this capability, but its application will require

tailoring to the local context to take account of where there are existing (or alternate arrangements) in place.

9.3 Potential for SPSN Field Offices to administer other small grants

154. In addition to the potential to act as a "one-stop-shop" in selected locations, it is possible the SPSN structure may be utilised to extend the outreach of other joint AusAID GoPNG programs. This includes the possibility of administering the HIV and AIDS small grant scheme, as part of increasing the potential impact of the PNG National Aids Council Secretariat's work at community level. This service would consist of SPSN Field offices administering the financial and operational aspects of the HIV and AIDS small grants scheme, which would have a likely total value of AUD $1m per annum.

155. Any National Aids Council Secretariat funds for their small grants scheme would be lodged in a completely separate Imprest Account. The small grants would be decided by a local selection panel (similar to the one established for SPSN grants) but having expertise and representation aligned with HIV and AIDS, community health etc.

156. In a similar theme, there may also be the opportunity for SPSN Field Offices to administer allocations for the Pacific Violence Against Women small grant program, with AusAID funding through UNIFEM. The annual budget is currently $200,000 and it may be appropriate for several SPSN Field Offices to support this initiative by advocating the opportunity, administering grants and reporting to UNIFEM / AusAID on the disbursements.

157. The role of the SPSN Field Office in both the HIV and AIDS and the UNIFEM grants would be limited to advocacy, receipt of grant application, the selection process, and the administration of agreed small-grant funds, reporting on financial outcomes. The responsibility for the technical outcomes of the grant, including the achievement of objectives, assessment of its success or otherwise and the potential impact, would remain the responsibility of the National Aids Council Secretariat and of UNIFEM.

158. Should it be agreed in the future that the SPSN Field offices would undertake the HIV and AIDS small grants administration, or the UNIFEM small grants, the marginal costs associated with providing these additional services would be negotiated with the MC.

9.4 Other SPSN administration opportunities in community engagement

159. At the central level (i.e. in Port Moresby), there may be other opportunities where the SPSN structure can support other community development and strengthening programs, through SPSN administering funds for specific purposes. These additional support activities would be identified by AusAID and could involve (for example) administering funding for advisers located in GoPNG or other agencies and involved in community development activities. Other potential support could involve providing administrative services or support to a peak body involved in service delivery through an NGO or PNG Church-based organisations.

160. In any administrative support initiatives, the responsibility for the activity outcomes, the performance management of personnel or of the administrative system being supported by SPSN, would remain with the client agency, not with SPSN.

161. The AusAID Democratic Governance team will have a critical role, working with the rest of the AusAID programs to identify and endorse any administrative support provided to NGOs or CSOs through the SPSN. As previously mentioned, the marginal costs associated with the SPSN offices and staff becoming involved in providing administrative support to other community-based initiatives would be negotiated with the MC.

9.5 Risk

162. As outlined in the rationale, SPSN has been designed to respond to the dynamic environment and changing context of PNG decentralised governance. The design manages the uncertainty through five components, based on flexible funding mechanisms and additional AusAID technical and policy support, to maintain relevance and impact. Key risks are discussed below, associated with design, implementation and context[82.]

Design Risks

163. By its very nature, the flexibility of the design to respond to changing circumstances is a risk. Flexibility requires considerably more management and sophisticated monitoring to ensure changes are relevant to the environment and still likely to achieve the overall Purpose. To this end, the design includes several management tasks divided between PNG partners, AusAID Post and the MC. This is in recognition of the multiple management tasks, but there is risk of the blurring of lines of responsibility and accountability.

164. A second set of design risks relate to the SPSN timeframe. Building the structure, principles and reality of effective democratic governance at the local level needs a long-term approach. AusAID is restricted by accepted standard management contracts which typically span 3-5 years. After 5 years, should it be decided to continue, SPSN will likely need to be re-designed and re-contracted, which will present risks associated with changed teams, differing approaches, change management, and relationship re-establishment.

165. A key risk for the transition into SPSN is the loss of relationships established over past years and the limited pool of professional staff available. To limit this risk and allow equitable competition[83] the leadership positions of SPSN will be jointly selected, with the remainder of the team contracted during the initial implementation. This may provide opportunities for several currently engaged national staff.

Implementation Risks

166. SPSN calls for government engagement with civil society at all levels, but focuses on developing models of democratic governance relevant to PNG at local level. While the design seeks to use various strategies to promote government-civil society engagement, it is understood this is a long term exercise. The design rests upon credible and progressive engagement, built on relationships of trust and mutual accountability. There is some risk this will not happen and management of this risk will require AusAID, the GoPNG, the MC and the JGC to constantly encourage engagement beyond those areas of agreement to those which may be more difficult. Monitoring the process as well as the outcomes will be critical.

167. If performance monitoring and decision making arrangements for SPSN are not effective, the initiative runs a risk of becoming merely a mechanism to direct funds toward activities, and lose the opportunity offered for strategic engagement, learning and wider support to democratic governance.

168. Within the design there are risks which relate to the assumptions made. These are numerous and should be identified as part of the detailed risk identification during the inception period. Some have already been identified during the design phase (see Risk Matrix, Annex 6). An example is an assumption that the community sector is more gender sensitive

[82] Design risks are those that relate to the overall concept of SPSN and may reduce its overall effectiveness in reaching its Purpose; Implementation Risks are those internal to the efficiency or efficacy with which the SPSN program is delivered; Context Risks are those that relate to the external environment in which SPSN operates.

[83] This includes the Contractor Representative, Program Manager, Monitoring and Evaluation Adviser, Database Specialist, Audit, Financial Manager, and up to 8 STAs.

than government; that participatory processes will automatically include women; and that smaller family groupings will represent women and men's needs equally. Unless special attention is paid to developing equitable and inclusive mechanisms, the potential for development will be significantly reduced.

169. The principles of Do No Harm, conflict prevention and peace building embodied in AusAID's Peace Conflict and Development Policy will be incorporated into risk management practices and the SPSN Operations Handbook.

Contextual risks

170. As previously outlined, decentralisation in PNG is still in its formative stage. While this design has taken into account existing GoPNG plans and strategies, the relative lack of good models to improve local government engagement with its communities and the disconnected process of local planning leads to uncertainty. While AusAID is the primary donor working within the community sector, interventions of EU, WB, ADB and NZAID have implications for SPSN. There remains a risk that insufficient coordination between donors will lead to duplication (or even some undermining) of key strategies in this design.

Risk Management Processes and Responsibilities

171. Initial risk analysis has been undertaken for SPSN, and it should be part of the monitoring for performance. Further risk identification should also be undertaken as part of the development of the M&E framework for SPSN. Given the flexible nature of the design for SPSN, it is also expected that new risks will be identified as the Activity proceeds. These should be identified as part of the performance monitoring process and added to the risk management plan as appropriate. Relevant stakeholders ought to be engaged in further development of this risk matrix.

172. The MC is responsible for monitoring risk, informing the JGC about potential impact of any risks and for making recommendations regarding changes or additions to risk treatment. Risk reporting becomes part of the overall monitoring reporting for SPSN, at both output and outcome levels. Management for implementation risks are the responsibility of the implementers and should be covered by strategies developed in the risk management plan. Responsibilities for management of design risks are shared between implementers, AusAID and the GoPNG. Specific responsibility for each risk and the relevant management strategy needs to be in place to guide the response to these risks. Finally, risks which arise from the context of SPSN are outside the control of the activity implementers and often outside the control of either AusAID or the GoPNG. They need to be identified and managed according to their threat to the viability and achievement of the activity.

9.6 Gender

173. An analysis of gender issues was commissioned as a background paper for the design process[84] with key issues identified and raised in workshops and field missions. Democratic governance requires the participation of both men and women; given disparities in men's and women's social status in PNG, without specific attention to gender equality the SPSN could potentially exacerbate disparities. The design: ensures women's participation in decision making and leadership throughout management; ensures both women and men have access to resources; strengthen the capacity of women to participate in leadership and decision making within community organisations; increases the capacity of women's organisations and

[84] Sepoe, Dr O. and McLeod, Dr A., Gender Analysis for PNG Democratic Governance Program, April 2007.

networks to demand good governance; garners men's support for gender equality at the local level including attitudes about the rights of women; and increase capacity to measure the effectiveness of the aid program on development for women and men, girls and boys.

174. The design addresses gender specifically in the following ways:

- An underlying understanding of the gender roles of men and women at community level supports and strengthens the case for the range of proposed Components, particularly in continuing the grants scheme for community activities, where women can access grants to implement small activities of their choosing. A deliberate preference for activities proposed by women's groups and those directed towards women's strategic and practical needs will be included in the grants selection criteria;
- Engagement with Key Partners will include an intentional consideration of gender issues at the organisational level (in terms of management and policy) and at the operational level. Technical assistance and capacity building will be provided to Key Partners to address gender issues in policy and operational ways;
- Design of initiatives under Component 3 will incorporate gender analysis as part of the design, and are likely to have a gender bias in their identification and origin;
- Both men and women will be consulted during activity design, research and M&E;
- Gender violence and peace, conflict and development issues generally are identified as a priority thematic issue under Component 4. This will lead to a suite of specifically designed activities addressing gender violence concerns with local Partners;
- The collaborative research and learning events under Component 4 includes a significant emphasis on gender concerns;
- The selection of participants and the content of training and professional development activities under Component 5 will ensure equitable participation of women and men and inclusion of gender issues relevant to PNG;
- Specific research studies, as well as the commissioned case studies and longitudinal impact assessment studies, will be focused on gender concerns in order to generate sector wide learning and reflection on key issues and lessons;
- The SPSN management will include a gender strategy, with a bias to appointing women in selection processes to achieve gender equality, instituting special measures to ensure women staff members are not discriminated against due to reproductive issues, additional mentoring and training for women staff members to attain senior roles and the selection of a gender equal international team of Advisers to model and mentor local women and men;
- Management will ensure the JGC, grants committees and SPSN team (including Field Workers and TA) receive quality training on the importance of integrating disability, HIV and AIDS and gender equality. This will be backed up by ongoing mentoring and support. Key team members will be required to report on how they have integrated gender equality into their work as part of their performance assessment reviews;
- The CSO database and other data collection and reporting tools will have disaggregated gender data; and
- Progress toward the gender objectives and activities listed above will be tracked as part of the SPSN monitoring and evaluation.

9.7 Conflict prevention and peacebuilding

175. SPSN addresses conflict prevention and peacebuilding[85] as a cross-cutting issue through adopting a conflict-sensitive[86] approach in selection and implementation of activities;

[85] Conflict prevention aims to reduce potential for violent conflict, before, during or after violent conflict and promote institutions for peaceful conflict resolution. Peacebuilding describes the creation or re-creation of social relations which are

and also through supporting activities that have an explicit conflict prevention / peacebuilding focus, with an emphasis on building social cohesion.

176. Component 1 will: (i) consider partnering with PNG-based organisations that have a primary focus in conflict prevention and peacebuilding; (ii) select Key Partner organisations not only on what they do, but how they work i.e. the ability to operate in a conflict-sensitive manner and build social cohesion; and (iii) provide technical assistance and capacity building support to Key Partners to integrate conflict-sensitivity (e.g. Do No Harm/Local Capacities for Peace methodologies) into their activities (e.g. Peace Foundation Melanesia and PNG churches may be supported to develop localised peace, conflict and development training programs and to deliver this training to further build in-country capacity in this field).

177. Component 2 will: (i) explicitly support conflict prevention/peacebuilding activities (e.g. support for women's roles in peacebuilding, non-violent conflict resolution, and the revitalisation of local Peace and Good Order Committees) under the grants program; (ii) assess grant funding proposals on a Do No Harm/Local Capacities for Peace basis (phasing in the use of this methodology by prioritising its application in areas deemed conflict-prone); (iii) roll-out peace, conflict and development training to Core Groups and Field Workers; (iv) update the 'Peaceful Communities' guide for Field Workers and community groups developed under the Community Development Scheme; and (v) support research, learning and reviews focused on sharing lessons / experiences in implementing conflict prevention and peacebuilding activities.

178. Component 3 will: (i) incorporate peace/conflict analysis as part of the design process; (ii) support initiatives that address peace/conflict issues both directly (e.g. non-violent conflict resolution training) and indirectly (e.g. activities designed to build social cohesion); (iii) balance the selection of target areas between those areas where there is demand/interest from local government (i.e. 'better performing') and those areas that receive little development assistance; (iv) apply a Do No Harm/Local Capacities for Peace in assessing proposed activities: and (v) provide localised peace, conflict and development training to development partners (e.g. community, local government and private sector representatives).

179. Component 4 will: (i) establish conflict prevention/peacebuilding as a focus, leading to a suite of specific design activities addressing conflict prevention/ peacebuilding with local Partners; and (ii) collaborative research and learning activities will include emphasis on conflict prevention/peacebuilding, supporting lessons exchanges and development of mutual support mechanisms for groups engaged in conflict prevention and peacebuilding activities.

180. Component 5 will: (i) include peace, conflict and development awareness training for selected leaders; and (ii) select candidates for further leadership development on the basis of their peacebuilding/conflict resolution skills[87] (with a particular focus on supporting women as peace-builders in line with United Nations Resolution 1325[88]).

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conducive to the peaceful resolution of conflict. In the context of development, it includes measures "designed to consolidate peaceful relations and strengthen viable political, socio-economic and cultural institutions capable of mediating conflict". (African Peace Forum, Centre for Conflict Resolution, (2004), *Conflict-sensitive approaches to development, humanitarian assistance and peacebuilding:* Chapter 1, p2 (www.pcia.fewer.org).

[86] Conflict sensitive programming involves systematically examining both the positive and negative impact of aid interventions in conflict-prone environments.

[87] Often referred to as 'champions for peace', these individuals who, through moral influence, quiet diplomacy, public presence, or skilful negotiation and manoeuvring, are able to positively affect the thinking and behaviour of groups and individuals. They usually have a high and positive profile. Conflict transformation theory also attaches particular importance to middle level leaders (government and non-government), as they may assume a catalytic role through their linkages both to the top and the grassroots (Kenneth Bush, 2004, *Building Capacity for Peace and Unity:* St Paul University, Ottawa, Canada, p22).

[88] In selecting candidates for leadership support, a Do No Harm 'lens' will be applied to ensure that female candidates (in particular) are supported appropriately under this component and not placed in positions of danger.

181. In terms of SPSN management, a short introductory peace, conflict and development course could be offered to JGC members, IRM members, AusAID officers and the MC.[89] Consideration will also be given by the MC to specific conflict prevention / peacebuilding M&W indicators to be included in the MEF.

9.8 HIV and AIDS mainstreaming

182. HIV and AIDS is recognised as a significant issue facing PNG and the Australia-PNG HIV and AIDS Program (Sanap Wantaim) is working extensively with civil society and government organisations throughout PNG. Close coordination and complementarity (along with other AusAID sectoral programs working with CSOs) will be critical in streamlining and increasing coordination across funding processes and capacity building programs for CSOs.

183. The AusAID Democratic Governance team will carry primary responsibility for this coordination, with support from the MC. The SPSN design incorporates HIV and AIDS as a cross-cutting issue throughout its components, with Components 4 and 5 representing a key opportunity for mainstreaming cross-cutting issues through professional development and training activities for individuals across the sector. The MC is responsible for ensuring appropriate policies and practices for gender quality and HIV and AIDS are implemented. This would include, for example, all staff and advisers provided with HIV and AIDS briefings and education as part of their deployment.

9.9 Child Protection

184. There will be instances when SPSN staff come into contact with children or minors as part of fieldwork and management. AusAID has clear, strict policies in relation to managing and reducing risks of child abuse by persons engaged in delivering Australia's aid program. These apply to contractors, agencies, NGOs and CSOs funded by AusAID or its programs.

185. The AusAID's expectations, including its child protection compliance standards for contractors and NGOs are outlined in the March 2008 Child Protection Policy[90]. AusAID takes a zero-tolerance approach to child abuse and child pornography. The policy provides a framework for managing and reducing the risks of child abuse by persons involved in delivering aid program activities, and specifies the minimum standards with which all AusAID contractors must comply in their operations and in their dealings with any partners, subcontractors, associates or consultants they may engage.

9.10 People with Disability

186. It is widely recognised that people with disability are among the poorest and most vulnerable in developing countries, including PNG. People with disability face many barriers to full participation in society and likely face an increased risk of social exclusion. This may include being unable to access education, health services, earn a living or participate in decision making. Social exclusion is a major contributor to the level of poverty which people with disability experience, particularly those who live in developing countries. AusAID's disability strategy "Development For All"[91], focuses on achieving three core outcomes:

- improved quality of life for people with disability;
- reduced preventable impairments;
- effective leadership on disability and development.

[89] This could be supported through the Program as part of mobilisation costs.
[90] See AusAID website: http://www.ausaid.gov.au/publications/pdf/child_protection.pdf
[91] AusAID, *Development for All: Towards a Disability-Inclusive Australian Aid Program 2009-2014*, November 2008, www.ausaid.gov.au/publications

AusAID has undertaken to achieve these outcomes through: (a) creating a development organisation that is skilled, confident and effective in disability-inclusive development, and (b) improving our understanding of disability and development by focusing on the lived experiences of people with disability. The SPSN design incorporates disability inclusiveness as a cross-cutting issue throughout its components, as identified in various output descriptions. As mentioned above, Components 4 and 5 also offer specific mechanisms for mainstreaming and there will be a specific focus to ensure that people with disability are provided with every opportunity to engage with SPSN.

187. The MC is responsible for ensuring that appropriate policies and practices for disability inclusiveness are implemented. This may include special arrangements for SPSN meeting areas (i.e. including physical access) as well as supporting people with disability to gain information and advice on SPSN initiatives and potential benefits.

9.11 Sustainability

A Sustainability Framework has been developed which provides a conceptual basis for understanding sustainability as it applies to SPSN and how it has been addressed in the design. It can also be used as a means for guiding AusAID and management in the development of systems, procedures and decisions and as a basis for review and evaluation. The Framework identifies key aspects of sustainability to be taken into account in design and implementation, and explains how they are addressed and monitored.

188. The key aspects of sustainability considered in the framework include:

- lasting benefit and continuation of activities in communities from grant funds;
- The viability and capacity of local institutions remaining after assistance ends;
- The unnecessary duplication of local processes resulting from the introduction of SPSN structures, systems and procedures;
- The financing and recurrent expenditure implications of assistance provided;
- The impact on individuals and institutions of the use of human resources (avoiding displacement of local initiatives and personnel and creating dependency);
- Inclusion of women to ensure long term benefit;
- Consideration of environmental impacts of activities; and
- Whether real benefits and real impact resulting from SPSN are as intended and lasting.

189. Further analysis of sustainability is covered in the Sustainability Framework, Annex 7

Annex 1: SPSN Design Document

While the SPSN does not fit naturally to a LogFrame approach, the design has been summarised under the headings of a LogFrame to allow for a quick assessment to be made of the major components and sections[92].

COMPONENT 1			
Objective	**'Indicator'/outcome domains**	**Means of Verification**	**Assumptions**
Strengthened practice and promotion of democratic governance by Key Partners.	Improved scope, coverage and performance of Key Partners in practice and promotion of democratic governance individually and collectively.		GoPNG and GoA accept and respect views of more confident and capable Partners (i.e. open to public contestability of ideas)
Six key processes and outputs	**Targets (nature and extent of key process)**	**Means of Verification**	**Assumptions**
1. Engage with a range of Key Partners	Four existing Key Partners supported and five new Key Partners (including at least one women's issues partner) selected by AusAID and approved by JGC in a transparent and accountable process for 5 year funding cycle. Partnership Agreement jointly developed and signed by AusAID and each Key Partner Partnership characterised by shared objectives, joint-decision making, transparency, mutual trust, shared costs, gender equality, benefits, and shared risks between AusAID and Key Partners.	MC Annual Report Contractor Performance Assessment Partnership Performance Reviews	No undue negative perceptions from those not selected to participate AusAID and Key Partners work collaboratively, able to work in partnership whilst still upholding their own accountability and business process frameworks Legislative and policy context favourable for non-state actors to function effectively
2. Funding via a Funding Agreement between the MC and each Key Partner	On basis of the Funding Agreement between AusAID and Key Partner, a Funding Agreement that enables the Key Partner to access funds for agreed purposes	Individual Funding Agreements SPSN Financial reporting	The Key Partners develop their Partnership Agreement with AusAID and agree to a 5-year strategic plan.
3. Provide funding for Key Partners to manage and sustain organisational programs and projects.	Total of $21m (K42m) available to 4 existing and 5 new Key Partners for flexible core and activity funding and provided on basis of Strategic Plans (SP), annual operations plans and capacity development plans, six monthly tranches and acquittal and reporting of previous funds.	KP SP and annual reporting 6 Monthly Report (MC) SPSN MIS database from KP reporting	Funding levels do not distort orientation and ownership of Partners Financial support does not create 'cargo' expectations and further dependence Partner programs have wide geographic coverage and reach to marginal groups

[92] The means of verification for each objective are included in the draft MEF. The assumptions link the key processes to the achievement of the component objective; i.e. they are not the assumptions underlying each of the targets for each key process.

(Component 1cont) Objective	'Indicator'/outcome domains	Means of Verification	Assumptions
4. Assist Key Partners in their institutional strengthening efforts.	Capacity building plan negotiated and budgeted with each KP as part of annual operations plan by MC. Annual capacity building plan produced and implemented by MC identifying collective needs across Key Partners, including gender sensitivity. Individual KP capacity building and technical support provided in accordance with each plan. Technical advisors build the capacity of individuals and organisations to fulfil their own mandate and does not displace local initiatives or personnel. Adequate technical capacity of KPs to deliver projects and activities in different sectors.	6 Monthly Report (MC) of support provided against KP activities and Plans. Annual quality assurance and technical review of KP activities by MC. PNG Sports Foundation performance assessment reports of TA SFDI progress reports Annual KP reviews timed to feed into the next round of strategic planning.	Continued internal stability of Partner organisations Consistent leadership of Partner organisations (no high turnover in key positions) Partners maintain and strengthen direction and activities compatible with AusAID Democratic Governance Program
5. Negotiate, establish and support systems and procedures for Key Partners' use.	MC negotiates with KPs to develop systems for KP organisational assessment, funding arrangements, reporting, equity and M&E. JGC endorses overall systems. Consistent reporting and financial management systems and procedures agreed and utilised by KPs for SPSN-wide MIS data collection and analysis.	6 Monthly Report (MC) Contractor Performance Assessment	Given differences between Key Partners that some commonality can be negotiated and agreed for systems. MC can establish business process meeting AusAID accountability requirements and accommodate partnership principles.
6. Facilitate review, learning, innovation and research.	MC to arrange annual workshops with AusAID and Key Partners to review partnership performance, implementation of strategic plans and impact of inclusive capacity building and technical strengthening. MC to support and strengthen ability of Key Partners to conduct internal reviews to inform future implementation.	Annual KP reviews timed to feed into the next round of strategic planning. Partnership Performance Review	Partner Organisations and AusAID establish mutual trust and share information and lessons learned.

COMPONENT 2			
Objective	**'Indicator'/outcome domains**	**Means of Verification**	**Assumptions**
Communities working together to address identified priorities.	Increased reach, capacity and equality of local organisations assisting communities to effectively address development constraints affecting poverty and well-being		
1. Establish and maintain operational mechanisms for the implementation of the grants scheme.	National office and 7 Field Offices operational Criteria and eligibility for grants (incorporating community driven development, capacity building, disability, gender equality, networking, service delivery, enabling environment, community-government linkages) negotiated and agreed by JGC. Systems and procedures for proposals, organisational assessment, appraisal, design, reporting, evaluation, review (including LGC and NGC) established and reviewed. NGC established to consider large grants.	Inception Plan and MC 6-monthly Report JGC minutes and Annual Plan Contractor Performance Assessment Operational Handbook and annual updates.	Involving Core Groups (previous project screening process used through CDS) in other SPSN components avoids negative fallout from the changed role of these groups.
2. Network of locally based resource men and women mobilised and supported.	8 Local Grants Committees and 6-8 FTE Field Workers/ Field Office identify screen and support grants Field Workers (male and female balance) sub-contracted by SPSN to undertake design, participative planning, monitoring, review and coordinate technical support tasks for each grant as required.	6 Monthly Reports Annual QA and technical review by MC of grants activities to assess adequacy of fieldworker input and technical support.	Regional capacity sufficient to establish 8 LGCs, and to employ sufficient men and women Field Workers.
3. Undertake organisational capacity assessment and development for local groups.	Resource persons (FW and other technical support staff) work with eligible local groups in each Province annually to assess capacity, develop and implement a capacity development plan in order to design and implement activities effectively.	Organisational Assessment and capacity development plan and report updated annually.	Capacity development is driven by local demand and does not generate unsustainable expectations, or conflict.
4. Support inclusive, participatory planning processes for grant activities.	Up to 10 days design support provided for each activity by Field Workers or CDO specialist. Inclusive, participatory planning for community driven development incorporates democratic governance principles and processes (including linkages to LLG, other development partners, gender). Enhanced leadership, and organisational skills by participating communities.	6 Monthly Reports (MC) Participatory Planning Guideline Document (including strategies, processes, training and capacity building approaches) revised and updated annually.	Men and women Field Workers manage the planning process to balance responding to community's demands, with a proactive approach of facilitating broad participation, and inclusion of democratic governance principles.

Component 2 (cont) Objective	'Indicator'/outcome domains	Means of Verification	Assumptions
5. Implementation of Local Grants.	Through the 5 years of SPSN, a minimum of $12.5m (K25m) provided for small grants and a minimum of $4m (K8m) provided for medium grants, across the range of democratic governance strengthening processes. Selection at local Field Office level.	MIS database from small and medium grant activity reporting (6 monthly and Activity Completion Reports) including data on gender, geographical spread and sectors Longitudinal studies.	Sufficient demand exists and there is local capacity to implement and manage the funded activities.
6. Select and implement large grant proposals.	National Committee appointed by JGC to screen, select, and approve applications from eligible organisations for large grants. Through the 5 years of SPSN, a minimum of $6m (K12m) provided. Capacity building and support of CSOs for implementation of local activities, or support of multi-year activities for eligible organisations. MC develops mechanisms, criteria and systems for the grant scheme for approval by the JGC, with gender balance in all committees.	SPSN MIS database from grant activity reporting (6 monthly and Activity Completion Reports) Longitudinal studies.	Eligible organisations have the capacity to apply and implement a suite of projects. Sufficient demand exists and there is local capacity to implement and manage the funded activities.
COMPONENT 3			
Objective	**'Indicator'/outcome domains**	**Means of Verification**	**Assumptions**
Improving local governance in selected geographic areas.	Development constraints in selected geographic areas effectively addressed through improving governance practices which can be replicated and scaled up.		
Key processes and implementation	**Targets (nature and extent of key process)**		
1. Select areas based on need, demand and opportunity.	MC coordinates the NGC (includes representatives from AusAID, Key Partners, GoPNG and other stakeholders) to propose a minimum of 16 2-year initiatives across PNG for JGC approval. Involves minimum of 4 target initiatives approved each year – a total of 16, average duration of two years. All initiatives should have a specific focus on gender equality and at least 1 each year allocated for a women specific initiative. Through 5 years of SPSN, minimum of $2.8m (K5.4m) made available for improving local governance in selected areas.	JGC minutes and details of grant applications / awards Contractor Performance Assessment	Sufficient demand exists and there is local capacity to implement and manage the funded activities.

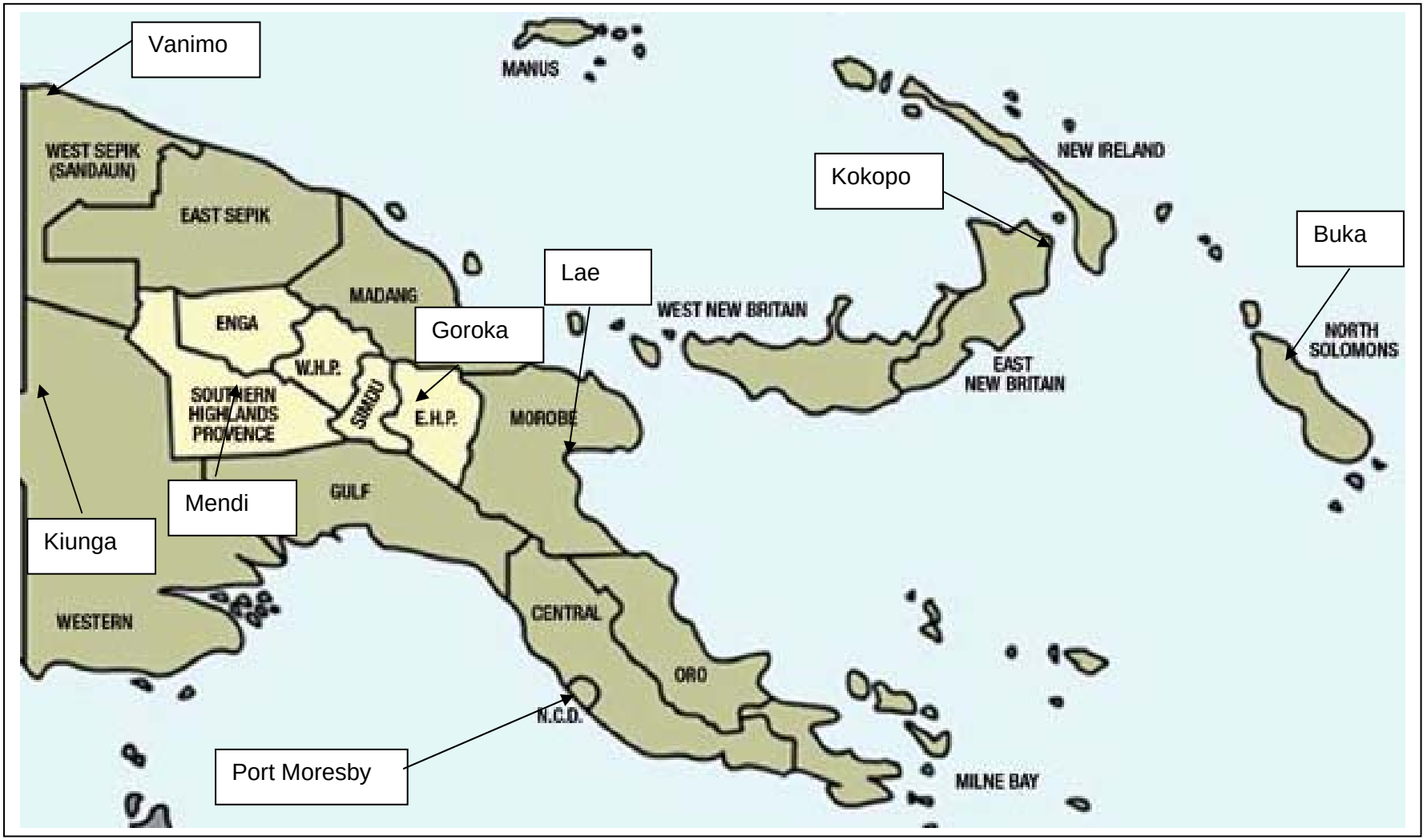
Component 3 (cont) Objective	'Indicator'/outcome domains	Means of Verification	Assumptions
2. Design initiatives.	Inclusive and participatory process used over a period of 2 – 3 months to design Component 3 initiatives. Initiatives potentially reviewed on an annual basis. Through the 5 years of SPSN, a minimum of $240,000 (K480,000) will be available to design each of the initiatives, assuming average duration will be two years.	6 monthly Reports (MC)	Sufficient demand and opportunity exists for stakeholders to consider governance practices.
3. Establish linkages with other GoPNG agencies, donors and stakeholders.	MC establishes operational linkages between initiatives and other programs. Representatives from other programs are involved in the design and review of initiatives.	6 monthly Reports (MC)	Partners are willing to work with SPSN.
4. Provide technical assistance and capacity building support provided to communities, government, private sector and development partners.	Capacity building plan (inclusive of equity issues) for men and women negotiated with stakeholders by MC (including in-house advisers, training, workshops, twinning and other forms of CB assistance). MC manages plan implemented directly or via sub-contractors.	6 monthly Reports (MC)	Partners are willing to work with SPSN.
5. Support local team to effectively implement initiatives which engage communities, government, private sector and development partners.	MC supports local teams of men and women to implement initiatives. Local teams might involve different lead partners across government, PS, church and others in each initiative area.	Annual reports from each initiative.	Sufficient capacity and demand exists at local level.
6. Positioning and supporting AusAID to engage with GoPNG on key policy and reform agendas that contribute to better targeting of Australian aid and strengthen the Australian – Papua New Guinean partnership.	MC supports AusAID in key elements of the Democratic Governance program and reform agenda. MC and SPSN leadership team provide technical / professional advice and support to AusAID as required as part of the reform agenda SPSN staff provides advice and support to AusAID as requested.	Contractor Performance Assessment 6-Monthly reports	Clear communications of the needs and priorities (in Democratic Governance) between AusAID and the MC and SPSN leadership team.
7. Establish intentional learning processes for ongoing adaptation and improvement.	MC facilitates participatory annual reviews, and supports peer reviews to share lessons between regions. Results of reviews used to adjust/inform initiative in following years.	Evaluation reports.	Partners are receptive to learning opportunities.

COMPONENT 4			
Objective	**'Indicator'/outcome domains**	**Means of Verification**	**Assumptions**
Strengthened collaboration of women and men stakeholders for the promotion of democratic governance	Broadened scope and coverage of the practice and promotion of democratic governance principles through increasingly effective stakeholder collaboration.		
Key processes and implementation	**Targets (nature and extent of key process)**	**Means of Verification**	**Assumptions**
Thematic initiatives			
1. Promote dialogue and engagement among a broad range of men and women stakeholders on democratic governance principles and practice.	Stakeholders participating and engaged in specific events for sharing lessons and policy dialogue, and throughout SPSN. MC develops Communication Plan-information available /accessible to non-state actors, AusAID sectoral programs, GoPNG, other donors, private sector, and relevant stakeholders on SPSN. Through website, MIS-database, publications, papers, events and face to face communications (7 field offices and Port Moresby Office).	Reports from stakeholder consultation across the SPSN. Communications Plan assessed annually (incorporating stakeholder perceptions and feedback).	There is a commitment for stakeholders and beneficiaries to work together to maximise the outcomes.
2. Support informal networks of government and male and female non-state actors to work together on thematic issues that impact on democratic governance in PNG.	MC coordinates working group (AusAID, GoPNG, Key Partners and stakeholders) to propose ideas for thematic issues. MC also responds to initiatives that emerge from stakeholders, donors and other DG Program components. Networks supported by MC with resources for facilitation and administration, and where relevant to develop an implementation plan for a suite of activities (approved by JGC), and to report, review and disseminate lessons. A minimum of 2 Thematic activities per annum (total of 10 for SPSN) to be managed against an implementation plan. Through the 5 years of SPSN, a minimum of $1m (K2m) available in support of Strengthened stakeholder collaboration for the promotion of democratic governance. At least one of these should specifically address gender equality issues and all should include gender analysis.	6 Monthly Reports MIS database from thematic initiative reporting (6 monthly and Initiative Completion Reports) Outcomes of cross-visits in relation to streamlining and strengthening SPSN processes and focus.	There is a commitment for stakeholders and beneficiaries to work together to maximise the outcomes.

Component 4 (cont) Objective	'Indicator'/outcome domains	Means of Verification	Assumptions
3. Provide operational support for the AusAID sectoral program and other donors to engage with non-state actors, and to progressively mainstream the principles of democratic governance (participation, equality, inclusion, accountability and transparency).	Information and analysis, systems and procedures, made available to AusAID sectoral programs and other donors as required. Support streamlining and simplifying of AusAID and other donors engagement with non-state actors. Participation by SPSN in selection, organisational assessment, design, monitoring, and review functions for non-State actor participation in AusAID and other donor's programs as agreed (by AusAID sectoral programs, other donors, and AusAID's Democratic Governance Team).	AusAID's Democratic Governance Team solicits feedback from AusAID sectoral programs on satisfaction of operational support and mechanisms. Contractor Performance Assessment MC 6 monthly Report	The AusAID Democratic Governance Team provide leadership and direction and clearly articulate their support and information requirements in relation to SPSN.
4. Facilitate review, learning, innovation and research to promote synergies, effectiveness and impact.	Working with women and men stakeholders and communities, MC identifies small and medium scale research activities that can strengthen the participation in, and impact of, the SPSN. JGC endorse the research and become an active part in its dissemination when completed. Evidence that the research outcomes contributed to the SPSN as well as to AusAID (and others) capacity to address democratic governance. An annual total of 4 minor and 2 major research inquires to be conducted with (and by local) groups or agencies, with outcomes provided to JGC, disseminated widely to stakeholders and audiences. At least 3 should directly address PNG gender equality issues: all should be inclusive. Through the 5 years a minimum of $270,000 (K540,000) be available annually to undertake research. At least 2specific research projects will be specifically on women's issues.	Evaluation and research reports distributed to key stakeholders Evidence the research had a positive impact on democratic governance policy or practice, especially at the local level where the research was focused and undertaken. Changes in MCs annual implementation strategy Records of review meetings in MC's 6 monthly Reports.	There is scope for lessons learned across the SPSN components and initiatives to be applied across reforms in PNG democratic governance, within SPSN and externally with other key stakeholders. Research conducted provides AusAID and the key GoPNG, NGO and CSO stakeholders with relevant information and recommendations that can advance the democratic governance agenda in PNG. Research capacity and enabling expertise exists at the local level.
COMPONENT 5			
Objective	**'Indicator'/outcome domains**	**Means of Verification**	**Assumptions**
Strengthened human capital of men and women for the practice of democratic governance	Increased number of men and women with skills, knowledge and competence in democratic governance working more effectively in their institutional, social and political roles.		
Key processes and implementation	**Targets nature and extent of key process)**	**Means of Verification**	**Assumptions**

Component 5 (cont) Objective	'Indicator'/outcome domains	Means of Verification	Assumptions
1. Professional development program for men and women participating in Strongim Pipol Strongim Nesen activities conducted.	MC analyses barriers and constraints to individual leadership (particularly women's leadership) on democratic governance, and assesses educational opportunities and needs in PNG. MC develops inclusive and equitable capacity building framework outlining how individuals will be identified, mobilised, mentored, trained, and networked in their workplaces and communities. Training and materials for minimum of 300 men and women in Year 1, 400 in Year 2 and 500 in Years 3-5. Targeted at improving knowledge and skills of those involved in the practice and promotion of democratic governance across the 6 functions. Up to $800 (K1,600) available for each individual. Through the 5 years of SPSN, minimum of $1.76m (K3.52m) allocated.	PD Plan and report against baseline study annually. Summary of courses, training, outcomes and cost of PD program. Contractor Performance Assessment Information from the M&E on participants and results, dis-aggregated by gender, district / province and field of training	Capacity building activities able to address significant barriers for individuals practicing and promoting democratic governance in PNG. Relevant programs and expertise is available in community and provincial levels, so that participants can be trained and acquire new skills and knowledge. A minimum of 50% of the professional development participants will be women
2. Support for community development and related education conducted by local institutions in PNG.	Minimum of 72 sets of funded activities to provide formal and informal education related to democratic governance in areas identified through SPSN lessons and review. The areas that require additional capacity building and training assistance (e.g. gender equality) will be identified by the MC and provided to the JGC for approval Assistance provided would also continue and expand the accredited community development training program (CDWIC). A total of 72 sets of funding will be provided, each of around $35,000 (K70,000). Through the 5 years of SPSN, a minimum of $2.52m (K5.04m) is available to fund training and professional development. This funding provides an opportunity for a substantial program of education and training in support of democratic governance. There will be a focus on equitable participation of women.	Report on funding provided and benefits annually against initial Study of CD/democratic governance education opportunities and needs in PNG.	Local institutions capacity to develop and implement community development programs can be increased sustainably. The MC has the staff and skills to accurately review the courses / programs required and to contract an appropriate institution to deliver the services.

Annex 2: Map of Papua New Guinea Showing SPSN Field Offices



Annex 3: Staffing Profile and Key Positions

Full time in-country Positions

Position and Location	Function	Duration
SPSN Port Moresby Office		
Program Director[93]	Overall strategic management and planning. Engagement between AusAID, GoPNG, delivery organizations and stakeholders, including Component 1.	FT
Deputy Program Director: Operations	Leadership, planning, budgeting, reporting and supervision of SPSN implementation by through Components 2-5	FT
Deputy Program Director: Support Services	Leadership, planning, budgeting, reporting and supervision of support services systems and process for SPSN operations.	FT
Program Manager	Manage and coordinate the necessary financial, systems, IT, HR and other operational support necessary for the effective implementation of the in-country team responsibilities. Mobilize effectively in-country full time and short term international staff. To maintain systems and procedures in line with Contractual obligations and AusAID requirements.	FT
Capacity building and institutional strengthening Adviser	Planning, oversight, review and reporting of Component 1 and Component 5 CB and IS-related activities. Management of relationships with delivery organizations and stakeholders	FT
Community Development and Local Governance Adviser	Planning, oversight, review and reporting of Component 3 initiatives. Management of relationships with delivery organizations and stakeholders. With LLG strengthening, decentralization, community development expertise.	FT
Senior Program Coordinator: Component 3	Support the implementation of Component 3 initiatives, as well as other SPSN activities as required.	FT
Democratic Governance Adviser	Planning, oversight, review and reporting of Component 4 initiatives, with peace, conflict and development, civic education expertise. Provide advice across all grants systems/processes set up to ensure SPSN operations meet DG principles. Manage relationships with delivery organizations and stakeholders.	FT
Senior Program Coordinator: Component 4	Support the implementation of Component 4 initiatives, as well as other SPSN activities as required.	FT
Gender Adviser	Participate in the analysis, design, planning, review and reporting of activities implemented across SPSN. Design, facilitate and support a thematic issue network on gender-related topics under Component 4.	FT
Grants Coordinator	Overall coordination of the systems and procedures for all grants under SPSN, including providing support for other AusAID sectoral programs as required.	FT
M&E Adviser	Manage the M&E process and system, providing comprehensive, straightforward and relevant data and information for the SPSN, AusAID and Partners	FT
M&E Coordinator	Maintain M&E systems and reporting, and advise and support local organizations in data collection and report preparation.	FT
IT Coordinator	Establish and maintain IT requirements of HO and Field Offices, including establishing a website, email, and database IT systems.	FT

[93] The Program Director, the Deputy Program Director: Operations and the Deputy Program Director: Support Services will each be jointly selected by AusAID and the MC after SPSN has been awarded.

Database Officer	Maintain database with information provided by M&E systems and reporting.	FT
Finance Manager	Overall budgeting and financial reporting. Establishing and overseeing financial management systems and procedures. Establish and maintain audit regime (through sub-contracted local accounting firm)	FT
Assistant Accountant	Accounts administration	FT
Legal Officer	Administration of grants agreement and contracts, and compliance issues	FT
Marketing/Communications Coordinator	Develop and implement the Communications Strategy for the SPSN	FT
Procurement and Logistics Coordinator	Establish systems and supervise operations to provide support to Field Offices, HO, Key Partners and other Delivery Organisations.	FT
HO Administration staff, Security and other ancillary staff	6 support staff (in addition to the 3 support staff already allowed for in the SPSN Field Office in Port Moresby.	FT
8 SPSN Field Offices - 7 in Provinces, 1 co-located at SPSN in Port Moresby		
Eight Field Program Coordinators (1 in each Field Office)	Oversee Component 2 implementation, including capacity building. Manage relationships with local partners, participate in Component 3, 4 and 5 activities as appropriate to local Provinces and organisations. Provide information on SPSN and other AusAID initiatives to local stakeholders when requested.	FT
Sixteen Development Coordinators (2 in each Field Office)	Support the development and implementation of the grants activities and monitor the progress of successful grant initiatives. Manage the network of Field Workers.	FT
Support staff (3 in each SPSN Field Office)	Provide administrative, financial and data entry services to support the operation of the Field Office.	FT
Field Workers (6 FTE in each SPSN Field Office)	Field Workers supported by the SPSN to work directly with communities, agencies, NGOs and CSOs to advocate and support local improvements in Democratic Governance	As Rqd

Short Term positions and Consultant Pool

Position	Function	Duration
Contractor Representative	Oversee MC responsibilities in line with the intention of the Design and the Contract. Provide corporate support to the Program Director (and other Specialists and local staff) for the fulfilment of their responsibilities. Ensure financial and contract obligations are met within CPGs and other accountabilities. Ensure effective relationships between the MC employees, consultants, the JGC, AusAID, GoPNG and other stakeholders. Provide high level management advice to the JGC (AusAID and GoPNG) on operational requirements of the SPSN.	PT
STA: M&E	Work with the M&E Adviser to develop the M&E Framework with stakeholders, refine existing DGTP systems and procedures to operationalise the SPSN M&E Framework and training and capacity of local staff and Delivery Organisations. Assist in the preparation of analysis for Annual Report from M&E information and reporting, including participation in direct evidence gathering and consultations as required.	6 weeks in year 1; 3 weeks each in yrs 2-5
STA: MIS / Database	Refine and develop the CSO database to meet AusAID and SPSN	6 weeks

specialist	requirements of the M&E Framework.	Yr 1; 3 weeks Yrs 2-5
STA: Financial Management	Review and refine financial management systems and procedures for SPSN operations, including the Imprest Accounts.	2 months year 1
Audit	Develop and implement a system of independent financial audit through an independent audit firm.	TBD
Consultant Pool of 200 days per year		
Up to 10 STA proposed by MC	To be proposed by Managing Contractor	Indicative only
Likely to be	Gender Community development Governance Financial sustainability Peace, conflict and development M&E Research Technical (e.g. water supply) Capacity building Organisational development	

Annex 4: key Personnel Terms of Reference

JOB TITLE: PROGRAM DIRECTOR

Reports To: JGC and AusAID

Position Description

The Program Director will be full time (5 years, 60 months in-country) responsible for the overall strategic management and direction of SPSN, providing the necessary professional oversight of all SPSN staff (long and short term) to ensure the achievement of SPSN objectives and outputs.

The Program Director will be based in Port Moresby, with travel to SPSN Field Offices and work areas. The Program Director is also the primary point of engagement between AusAID, GoPNG, delivery organisations and stakeholders. The Program Director is expected to liaise regularly with AusAID Port Moresby and other key stakeholders to ensure effective implementation of SPSN to meet contractual obligations and completion of tasks outlined in the Scope of Services. The Program Director oversees all policies and analysis of SPSN, ensure that all cross cutting themes are fully integrated and will seek opportunities for deeper engagement with AusAID, in particular promote the use of improved democratic governance and community engagement principles developed within SPSN to other relevant GoPNG and AusAID programs.

Specific Duties

- Provide leadership, guidance, and strategic direction to the team to ensure the overall SPSN framework is achieved via Planning, Capacity Building, M&E, Continuous Learning, and Sustainability;
- Directly manage the activities of the Deputy Program Director Operations and the Deputy Program Director Support Services;
- Act as the primary point of contact for AusAID, ensuring an effective working relationship through raising, discussing and proposing solutions to matters related to SPSN in an open and timely manner,
- Ensure that the cross cutting themes of disability inclusiveness, gender equality, HIV and AIDs and peace and conflict are integrated throughout the SPSN;
- Oversee recruitment processes for all local and international staff;
- Mentor and guide the team and coordinate regular staff performance reviews. Undertake performance Reviews for the Deputy Program Directors, key Advisers/managers and the Program Manager;
- Delegate responsibilities for day-to-day coordination of operations to the Deputy Program Directors and other staff as appropriate;
- Ensure that SPSN activities accord with AusAID and GoPNG Policies;
- Oversee Planning and Reporting, Finance and Physical Resource Management, Human Resource Management;
- Liaise with Relevant Stakeholders and regularly interact with CSOs, governments (national and local), and donor organisations to develop more focused SPSN interventions and promote SPSN roles and objectives;

- Develop the Annual SPSN Plan that includes proposed short-term positions and TOR for the coming year;
- Provide strategic direction and technical inputs to ensure that all SPSN engagements and management adhere to the guiding principles of progressive engagement, sustainability, gender inclusiveness and pro-poor, accountability and holistic approach; and
- Attend all Joint Governing Council meetings in an observer capacity.

Core Competencies

- Strong strategic leader with proven ability to develop, articulate and build momentum for a clear strategic vision;
- Extensive conceptual and practical experience in civil society strengthening and local governance issues (essential) and a solid insight on the dynamics of civil society and local governments in PNG's decentralized setting (desirable);
- Significant experience in managing and implementing complex development aid programs, including demonstrated skills and experience in planning, HRD and M&E;
- Strong leadership and management skills and demonstrated capacity to manage and mentor personnel in a cross-cultural environment;
- Demonstrated gender awareness, cultural sensitivity and commitment to inclusive policies;
- Experience of working with NGOs and/or previous work experience in PNG;
- Strong appreciation of the AusAID program in PNG and the role of the SPSN in delivering against the Development Cooperation Strategy and Australia-PNG Partnership for Development, including the Millennium Development Goals;
- Ability to give sound advice on complex and/or sensitive/political issues, based on awareness of GOA policy directions;
- Previous experience managing complex programs for AusAID, including an understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, HIV and AIDS, people with disability, environment, governance, conflict mitigation, child protection and anti-corruption;
- Excellent communication and writing skills.

JOB TITLE: CONTRACTOR'S REPRESENTATIVE

Reports To: Managing Contractor

Position Description

The Contractor's Representative (CR) will oversee the implementation of the MC's responsibilities in line with the intention of the SPSN Design and Contract. In particular the CR will coordinate and provide the MC support to the Program Director (and other Specialists and local staff) to support their responsibilities. In collaboration with the Program Director, the CR will take the lead role in raising, discussing and proposing solutions to AusAID, on any matters related to the Contractual performance of the team or the systems and procedures employed. In particular the CR will work with the Program Manager and Deputy Program Director: Support Services to ensure the administrative burden placed on the Program Director, Deputy Program Director: Operations, the Field Offices and specialist/managers is minimised to allow them to focus on implementation, technical management, relationship management and strategic issues. The CR will be a full-time permanent employee of the MC and may be based at the Managing Contractor's Head Office or in PNG.

Specific Duties

- Oversee the contractual obligations and administrative processes of the SPSN to ensure they meet AusAID, GoPNG and Managing Contractor requirements;
- Prepare any Contract variations or amendments necessary, based on agreements with AusAID and the PD;
- Be responsible for reviewing the final quality of all Contractual deliverables (milestones, reports, billings and financial statements) before submission to AusAID and addressing any issues and concerns with the PD and SPSN team;
- Ensure effective collaborative relationships are maintained between the Managing Contractor's employees, consultants, the JGC, AusAID, GoPNG and other stakeholders and be pro-active in addressing concerns before they affect SPSN delivery
- Provide high level management advice to the JGC on operational requirements of SPSN;
- Oversee the cross-SPSN audit processes and manage efficient and effective audit response mechanisms in conjunction with the DPD (Support Services and the PC);
- Oversee Human Resource processes; and
- Oversee the establishment of the short-term consultant pool and the timely engagement of short-term consultants based on the requirements in the Annual SPSN Plan.

Core Competences

- Proven senior program management experience or qualifications.
- Strong working knowledge of AusAID contractual processes and cross cutting policies especially those related to procurement, fraud, gender equality, violence against women and corruption.
- Full-time permanent employee of the Managing Contractor with sufficient seniority to coordinate Managing Contractor administrative and support services for the SPSN.
- Gender awareness, cultural sensitivity and commitment to inclusive policies and practice.

JOB TITLE: DEPUTY PROGRAM DIRECTOR – SUPPORT SERVICES

Reports To: Program Director

Position Description

The Deputy Program Director (DPD (Support Services) will be full time (5 years, 60 months in-country), responsible for leadership, planning, budgeting, reporting and supervision of support services systems and process for SPSN operations.

The DPD (Support Services) will be posted in Port Moresby, with travel to SPSN Field Offices as required. The DPD (Support Services) will ensure SPSN is run efficiently and effectively taking into account MC, GOA and GoPNG requirements. Systems and procedures developed for SPSN should take into account their potential institutionalisation into local government or civil society agencies as part of sustainability planning for SPSN.

The DPD (Support Services) will report to the Program Director and, together with the DPD (Implementation) and the CR, will form the senior executive.

Specific Duties

- Oversee development, review, quality assurance and updating of the SPSN Administration, HR, IT, Financial, M&E Manuals and Operating Guidelines;
- Oversee the operations of the Program Manager, Advisers, coordinators and Field staff ;
- Ensure the quality and integrity of SPSN systems and procedures and coordinate reporting based on SPSN administrative, financial, MIS, and M&E database information;
- Contribute to the production of the Annual Report and Annual Plan and coordinates the production of all annexes related to budgets, staffing schedules, procurement and logistics;
- In consultation with the Program Director, regularly report and undertake informal liaison with AusAID/Post as required;
- Coordinate the development and implementation of the communication strategy including procurement of SPSN advertising material, website development and maintenance
- Work with the Program Director and with all staff to ensure cross cutting themes of inclusive practice, gender equality, child protection, people with disabilities, HIV and AIDS, and peace and conflict are integrated throughout SPSN.

Core Competencies

- Proven senior program management experience or qualifications. Experience in development assistance management of complex programs would be beneficial;
- Demonstrated gender awareness and cultural sensitivity;
- Strong working knowledge of AusAID contractual processes, systems, procedures and cross cutting policies especially those related to contracting, procurement, fraud, anti corruption;
- Excellent communication and writing skills (oral and written) and fluent in English; and
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, HIV and AIDS, environment, child protection, people with disabilities, good governance, conflict mitigation and anti-corruption.

JOB TITLE: PROGRAM MANAGER

Reports To: Deputy Program Director (Support Services)

Position Description

The Program Manager will be full time (5 years, 60 months in-country) responsible for the day to day management and administration, providing on-going support to the Program Director and Deputy Program Directors.

The Program Manager will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required. The Program Manager will manage the financial and auditing processes and other SPSN administration, including human resource management, IT, logistics and the procurement necessary for the effective implementation of SPSN. The Program Manager will be responsible for ensuring all administrative and financial processes are consistent with partnership principles. The Program Manager will be responsible for sourcing and managing the international and local personnel to fulfil key positions and the establishment, contracting and management of a quality Consultant Pool. The Program Manager will work with SPSN Port Moresby and Field offices to ensure that procedures are equitable, in line with contractual obligation and AusAID requirement. The Program Manager has prime responsibility for timely collation and production of SPSN documentation (meeting agendas, briefing papers, milestone reporting, sub-contractor reports).

Specific Duties

- Oversee human resource management of all in-country staff to comply with the MC requirements and regulations of AusAID and GoPNG.
- Manage the human resources to ensure full and equitable participation of men and women on the SPSN initiatives.
- Manage an administration team which manages recruitment and mobilisation of national permanent, sub-contracted, casual and part-time staff; staff performance planning and professional development; equitable salary packaging and progression schemes; welfare, leave; workplace health & safety and security;
- Liaise and coordinate with AusAID Post regarding visa requirements for all Long Term and Short Term Advisers;
- Manage the MC's Consultant Pool to ensure appropriately qualified local and international technical consultants are registered to undertake short-term technical support functions as required by the Program Director;
- Oversees office accommodation and administration of in-country staff and manage an administration team which manages office identification, establishment, leases, utilities, communication, fit-out, maintenance and efficient day to day operations;
- Oversees procurement and logistics, including the activities of the Procurement and Logistics Coordinator to ensure that; procurement of all office and operational equipment in line with the contract between AusAID and the AMC; internal land, air and sea travel, vehicle/boat purchase, operation and maintenance is undertaken with a Value for Money approach;
- Oversee the activities of the Finance Manager and financial systems, to ensure procedures are developed with clear and transparent mechanisms and processes that comply with the requirements of the MC and AusAID, consistent with partnership principles. This includes; establishing, managing and reporting on in-country operational account(s); establishing, managing and reporting on the Imprest Account according to Commonwealth procedures;

logging and tracking payments related to operational and grant funding; preparing manuals and ensure training of all staff with financial responsibilities; submission of Funding Schedules and acquittal documentation required under the AusAID contract; coordination with Field Offices on local fund allocations; supervise, monitor and support the SPSN Payroll; monitor all SPSN expenditure on a monthly basis;

- Oversee SPSN IT, responsible for: specification, operation and maintenance of all electronic communication and equipment, computer hardware, networks and software; establish and enforcing data, email and internet protocols that ensure security and avoid fraud or illegal activities;
- In collaboration with the Grants coordinator and Capacity-Building and Institutional Strengthening Advisor, and under the supervision of the DPD Support Services, ensure internal checks and balances are in place and develop procedures and management mechanisms for identifying, addressing, and mitigating against fraud and corruption, ; and
- Quality control all financial and administrative details contained in SPSN reports, guides, manuals, and communication materials.

Core Competencies

- Extensive experience (at least 5 years) in administration and management of large international programs, especially in financial management and the application of IT in financial management systems and the management of staff in remote locations;
- Experience in development assistance management and AusAID systems and procedures would be beneficial;
- Excellent communication and writing skills (oral and written) and fluent in English. Fluency in Pidgin would be a distinct advantage.
- Demonstrated gender awareness and cultural sensitivity and the capacity to mainstream cross-cutting themes into the SPSN management systems and staff, including gender equality, violence against women, people with disabilities, equity, child protection and good governance; and
- An understanding of AusAID's policies relevant to HR management including those relating to disability inclusiveness, gender equality, HIV and AIDs.

JOB TITLE: DEPUTY PROGRAM DIRECTOR - IMPLEMENTATION

Reports To: Program Director

Position Description

The Deputy Program Director (Implementation) will be full time (5 years, 60 months in-country) responsible for the leadership, planning, budgeting, reporting and supervision of SPSN implementation by Component.

The DPD (Implementation) will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required. The DPD (Implementation) will ensure SPSN is run efficiently, equitably and effectively taking into account MC, GOA and GoPNG requirements. This includes ensuring SPSN Components deliver outputs, including integration of cross cutting themes, and contribute to outcomes as defined in the Design and identified through the Annual Planning process. Systems and procedures developed for SPSN should take into account their potential institutionalisation into government or civil society agencies as part of sustainability planning.

The DPD (Implementation) will report to the Program Director and, with the DPD (Support Services) and the Contractor's Representative will form the senior executive.

Specific Duties

- Oversee the technical quality and delivery of all five components of the SPSN;
- Oversee the operations of the seven Field Offices and Head Office (Component 2) and the integration of devolved services with provincial and district stakeholders;
- Ensure all five components integrate cross cutting themes;
- Oversee management and deliverables of the Capacity building and Institutional strengthening Specialist (Component 1 & 5); the Community Development and Local Government Specialist (Component 3); the Democratic Governance Specialist (Component 4) and the Gender Specialist;
- Ensure the quality, equity and integrity of SPSN technical processes (ensuring operational processes are inclusive, consistent with partnership principles) and actively manage relationships, networks, forums and linkages to ensure SPSN processes are effectively integrated;
- Contribute to the production of the Annual Report and Annual Plan and coordinates the production of all annexes related to operational analysis.
- In consultation with the Program Director, report and undertake informal liaison with AusAID/Post as required; and
- Provide strategic analysis and advice to the Program Director concerning improvements to increase the impact of democratic governance processes, as well as developing strategies to articulate, facilitate and motivate a shared vision of democratic governance.

Core Competencies

- Proven senior program management experience;
- 10+ years experience in community-based development and/or local governance assistance programming;
- Demonstrated significant experience and understanding of contemporary approaches to democratic governance processes in a medium to large scale program, as well as experience in promoting local democratic governance in the context of decentralization;

- Demonstrated gender awareness, cultural sensitivity and commitment to inclusive practice;
- Proven experience in designing, implementing, reviewing and evaluating medium to large scale community empowerment programs;
- Significant experience in managing staff and external consultants; excellent interpersonal and communication skills, including an ability to write high level technical reports;
- Strong working knowledge of AusAID contractual processes, systems, procedures and cross cutting policies especially those related to contracting, procurement, fraud and corruption;
- Excellent communication and writing skills (oral and written) and fluent in English;
- Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders;
- Understanding of AusAID's policies relating to disability, gender equality, violence against women, HIV and AIDS, child protection, environment, governance, conflict mitigation and anti-corruption; and
- PNG experience would be beneficial as would some fluency in Pidgin.

JOB TITLE: COMMUNITY DEVELOPMENT AND LOCAL GOVERNANCE ADVISER (COMPONENT 3)

Report to: Deputy Program Director - Implementation

Position Description

The Community Development/Local Governance Adviser is a full time (5 years, 60 months in-country) position. The Adviser will have primary responsibility for planning, oversight, review and reporting of Component 3 initiatives. The CD/LGS will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required.

The CD/LGS will develop and upgrade community engagement/development strategies to support the development of model approaches for improved local governance and community empowerment, involving managing relationships with delivery organisations and stakeholders to design and test new approaches. The position will provide SPSN-wide advice regarding, local governance, local civil society/community organisation strengthening, integration of cross cutting themes and local and national policy implications. This will include strategic technical analysis and reporting to the JGC and the SPSN more broadly on models developed, achievements and improvements required to increase impact at community level and the relevance of community engagements and activities. The position has a strategic role in guiding and managing inclusive community engagement and empowerment strategy for SPSN and will collaborate closely with the Program Director, Deputy Program Director Implementation and other Component Manager/Specialists to fulfil these terms of reference.

Specific Duties

- Facilitate AusAID, GoPNG, Key Partners and local stakeholders to regularly review inclusive community engagement and development experiences to identify opportunities for amplified engagements that deliver improved local governance outcomes;
- Ensure cross cutting themes are fully integrated throughout the component;
- Regularly liaise with other AusAID programs, particularly SNS and the Law & Justice sector to identify opportunities to develop stronger links between local government processes, systems and communities;
- Support the design and contracting processes of Component 3 initiatives;
- With the M&E Adviser establish processes to monitor and evaluate the effectiveness of models developed, then analyse and report on the models;
- Provide strategic technical analysis and advice to the Program Director concerning improvements required to increase the impact of community engagements, as well as strategies to articulate, facilitate and motivate a shared vision of democratic governance.
- Regularly participate in, and/or organise training and development for SPSN staff, partner organisations, GoPNG, AusAID, and other donors on community development and local government processes and share and discuss the relevance of SPSN processes;
- Coordinate the implementation and refinement of the SPSN Community engagement processes with the seven Field Offices and Head Office including supervision and mentoring of SPSN staff in the development and implementation of the methods;

Core Competencies

- 10+ years experience in community-based development and/or local governance assistance programming;

- Demonstrated significant experience and understanding of contemporary approaches of community engagement and empowerment in a medium to large scale program, as well as experience in promoting local democratic governance in the context of decentralization.
- Demonstrated in depth understanding of rural development, with a focus on participatory processes and gender and poverty inclusion. Understanding of systems and asset based approaches would be beneficial;
- Demonstrated gender awareness and cultural sensitivity
- Proven experience in designing, implementing, reviewing and evaluating medium to large scale community empowerment programs
- Significant experience in managing staff and external consultants; excellent interpersonal and communication skills, including an ability to write high level technical reports;
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, child protection, HIV & AIDS, environment, governance, conflict mitigation and anti-corruption;
- Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders.
- PNG experience would be beneficial as would some fluency in Pidgin.

JOB TITLE: DEMOCRATIC GOVERNANCE ADVISER

Report to: Deputy Program Director - Implementation

Position Description

The Democratic Governance Adviser (DGA) is full time (5 years, 60 months in-country) position, with primary responsibility for the planning, oversight, review and reporting of Component 4 initiatives, and responsibility for institutionalising democratic governance principles into SPSN systems and processes, and supporting their uptake in other AusAID programs and other stakeholders' strategic policies and operational systems. The DGA will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required.

The DGA will ensure that Component 4 is delivered in line with design and contractual requirements. In particular the DGA will ensure processes are established to facilitate dialogue and engagement among a broad range of state, non-state and other actors to share lessons on democratic governance principles, practice and policy. The DGA will also streamline civil society engagement with AusAID's bilateral program and establish a knowledge base on civil society that all AusAID programs can access. The adviser will ensure meaningful inclusion of women across all processes and that cross cutting these are fully integrated.

The DGA will ensure SPSN continues to adapt and change on the basis of lessons learnt and take innovative approaches as appropriate. The DGA will report against the broader impact upon the AusAID DCS, AusAID sector programs, GoPNG programs and other donor programs in particular that the methods of SPSN are adopted by others as appropriate.

In addition the position will provide advice regarding, democratic governance issues and local and national policy implications. This will include strategic technical analysis and reporting to the JGC and the SPSN more broadly on collaboration developed, achievements and improvements required to increase the impact of SPSN collaboration efforts. The position also has a role in influencing AusAID's democratic governance strategy. The DGS will collaborate closely with the Program Director, Deputy Program Director Implementation and other Component Manager/Specialists to fulfil these terms of reference.

Specific Duties

- Support the selection of thematic priorities that impact on democratic governance in PNG;
- Ensure thematic priorities are inclusive of gender equality and that at least some are specific to strategic needs of women;
- Support Field Offices and SPSN networks to promote positive outcomes in democratic governance at local levels;
- Support the design and contracting processes of Component 4 initiatives;
- Support the design and review of SPSN grants systems and processes in promoting democratic governance;
- Support wider debate among non-state actors on democratic governance;
- Participate in the selection, organisational assessment, design, monitoring, and review functions for non-state actor participation in bilateral programs as negotiated and agreed by the AusAID Democratic Governance team and the broader AusAID program;
- Provide operational support for AusAID sectoral programs to engage with non-state actors;

- With the M&E Adviser, establish processes to monitor and evaluate the effectiveness of networks and collaboration developed, and of democratic governance mainstreaming through SPSN;
- Analyse and report on the networks and collaboration developed;
- Provide strategic technical analysis and advice to the PD concerning improvements required to increase the impact of democratic governance, as well as strategies to articulate, facilitate and motivate actors behind a shared vision of democratic governance.
- Regularly participate in, and /or organise training and development for SPSN staff, partner organisations, GoPNG, AusAID, and other donors on democratic governance processes;

Core Competences

- 10+ years experience related to facilitating closer community, private and government sector collaboration using participatory or democratic governance models;
- Demonstrated significant experience and understanding of contemporary approaches of participatory or democratic governance in a medium to large scale program, as well as experience in promoting local democratic governance in the context of decentralisation.
- Proven experience in designing, implementing, reviewing and evaluating medium to large scale community empowerment programs
- Proven experience in developing and facilitating networks or forums that deliver meaningful collaboration, dialogue and outcomes
- Demonstrated gender awareness and cultural sensitivity
- Significant experience in managing staff and external consultants; excellent interpersonal and communication skills, including an ability to write high level technical reports;
- Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders.
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, child protection, HIV & AIDS, environment, governance, conflict mitigation and anti-corruption;
- PNG experience would be beneficial as would some fluency in Pidgin.

JOB TITLE: MONITORING AND EVALUATION ADVISER

Report to: Deputy Program Director – Support Services

Position Description

The Monitoring and Evaluation (M&E) Adviser is a full time (5 year 60 months in-country) position. The Adviser will have primary responsibility for the design, establishment and operation of the M&E system for the SPSN. The Adviser will be professionally qualified and have a strong background in M&E systems that are gender sensitive, IT and data collection methods, as well as an understanding of the various levels and types of data required.

The M&E Adviser will continually monitor and adapt the systems and processes to ensure that the relevant information from the field and from across SPSN is captured and provided in a form that assist the forward planning and ongoing quality improvement. The Adviser will also ensure, where possible, that the information is sourced from GoPNG or Partner systems and avoid establishing duplicate systems or collection processes. The Adviser will ensure the framework measure gender equality and the integration of information about progress on cross cutting themes.

Where appropriate, the Adviser will build the M&E capacity of Partners and assist them to institutionalise effective, sustainable M&E systems, so that data provided is valid and reliable.

The M&E Adviser will be tasked to specifically ensure that the information and data is provided in a form, and of a type, that meets the needs of the SPSN, the JGC and AusAID.

Specific Duties

- Establish a Monitoring Unit within the SPSN to ensure that data, information and M&E reports are timely, accurate and relevant;
- Liaise with the Program Director and AusAID to ensure that the type of information being collected and provided meets all AusAID reporting requirements and will be available in a form that aligns with the SPSN and AusAID needs;
- Suggest measures and tools that can be used to monitor and evaluate the impact of SPSN, including methods such as tracer studies, case studies, most significant change;
- Working with the M&E STA, develop the required systems and mechanisms to collect the data, using (where possible) existing sources that are reliable and effective (i.e. the SPSN will not duplicate existing systems where possible);
- Liaise with the Field Offices to ensure that relevant information is collected from the field and that the Field staff receive advice, guidance, training and the required M&E tools to undertake their work;
- Build the capacity of SPSN staff, civil society, GoPNG, AusAID, donors and other stakeholders in relation to M&E for civil society and democratic governance;
- Ensure that the M&E system reflects the need for data relating to cross cutting issues, including (for example) gender disaggregated, provincial / district location of SPSN activities and grants; SPSN activities and outcomes by component; participation of people with disabilities; impact and integration across SPNS activities; and other information as required;
- Supervise and monitor collection of information and data, including work of data-entry staff;
- Support Key Partners to share experiences and lessons.
- Strengthen and build human resources for M&E, internally (local staff Key Partners)

Core Competences

- 10+ years experience related to developing and managing complex monitoring and evaluation systems.
- Demonstrated significant experience and understanding of contemporary approaches to monitoring and evaluation and the requirements to collect, analyse and report on activities, outcomes and impact.
- Proven experience in, and commitment to, the training and mentoring of local staff in the management of systems and in the analysis and production of M&E reports and recommendations.
- Demonstrated gender awareness and cultural sensitivity.
- Significant experience in managing staff and external consultants; excellent interpersonal and communication skills, including an ability to write high level technical reports.
- Demonstrated ability and commitment to undertake field visits and interact effectively with different stakeholders.
- PNG experience would be beneficial as would some fluency in Pidgin;
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, child protection, HIV & AIDS, environment, governance, conflict mitigation and anti-corruption.

JOB TITLE: CAPACITY BUILDING AND INSTITUTIONAL STRENGTHENING ADVISER

Report to: Deputy Program Director - Implementation

Position Description

The Capacity Building and Institutional Strengthening (CB/IS) Adviser is a full time (5 years, 60 months in-country) position. The Adviser will have primary responsibility for the planning, oversight, review and reporting of Component 1 and Component 5 initiatives. The CB/IS Adviser will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required.

The CB/IS Adviser will ensure that the identification, collaboration with and strengthening of Key Partners individuals significantly contributes to the delivery of SPSN outcomes in line with the design and as amended by the Annual Planning process.

The CB/IS Adviser will ensure SPSN continues to adapt and change on the basis of lessons learnt and innovative approaches and that the broader impact upon the AusAID DCS, the GoPNG national program and other donors programs is evident, in particular that the methods of SPSN are adopted by others as appropriate.

In addition the position will provide SPSN wide advice regarding capacity building to increase gender equality, civil society strengthening issues and local and national policy implications. This will include strategic technical analysis and reporting to the JGC and the SPSN more broadly on collaboration developed, achievements and improvements required to increase the impact of the collaboration efforts. The position will ensure strong links between the SPSN approach to grants selection, fraud and audit, and capacity building support. The CB/IS Specialist will collaborate closely with the Program Director, Deputy Program Director Implementation and other Component Manager/Specialists to fulfil these terms of reference.

Specific Duties

- Manage a process to develop agreed inclusive selection criteria and subsequently assist AusAID to identify and select Key Partners for endorsement by the JGC;
- With the Program Director and the Deputy Program Director (Implementation) facilitate discussions and dialogue between AusAID and Key Partners regarding the scope and nature of Key Partner agreements;
- Negotiate and facilitate communication between Key Partners to identify common priority areas that require support;
- Assess the capacity gaps of Key Partners and ensure a capacity building program, inclusive of gender equality capacity development, is incorporated into annual operational plans;
- Monitor and support organisations to implement their strategy and annual operational plans;
- Support Key Partners to share experiences and lessons.
- Develop a capacity building framework that outlines how men and women will be identified, mobilised, mentored, trained, networked and supported to implement their skills in their particular organisation or workplace;
- Contribute to the development of grants processes and a fraud and audit regime that institutionalize capacity-building support to organisations
- Strengthen and build human resources for the SPSN internally (local staff and Short Term Advisors, and sub-contracted Advisers working with Key Partners)

- Identify and support the professional development of external civil society professionals through workshops/training events, and conferences;
- Ensure that all training and other capacity building activities implemented across SPSN incorporate gender equality and HIV and AIDS prevention.
- Review the role for existing training organisations in PNG and assess their capacity to deliver training and development aspects of the capacity building program.
- Support local training organisations in provincial PNG to deliver training and education on community development;
- Support the design and contracting processes of Component 1 and 4 initiatives;
- With the M&E Adviser, establish processes to monitor and evaluate the effectiveness of the institutional strengthening and developed;
- Analyse and report on the institutional strengthening and individual capacity building efforts;
- Provide strategic technical analysis and advice to the Program Director concerning improvements required to increase the impact of institutional strengthening and individual capacity building, as well as strategies to articulate, facilitate and motivate actors behind a shared vision of democratic governance.

Core Competences

- 10+ years experience related to strengthening organisations and running targeted capacity building programs for civil society;
- Demonstrated significant experience and understanding of contemporary approaches of capacity building and institutional strengthening in a medium to large scale program, particularly in the context of decentralization.
- Proven experience in designing, implementing, reviewing and evaluating medium to large scale institutional strengthening or capacity building programs
- Demonstrated gender awareness and cultural sensitivity
- Significant experience in managing staff and external consultants; excellent interpersonal and communication skills, including an ability to write high level technical reports;
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, child protection, HIV & AIDS, environment, governance, conflict mitigation and anti-corruption;
- Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders;
- PNG experience would be beneficial as would some fluency in Pidgin.

JOB TITLE: FINANCE MANAGER

Report to: Program Manager

Position Description

The Finance Manager is a full time (5 years, 60 months in-country) position. The Adviser will have primary responsibility for the planning, implementation and management of the financial systems required to support SPSN. The Finance Manager will be posted in Port Moresby, with travel to SPSN Field Offices and work areas as required.

The Finance Manager will oversee the finance systems, support staff and data to ensure that the financial aspects of the SPSN (including the Imprest Account, local expenditure, reporting, auditing and anti-fraud mechanisms are in place and continually improved.

In addition the position will provide SPSN wide advice regarding forward planning (including Annual Planning) and capacity building in order to increase financial accountability and maintain systems development. This includes working with relevant staff at the SPSN Field Offices and (where appropriate) with the Key partners.

The position will also support the SPSN leadership in maintaining oversight of the grants scheme, including measures to minimise potential for fraud. The Finance Manager will also arrange for, and monitor, the SPSN audit process, including in the regular reporting to AusAID

Specific Duties

- Establish and maintain the appropriate financial management and reporting systems for all Components and activities (in Port Moresby and in the Field), in order to provide SPSN leadership and AusAID with accurate and timely information and reporting;
- Supervise and train local staff to operate the financial management systems and facilitate mentoring and professional development activities as part of strengthening the financial management capacity of the SPSN;
- As required, provide a range of financial reports, data, records and specific financial information on all aspects of the SPSN operations, including for inclusion in the Six Monthly reports and the monthly expenditure reports;
- As required, support the forward planning of SPSN activities including the Annual Planning process, expenditure forecasts, cash-flow analysis, Imprest Account management and the development of grants processes
- With the Program Director and the Deputy Program Director (Implementation) facilitate discussions between AusAID and Key Partners regarding the scope and nature of the financial support, reporting and safeguards as required under Key Partner Agreements;
- Establish and monitor an appropriate SPSN audit arrangement covering all aspects of the financial systems and expenditure. This will involve contracting an external auditor and responding to any required improvements or changes that are required.

Core Competences

- Professional qualifications and certification relating to financial management and reporting;
- 10+ years experience related to complex financial management, program management, financial reporting, Imprest accounts and managing financial grants / allocations;

- Demonstrated significant experience and understanding of contemporary financial management systems and the staffing and systems required for large scale development programs;
- Demonstrated gender awareness and cultural sensitivity
- Significant experience in managing / developing local staff; excellent interpersonal and communication skills, including an ability to write high level technical reports;
- An understanding of AusAID's policies relating to disability inclusiveness, gender equality, violence against women, child protection, HIV & AIDS, environment, governance, conflict mitigation and anti-corruption;
- Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders;
- PNG experience would be beneficial as would some fluency in Pidgin.

Annex 5: Draft Monitoring and Evaluation Framework

The following draft Monitoring and Evaluation Framework has been developed for the SPSN which addresses accountability, equity and learning needs for internal and external audiences. There are four key elements to the approach:

1. Assessing progress and achievements against objectives.
2. Impact assessment.
3. Internal learning and reflection.
4. Quality Assurance and Risk Monitoring.

In addition to these internal M&E processes, AusAID will commission an external Independent Progress Report and an Independent Completion Review.

Draft Monitoring and Evaluation Framework: Assessing progress towards component objectives

The following table outlines what will be assessed against each of the five component objectives, the method that will be used to make this assessment, which organisation will be responsible, and most importantly, how these results will be used. Sex-disaggregated data will be collected as a standard practice across the monitoring and evaluation framework. Results and data will be used for specific AusAID purposes: including AusAID quality reporting (including Annual Updates, the sector performance reports, quality at entry / implementation / completion reports); reporting against MDGs and AusAID policies; as well as inform the MC Performance Assessment process.

Component Objective	What will be assessed[94]?	How will this be assessed (method)?	Who is responsible?	How will results be used?
1. Strengthened practice and promotion of democratic governance by Key Partners.	*Improved scope, coverage and performance of Key Partners in practice and promotion of democratic governance individually and collectively:* • Extent of activity by Key Partners around the six functions of democratic governance. • Internal 'democratic governance' practiced by Key Partners (e.g. transparency, accountability, participation, inclusion (including for men and women)) • Organisational capacity of Key Partners. • Extent of engagement between Key Partners, and between Key Partners, AusAID and GoPNG. • Significant changes as identified by stakeholders.	• Participatory assessment of implementation of Key Partners' five year strategic plans and annual operations plans. • Participatory and inclusive assessment of changes in annual capacity building plans. • Gender disaggregated data from Key Partner support activities. • Assessment of type and nature of engagement. • Partnership performance reviews	MC to facilitate involving Key Partners and AusAID.	To modify Component 1 as needed. To inform review by JGC of subsequent strategic, annual operations, and capacity building plans. To inform AusAID, GoPNG, and donors' modes of engagement with civil society and approach to partnerships.

[94]The indicators and methods were developed following consideration of the CDS Monitoring and Evaluation Framework (2005) to help build on the information collected through CDS, and to enable longer-term information sets and comparisons where possible.

Component Objective	What will be assessed[94]?	How will this be assessed (method)?	Who is responsible?	How will results be used?
2. ***Communities working together to address identified priorities.***	*Increased reach and capacity of men and women in local organisations assisting communities to effectively address development constraints affecting poverty and well-being:* • Level of transparency and accountability and participation (disaggregated by gender) in grant design, selection, implementation and review processes • Communities are better organised to identify and address their development needs (considering the potential different needs of men and women) • Local development needs met for both men and women • Capacity of CSOs and extent to which they practice participatory and gender sensitive processes • Community attitudes on the rights of women to participate in community leadership and decision making • Significant changes as identified by male and female stakeholders	• Stakeholder consultations • Review of participatory evaluations from grants scheme, using gender inclusive methods. • Review of evaluations from large grants scheme. • Review of MIS. • Organisational Assessment and reassessments.	MC	SPSN modification. To inform AusAID, GoPNG, and donors' modes of engagement with civil society. To identify initiatives for scale up to Component 3.

Component Objective	What will be assessed[94]?	How will this be assessed (method)?	Who is responsible?	How will results be used?
3. Improving local governance in selected geographic areas	*Development constraints in selected geographic areas effectively addressed through improving governance practices which can be replicated and scaled up:* • Level of engagement between stakeholders in each initiative area. • Government/private sector/development partners' understanding of and skills in transparency, accountability and facilitating participation (i.e. democratic governance) including ability to undertake gender sensitive processes. • Level of transparency, accountability and participation (by men and women) in decision making and resource allocation. • Community needs and priorities being addressed (for both men and women). • Community awareness and understanding of political, administrative and planning processes (considering differences between men and women). • Budgets allocated and funds drawn down and expensed according to agreed plans. • Significant changes identified by stakeholders.	• Analysis of the completion reports from each implemented initiative. • SPSN-wide thematic research. • Stakeholder consultations with men and women who are actively engaged in the SPSN.	MC to facilitate with initiative stakeholders and AusAID.	SPSN modification. To inform AusAID's SNS and GoPNG PPII and other sub-national initiatives.
4. ***Strengthened collaboration of men and women stakeholders for the promotion of democratic governance***	*Broadened scope and coverage of the practice and promotion of democratic governance principles through increasingly effective stakeholder collaboration:* • Level of dialogue and engagement between a broad range of stakeholders on democratic governance principles and practice. • Level of engagement and activity of specific	• Gender inclusive stakeholder consultations. • Participatory reviews by members of specific informal networks. • Review of AusAID's policies and programs across all sectors.	MC to carry out stakeholder consultations and support participatory reviews. IRM reviews AusAID's	SPSN modification. For consideration by AusAID on practices of engagement with civil society in PNG.

Component Objective	What will be assessed[94]?	How will this be assessed (method)?	Who is responsible?	How will results be used?
	stakeholders on particular thematic issues that impact on democratic governance. • Policy and program coherence within AusAID in relation to engagement with civil society. • Significant changes as identified by stakeholders		policies and programs.	
5. ***Strengthened human capital of men and women for the practice of democratic governance***	*Increased number of individuals (male and female) with skills, knowledge and competence in democratic governance working more effectively in their institutional, social and political roles:* • Skills and confidence of men and women implementing SPSN (e.g. Regional Grant Steering Committees, JGC members, individuals involved in initiatives in Component 3, individuals in leadership positions in Key Partner organisations etc). disaggregated by sex • Qualification and employment pathway available for community development workers. • Number of qualified/accredited male/female community development workers (including Field Workers). • Improved knowledge, skills and competence in democratic governance of individuals (male and female) participating in democratic governance programs.	• Pre and post evaluations of capacity building events. • Assessment of implementation of capacity building framework. • Stakeholder consultations. • Periodic surveys of men and women participating across the sector.	MC	SPSN modification. Partner training institutions' program modification as appropriate.

Draft Monitoring and Evaluation Framework: Assessing the contribution of SPSN towards democratic governance practices in PNG and the alleviation of poverty

In addition to assessing the activities and outcomes for each Component, the SPSN progress towards achieving its goal will be assessed (NB monitoring of progress against the Democratic Governance Strategy goal will be commissioned separately by AusAID as described in Section 7 on Management and Coordination Arrangements). Given the significant challenges in capturing the impact of democratisation assistance[95], and the nature of the design[96], the aim will not be to quantify the nature of the impact, or to assess impact against set indicators. Rather the aim will be to have an in-depth qualitative assessment to shed light on the nature and significance of changes that may have occurred, to identify other positive and negative influences beyond SPSN that impact on the goals, to consider how SPSN can best support or alleviate these influences, and to keep all stakeholders (including AusAID and the MC) focused on achieving lasting and significant outcomes.

The assessment of contribution towards impact will occur in three broad stages:

1. Identifying broad areas of change (*domains of change*) which SPSN aims to influence.
2. Using a range of methods to collect data before, during and after the life of SPSN to identify shifts in the domains of change.
3. Facilitating a participatory and technical analysis (drawing on the methods of contribution analysis and Most Significant Change[97]) to identify the reasons behind any changes observed, including the potential contribution of SPSN.

1. **Identifying domains of change.** The domains of change would be identified through a participatory process involving the JGC and other key stakeholders (facilitated by the MC). The types of change that might be included are:
    - Sustainability of local institutions;
    - Gender equality in decision making, as well as stakeholders and beneficiaries;
    - Policy and practice of local institutions (level of internal democracy);
    - Policy and program coherence between local, provincial and national government;
    - State to civil society relations and engagement;
    - Livelihoods and poverty;
    - Access to services;
    - Enabling environment;
    - Prominence of democratic governance principles and issues in public debate;
    - Equitable donor relationships with civil society.
2. **Collecting data on the domains of change.** Some of the methods that would be used to collect data include:
    - Longitudinal case studies across different communities or sites where SPSN has different sets of interventions. This will assess 'development/poverty' and 'governance' aspects in an open-ended manner.

[95] An international review of democratisation assistance found'..knowledge about the long-term effects of democracy assistance remains limited' (Rakner L, Menocal AR, Fritz V (August 2007:27) 'Democratisations 3rd save and the challenges of democratic deepening: Assessing international assistance and lessons learned', Overseas Development Initiative (UK).
[96] SPSN will be largely driven by PNG stakeholder initiatives, responsive and flexible to regional differences and priorities.
[97] As applied by AusAID in Fiji (Kotvojs 2006) and in the Law and Justice Sector in PNG (Kenway et al. 2007).

- Longitudinal case studies at the institutional level (across different organisations involved in the six functions of democratic governance) to assess the impact of the capacity building, and support for networking and involvement in thematic initiatives or other aspects of SPSN on the organisations' internal governance practices, influence on the GoPNG policy environment, and sustainability.
- Research study of changes in the enabling environment.
- Research study of linkages between the strengthening of civil society and democratic governance practices, gender issues in relation to development and the potential reduction of poverty in different regions in PNG.

3. **Analysing contribution to change.** This would involve exploring the range of factors that have contributed towards this outcome, and considering evidence that SPSN has also supported this change (for example the nature of the change, where change has occurred, the timing of the change, and how these relate to implementation). This should occur through facilitating participatory analysis, and also through commissioning investigations. A further analysis that could be undertaken is of the contribution of SPSN towards achieving GoPNG's Medium Term Development Strategy, or the Australia-PNG Partnership for Development, including the Millennium Development Goals. While the SPSN might expect only a small contribution towards these strategies, this could still be an important process to draw attention to the links between SPSN and GoPNG's goals.

1. Internal learning and reflection

SPSN will have a strong focus on internal reflection and review within and across each Component. This will involve the MC building a culture of continuous improvement among its staff, and encouraging open feedback from implementation partners and stakeholders. It will also involve the MC ensuring strong feedback loops with information generated through M&E processes being actively considered and used in implementation.

A summary of the major internal review processes includes:

- Annual reviews with AusAID and Key Partners of implementation of strategic plans and capacity building and technical strengthening, to inform future strategic planning (Component 1);
- MC to support and strengthen the ability of Key Partners to conduct internal reviews to inform future implementation, and review partnership performance (Component 1);
- Inclusive, participatory evaluation and review of grants, conducted by local group of men and women supported by resource persons (Component 2);
- MC supporting and ensuring internal evaluations are carried out by organisations implementing large scale grants (Component 2);
- Geographic and thematic peer reviews on a selection of activities each six months (Component 2), including several focussing on gender and development related issues;
- Five minor research enquiries undertaken per year by local groups with support from resource persons, and three major research studies undertaken annually on substantive democratic governance processes or content issues (Component 2). At least one of these will have a major focus on women's' participation in democratic processes;
- MC facilitates participatory annual reviews and peer reviews each year to share lessons between regions, to inform planning for following years (Component 3).

2. Quality Assurance and Risk Monitoring (including Contractor Performance Assessment)

In line with AusAID's corporate requirements, the performance of the MC will be assessed against contract conditions and professional standards. In addition, regular assessment by the MC (and in some cases the IRM) will be made of the inputs, activities and outreach of the SPSN implementation. This will include an assessment of the level of mainstreaming of crosscutting issues including gender equality, inclusive practice, environment, and corruption; the quality of systems and processes implemented through SPSN, and activities implemented to address and minimise risks identified in the risk matrix.

Logframe level	What will be assessed?	How assessed (method)	Who is responsible?	How will results be used?
Inputs, activities and scope[98]	• Activities implemented and partnerships supported according to Annual Plans and considering risk matrix. • Geographic and sectoral spread of SPSN activities (particularly for Component 2). • Level of mainstreaming of cross cutting issues incl. gender, environment, corruption, do no harm analysis etc. • Quality standards met for systems, procedures and technical assistance.	• Document review of: - Financial reporting and audits - Database reports (including MIS) - Grant funding reports - Partnership Performance assessments • Internal operational review workshops. • Site visits and observation by IRM.	MC. IRM assesses MC's systems and procedures. MC assesses systems and procedures of Key Partners where relevant.	Revised processes. Informs contractor performance assessment.
Contractor Performance Monitoring	• Contractor meets service standards against contract requirements.	• Document analysis • Site visits and observation (against service standards)	AusAID	Six monthly contractor performance assessment rating.

External Reviews

In addition to these internal M&E processes, in Year 3 AusAID will commission an external Independent Progress Report and an Independent Completion Review. A TOR for each review will be prepared by AusAID and discussed with stakeholders prior to being conducted. These reviews will use existing information and analysis from the M&E system, and collect limited primary information to supplement the existing reporting.

[98] Inputs = $, human & material resources; Activities = tasks carried out which use inputs to bring about change; Scope = number and types of groups and men and women involved in the five components, and consideration of geographical reach and inclusive practices of the program.

Annex 6: Risk Matrix

Risks	*Potential Impact on SPSN*	*Lhd*	*Impt*	*Risk*	*Risk Management Strategy*	*Resp*
Contextual Risks						
Political concern arising in PNG amongst government and community due to the sensitivity of Australia's role in promoting 'democratic governance' in PNG context, particularly as SPSN is working with non-state actors directly while attempting to engage with GoPNG appropriately.	As non-state actors and communities become more confident and capable, increased public debate and criticism (including of the PNG and Australian governments) may occur. This may result in some backlash.	4	3	4	The design incorporates strategies and mechanisms to manage this risk: a Joint Governing Council of GoA and GoPNG participation will guide SPSN; there will be careful selection of Key Partners on the basis of their support for DG principles, including regular reviews of their strategic direction and purpose; there will be opportunities for support and participation of GoPNG in Component 4 concerning policy and regulatory reform which builds GoPNG capacity to work with civil society; there will be increasing collaboration with DCD at all levels; and there will be emphasis on partnerships between GoPNG and civil society;	AusAID JGC GoPNG
The pace of SPSN is rushed because of unrealistic expectations which distort Papua New Guineans' ability to lead the direction of 'democratic governance' in PNG.	Apparent short term gains potentially lead to long term stagnation or apathy as partners see it as a donor driven rather than domestically led exercise.	4	5	5	Incorporating awareness, education and preparedness activities to have smooth transition from DGTP. Ensure the pace of change is led by PNG civil society and GoPNG under the guidance of the JGC. DG Sector Performance report to include evidence and analysis regarding pace of change to ensure realistic expectations are set within AusAID.	JGC AusAID GoPNG
In promoting 'democratic governance' a western perspective or view may be promoted which does not adequately accommodate or come from a PNG cultural and social perspective (particularly concerning gender). In promoting gender equality, women are at significant risk of encountering backlash.	Distorted or negative impact upon real potential for effective governance in PNG. Women do not participate in SPSN due to fear or experience of backlash.	3	5	5	Design incorporates flexibility in implementation strategies of who SPSN will engage with and how they will engage (design addresses this risk, but implementation risk still exists). Works with local actors and builds on existing reform initiatives. It employs effective strategies for working with local men and women to support gender equality.	JGC; MC; AusAID
SPSN aims to have a high level, long term and broad impact. This requires a significant change in attitudes, beliefs and practices across a wide spectrum of organisations, individuals and communities, which is necessarily dependent upon local ownership and subject to internal influences.	The true impact is hard to predict with certainty, may not be felt for many years, or may not be understood well if a narrow set of expectations are held. AusAID and GoPNG expectations of 'impact' and reporting may distort or limit SPSN from achieving its potential.	3	4	4	Design requires a progressive engagement based on a clear appreciation of stakeholder attitudes and aspirations. The progress of change is itself a measure of success and will determine ongoing engagement.	JGC

Risks	*Potential Impact on SPSN*	*Lhd*	*Impt*	*Risk*	*Risk Management Strategy*	*Resp*
In promoting gender equality through SPSN, there is resistance from counterparts and stakeholders to gender equality activities.	There is backlash against women including increased levels of violence resulting in women's decreased ability to participate in and benefit from SPSN activities.	4	5	5	Strong leadership by AusAID, the JGC and the MC on gender equality issues, providing support to ensure that the team, once in place, receives good quality training on the importance of integrating gender equality throughout. This will be backed up by a mechanism that will provide ongoing mentoring and support by the MC to build a community of practice within the team. A gender strategy outlining the MCs approach building on the DD will be developed monitored and revised each year to ensure it remains effective and appropriate.	AusAID; JGC; Managing Contractor
Implementation Risks						
SPSN requires high level strategic and operational management which may not be undertaken optimally due to: capacity and personnel constraints in contracting industry; ineffective collaboration between AusAID, MC and GoPNG; lack of consistent policy and strategic direction from AusAID (due to personnel changes etc); large scale and complexity (which dilutes focus and operational attention).	The SPSN becomes focused on the operational and implementation issues and fails to grasp the learning and strategic outcomes.	3	5	4	Realistic expectations in management arrangements and role descriptions. Managing timeframes of transitions from existing programs appreciating that time is required for this. Ensure the quality of the men and women representatives on JGC is high and invest heavily in their orientation and capacity building.	AusAID; Managing Contractor
GoPNG agencies especially the DFCD and DPLGA are isolated from SPSN and do not see it as directly contributing to their mandate.	AusAID is criticised for failing to align its program with the line agency agenda and the long term sustainability of SPSN outcomes is compromised due to lack of agency ownership to maintain achievements.	3	4	4	Ensure key agencies on the JGC; Engage regularly with key agencies to identify and participate in opportunities under Components 3 and 4; Co-located AusAID officer within DFCD ensures dialogue; Clarify the contribution that the SPSN makes to the DFCD and GoPNG decentralisation policy strategic outcomes; offer DFCD, DPLGA and other GoPNG staff as appropriate opportunities for skills development; support GoPNG to implement civil society and sub-national policy directions as appropriate.	AusAID; JGC; GoPNG Managing Contractor
SPSN stakeholders fail to own the initiative.	Partners perceive SPSN as a donor initiative and not embrace the need or opportunities for democratic governance reform.	2	4	3	Ensure the MC works as a facilitator, is highly consultative and does not push SPSN to suit the external agenda. Ensure sound and wide representation on the JGC and working groups; Regularly share the outcomes of consultation in a way that opens debate and welcomes comment.	JGC; AusAID; Managing Contractor

Risks	*Potential Impact on SPSN*	*Lhd*	*Impt*	*Risk*	*Risk Management Strategy*	*Resp*
Managing Contractor delivers the SPSN as separate components and fails to generate sufficient integration between components	The integration and learning between components is lost and the SPSN overall contribution to democratic governance is limited	3	4	5	Maintain a team structure that does not deliver SPSN by component but manages across components wherever possible. Emphasise cross component learning and integration.	Managing Contractor; AusAID
SPSN centralised in Port Moresby and fails to have sufficient interaction at the Provincial and District level.	SPSN lacks sensitivity to issues associated with devolved governance and fails to design and adequately support local level initiatives.	4	4	5	Establish field offices that deliver all locally relevant components and focused on Component 2. Ensure field office staff regularly interact and discuss implementation at the Provincial and local level. Ensure Components 2-5 are implemented in line with existing GoPNG national and sub-national policies. AusAID to facilitate ongoing interaction with SNS.	Managing Contractor; AusAID GoPNG
Complexity and size places undue pressure on implementation staff and partners.	Team stressed and focused on deliverables rather than relationships, strategy and learning.	4	4	5	Maintain a flexible approach to team resourcing and ensure sufficient contingency is built into scale up team functions if the workload becomes too great.	Managing Contractor
SPSN concentrates on Key Partners with centralised or international links and fails to encourage and evolve emerging Key Partners.	The Key Partners are all Port Moresby centric or international NGOs	3	4	4	Ensure that criteria for Key Partner selection favour groups that are locally based. Only include international NGOs where the local office is largely autonomous and is managed and staffed by PNG nationals. At least one Key Partner involved in women's issues in PNG.	AusAID; Managing Contractor
Key Partners fail to respond to the institutional strengthening opportunities or effectively partner with AusAID in SPSN delivery.	The Key Partners fail to become partners driving the democratic reform effort but become lethargic and dependant on donor funds.	3	4	4	Ensure that orientation and negotiation processes place significant responsibility on Key Partners to drive their own agenda and deliver significant outcomes. Ensure regular monitoring and review and agree up-front on capacity building measures to be taken to support organisations to meet their agreed outcomes, and on measures to be taken if outcomes are not reached.	AusAID; Managing Contractor; Key Partners
Key Partners become dependent on donor support for core functions.	The Key Partners fail to become partners driving the democratic reform effort but become dependent on donor funds.	2	3	3	Ensure Key Partner agreements clearly present a partnership for funding that is in line with the organisation's current and expected budget. Ensure Agreements include needs analysis and appropriate capacity building support, and a sustainability strategy with aim of operating independently of donor funding.	AusAID; Managing Contractor; Key Partners
Current Core Group and Field Worker networks are unable to be integrated into the Component 2.	Local players become disillusioned or feel their expectations have been betrayed by the SPSN.	3	3	3	Ensure that the SPSN Communication Strategy includes engagement with previous CDS stakeholders. Ensure that implementation of components maximises use of human resources previously engaged through CDS as appropriate.	LGC; Managing Contractor

Risks	*Potential Impact SPSN*	*Lhd*	*Impt*	*Risk*	*Risk Management Strategy*	*Resp*
Local Grants Committees established in Component 2 are not representative of local groups, lack capacity, are male dominated, or are not accepted by local government as a legitimate entity.	The agenda for local reform is captured or the real issues of concern fail to be properly analysed or supported by key players	3	3	3	Set criteria for equitable representation and ensure all committees meet minimum requirements; Actively orient and train local committees in the identification, leadership, planning and monitoring of CD programs; Ensure local authorities agree to formation of LGCs and agree to support their functions.	Managing Contractor; JGC GoPNG
Some areas perform well in developing community projects and demand for funds is higher compared to poorer performing areas.	A perception of inequity or favouritism develops amongst other groups, resulting in disengagement and/or conflict	3	4	3	Have all funding criteria and limits decided and agreed up-front by the JGC and include clear guidelines for better performing areas to access additional funds.	Managing Contractor; JGC
Opportunities for Component 3 enhancements are slow to originate and difficult to negotiate.	Scaling up exercises becomes problematic and core models for change are slow to emerge.	3	4	4	Start modestly and identify specific areas where dedicated support can be given to development and design.	AusAID; Managing Contractor
Component 3 initiatives are so unique to a particular area that their ability to work as a learning tool or models of engagement is compromised by their specificity.	Scaling up exercises becomes problematic and core models for change are slow to emerge.	3	4	4	Ensure that learning and exchange processes are designed into all exercises and that initiatives selected already have shown promise for wider application.	AusAID; Managing Contractor
The range and complexity of grants delivered becomes confusing for partners to clearly understand what is available and their obligations.	Rather than streamlining NGO partner relations with AusAID the picture becomes less clear	4	3	4	While maintaining some flexibility in the nature of the different Grants offered ensure that core principles and standards are maintained within Grant types and that all Grants ensure a consistent approach to local salaries, benefits and partner expectations.	Managing Contractor; AusAID
Networks of men and women developed under Component 4 are not flexible and evolving but invariably become institutionalised.	The SPSN fails to become a dynamic vehicle for debate and dialogue but instead is seen as spawning new institutions	3	3	3	Ensure orientation of new groups focuses on the issue at hand. Maintain a flexible and minimalist approach. Do not entertain proposals for network formalisation unless there is clear and unambiguous support.	Managing Contractor; AusAID
Other AusAID programs and projects do not embrace common approaches developed under SPSN for community engagement but prefer to do their own thing.	Unified approaches to community development and democratic governance are not pursued	4	4	5	Establish upfront dialogue with the key AusAID programs to make them aware of the SPSN and its mandate. Institutionalise opportunities for joint decision-making and cross-SPSN learning where possible. Discuss and agree potential areas of sharing and influence and ensure programs actively commit resources to agreed areas of support.	AusAID; Managing Contractor

Risks	*Potential Impact on SPSN*	*Lhd*	*Impt*	*Risk*	*Risk Management Strategy*	*Resp*
The cross-learning and innovation opportunities under Component 4 are compromised due to the insular nature of donor or government activities.	SPSN fails to initiate a groundswell of debate and innovation related to democratic governance.	4	4	5	Establish early dialogue with the key donor and GoPNG programs to raise awareness of the SPSN and its mandate. Discuss and agree potential areas of sharing and influence and ensure programs actively commit resources to agreed areas of support. Co-locate staff with those GoPNG agencies (e.g. DFCD) where significant collaboration is required.	JGC; AusAID; Managing Contractor
Individual training opportunities for men and women pursued under Component 5 duplicate or fail to integrate sufficiently with other capacity building links established by local agencies or donors (such as the Scholarships program).	SPSN duplicates or competes with other donor or GoPNG funded capacity building opportunities.	4	3	4	Ensure that the capacity building program is primary focused on indenisation of needs and monitoring of change. Where possible ensure that the capacity building link men and women with already established programs. SPSN will focus on less formal CB activities such as forums, workshops, networks etc. as well as strengthening groups to deliver identified CB needs.	Managing Contractor
Potential groups and institutions in PNG that could support the personal development agenda for community development and democratic governance lack capacity.	Identified needs for training cannot be accommodated	4	4	4	Actively support private, non-government and public sector training institutions to develop their curriculums related to improving the skills of men and women in improving democratic governance outcomes.	Managing Contractor
Poor donor harmonisation and lack of effective coordination amongst donors and civil society	Duplication of donor efforts, confusion of govt / CSO partners, competition for partners, differing design and reporting requirements.	3	3	3	Ensure ongoing analysis of what the donors are doing and resource the AusAID program team sufficiently to engage with the Donor Working Group	AusAID; Managing Contractor
AusAID co-located personnel and team in Port Moresby AHC become disconnected and/or compete for management support.	SPSN management undermined and Australia's reporting requirements not met	2	3	3	The First Secretary (AHC) responsible for ensuring that co-located Advisors and personnel participate in joint planning, review and reporting on a regular basis.	AusAID
Asia-Pacific Regional or Agency-wide thematic programs may attempt to engage with partners directly or through the partners regional institutions, thereby over-riding carefully established and locally appropriate mechanisms and processes for engagement with civil society in PNG.	Duplication of efforts and over-extending local partners, and undermining of engagement and policy dialogue strategy of the SPSN.	2	3	3	AusAID DG team to engage with AusAID Regional Programs and provide key focal point for coordination.	AusAID

Annex 7: Sustainability Framework

Sustainability Dimension and issue	How addressed in design	How to address in M&E systems
Activities implemented in communities from grant funds: it is important that community level projects: do not create recurrent costs, maintenance or other financial burdens on communities; that they are environmentally responsible; and that they build the local capacities of men and women so that benefits extend beyond the life of the assistance.	'Sustainability' will be one of the criteria for assessment of proposals by grant committees. It will be included as a requirement in grant proposals. Capacity building and training will be provided to CBOs preparing proposals, and technical assistance will be provided where appropriate (e.g. water projects). Support will be provided for more multi-year proposals. More generally, a move towards working with Key Partners (C1), a programmed approach (C3) and thematic issues (C4) which reduce ad hoc one-off grants to communities. This long term approach is better integrated which will be more sustainable than grants activities alone.	Reporting and field monitoring by Field Offices will consider sustainability issues. Key Partner selection and capacity building will include a focus on sustainability and capacity analysis. Reviews and evaluations of grant projects and Components 3 and 4 will identify and share lessons on sustainability across.
Local institutions: SPSN needs to balance the funding provided to local CSOs (especially Key Partners) with unrealistic expectations of performance and expectations beyond capacity, in order to promote long term institutional independent and autonomy, and an independence voice in democratic governance. Too much assistance (particularly funding) can create dependence rather than sustainable benefits.	A long term perspective to working with a range of Key Partners is proposed, with an organisational assessment process lead by the partner included as part of the strategic planning processes. Core funding will be provided with regular inclusive and participative reviews, in order to build institutional capacity apart from assistance for implementation and service delivery.	The M&E system for Component 1 focuses on assessing organisational capacity and Key Partners' performance in promoting and practicing democratic governance. Analysis of these findings in 6 monthly reporting will consider the sustainability implications of assistance on the institutions.
SPSN structures, systems and procedures: the SPSN should avoid creating parallel structures which duplicate Government or local structures and impose unnecessary external requirements 'for the donor' which are inherently unsustainable.	A careful balance to be maintained between introducing systems and structures for SPSN (JGC, Field Offices, Field Workers, Grants Committees) in the absence of appropriate PNG ones (e.g. no Peak Bodies or intermediary organisations) and the donor funding regime and requirements dominating the relationship between civil society and government. SPSN recognises new structures and systems are required and a long term approach is necessary. Being careful not to impose or direct government-civil society interactions through these structures will be important. The SPSN recognises the roles of DNPM, DFCD, DPLGA, and Provincial and District Government and will work collaboratively with them in Co's 3 and 4, as well as strengthen Key Partner ability to engage government directly in Co 1. CDS has created unsustainable structures (e.g. Core Groups), which have in some cases gone on to fulfil other purposes. In the context of diffuse civil society and lack of government leadership in engaging civil society collaboratively, SPSN may end up fulfilling roles it will need to divest itself of in future. The 'focal point' approach for civil society interaction with the Aid program minimizes duplication.	Annual Reporting by the Managing Contractor will include analysis of the role the SPSN plays in establishing parallel structures and systems and the impact it has on local institutions and civil society-government relationships. AusAID ongoing monitoring through co-located staff need to be focused on this issue. The JGC should be mindful of this issue in regular review meetings. IPR and ICR reviews should specifically consider this issue.

Sustainability Dimension and issue	How addressed in design	How to address in M&E systems
Financing and recurrent expenditure implications: The SPSN as a whole, as well as individual activities funded, may require recurrent costs which cannot be met locally.	At institutional and operational levels, particularly in service delivery, recurrent costs will be incurred. Agreements should not expose AusAID or Partners to unacceptable levels of recurrent expenditure; processes and models under Co's 3 and 4 should not require GoPNG expenditures which are unlikely to be met. There should be no imperative to spend funds through Key Partners or grants if the absorption capacity is not there and if local costs cannot be maintained.	The IRM will review the sustainability criteria for grants funding and ensure that recurrent costs are being considered in each grant. Risk monitoring by the MC and AusAID will review recurrent cost implications.
Human resources in SPSN and of stakeholders: donor programs often soak up available human resources either by poaching men and women or using staff in existing PNG institutions so they cannot do their own work.	The SPSN focus in component 5 is to enable and facilitate personnel already working in local institutions rather than to equip them to do SPSN work. Staffing will be minimal compared to harnessing of effort by men and women across the Key Partners, local CSOs and government who will be supported to undertake their own proposed activities and fulfil their own mandate.	Component 5 objective and output reporting provides analysis of impact on men and women's ability to do their own work better, rather than deflected into donor oriented work. AusAID and the JGC continue to monitor.
Underlying strategy: supply and demand counterpoint: SPSN will balance supply and demand side of democratic governance. If there is greater demand for good governance from CSO than can be supplied, SPSN will be exposed to significant risk and potential conflict.	SPSN will work with what is known and with existing capacities, starting with the continuing Key Partners and the grants scheme. From that basis, more policy and 'supply' driven changes in expectations for community-government engagement in inclusive planning and implementation (Component 3) and identification of key significant issues (Component 4) will be introduced at a pace and level of ownership and commitment that can be absorbed locally.	Monitoring pace of change and expectations is critical. Progress in 6 monthly reporting to the JGC, and AusAID and GoPNG's own analysis of the situation and progress, is important in getting the policy and strategy decisions right to progress the broad agenda of the SPSN.
Environmental concerns: environmental sustainability of specific project activities is an important consideration.	Selection for grant activities will include a criterion on environmental impact. Capacity building and support for men and women will be provided (through TA, Field Offices, Field Workers, training and learning events) to enable Key Partners and Proposal applicants to be environmentally responsible.	The IRM will assess environmental impact as part of their schedule of quality assurance issues.
Benefits and real impact: the SPSN relies on a Western political analysis and expectation of 'progress' and the belief that increased demand for democratic governance, and better capacity to practice it, will lead to sustainable changes for the benefit of communities and PNG. There is a major risk that the promotion of democratic governance principles creates tension and conflict in society, amongst disparate groups with different expectations, or between communities and their political leaders. In the short and medium term, greater demand for democratic governance may cause reaction and conservatism, at the local and national levels.	SPSN attempts to build in the potential for an emerging PNG definition of civil society and the potential for the emergence of local political and social systems and structures for the practice of democratic governance, particularly at local levels. Each initiative, especially under components 3 and 4, will have a strong learning, research and reflection focus in order to monitor change and its impact carefully. Specific research studies will be commissioned on key thematic issues and as part of the case study approach to assessing impact. SPSN will be directed by the JGC made up of GoPNG, GoA and civil society participants to ensure local ownership and commitment, and careful monitoring of risk from a PNG perspective. SPSN respects the autonomy and independence of local organisations in their own political and social environment, and provides assistance and support for their own strategic directions, rather than impose them externally.	The JGC plays a significant role in monitoring progress and the external environment to ensure SPSN moves in the right strategic and policy direction to have sustainable impacts, and not negative unintended consequences. AusAID continue to undertake its own policy and strategic analysis in the light of broader socio-political change in PNG, the Country Strategy and GoA and GoPNG policies. The collaborative learning and events by SPSN will enable stakeholders to provide feedback and analysis on the direction and necessary changes to have its intended impact.

Annex 7: Indicative Budget

(see separate Excel Spreadsheet)

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