



Australian Government

Department of Foreign Affairs and Trade



AID PROGRAM, PERFORMANCE REPORT 2015-16

Vanuatu

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KEY MESSAGES

The Aid Program Performance Report summarises the Australian aid program's progress in Vanuatu against the *Aid Investment Plan 2015-16 to 2018-19* (AIP), which was developed in September 2015 and forms the basis of ongoing dialogue with the Vanuatu Government on a new Aid Partnership.

In 2015-16, the program delivered a solid performance in a challenging year for Vanuatu against the AIP's four strategic pillars: building resilient infrastructure and an environment for economic opportunity; improving early education and health services; improving community safety and resilience; and supporting cyclone recovery and reconstruction. The current program achieved most performance benchmarks and showed improvements in gender equality and disability inclusiveness measures across nearly all sectors. Close and regular communication with the Vanuatu Government throughout the year has been critical for achieving outcomes, and programs continue to be well-aligned with priorities articulated in Vanuatu's national strategic planning documents.

Program refinements and remedial measures resulted in improvement in investments supporting **resilient infrastructure**, but ongoing close monitoring and management oversight is required. Support to build an **environment for economic opportunity** led to progress in addressing the availability and affordability of services and utilities, as well as improvements in public financial management, financial inclusion and revenue collection. Our technical and vocational training program, which targeted rural areas and has strong Vanuatu Government support, has had a significant impact on participants' skills and incomes.


Despite the impact of Tropical Cyclone Pam, the program made good progress in **improving early education and health services**, with our major education program on track to achieve its objectives, including in curriculum development and teacher training. Improvements in planning and information management processes supported better delivery of services in the health sector. To help **improve community safety and resilience**, police and justice agencies were assisted to improve information and financial management, and women's access to justice was increased through training and advocacy for the police and community. Support for improved disaster preparedness and early-warning systems may have assisted to reduce damage from Tropical Cyclone Pam.

Tropical Cyclone Pam dominated the reporting period, with the additional challenge of responding to El Niño weather conditions in late 2015. The Australian High Commission established a new recovery team responsible for delivering Australia's \$34.7m long term **cyclone recovery and reconstruction** program, and by June 2016, 65 per cent of long term recovery funding had been programmed towards projects in health, schools, water, agriculture and tourism. Supporting the Vanuatu Government to implement these projects will be a major focus for the next 12 months, and will draw heavily on resources from the Australian Civilian Corps.

CONTEXT

Vanuatu has a widely dispersed population with limited services in provincial areas. One-third of Vanuatu's population lacks access to basic services and more than 12 per cent live below the national basic needs poverty line. By the end of the Millennium Development Goals (MDG) reporting period, Vanuatu was on track to reach MDG 6 (HIV, malaria and other diseases), but its progress was uneven or off track on all other goals¹. Key human development indicators such as literacy and numeracy, immunisation and nutrition remain weak.

The Vanuatu Government has insufficient revenue to adequately fund education and health services and constraints on service delivery capacity mean that schools and health clinics often lack basic resources. Efficient use of resources and a focus on the most cost-effective interventions are therefore enduring priorities.



Increasing rural ni-Vanuatu participation in economic activity will continue to be a major challenge. The number of school (and university) leavers entering the job market far outstrips the average number of jobs created in the formal economy.

Violence against women and children is Vanuatu's most common crime, with 72 per cent of women experiencing physical or sexual violence in their life time. Other issues include access to justice more broadly (particularly in rural areas), population growth, a youth bulge, urbanisation leading to increased land pressures, poverty and insecurity, climate change and frequent natural disastersⁱⁱ.

Helping to address these challenges, over the last decade Vanuatu maintained strong economic growth compared with other countries in the region, at an average of 4 per cent GDP per annum (in real terms). Growth is projected to reach 4 per cent in 2016 and 4.5 per cent in 2017, driven by post-cyclone recovery in tourism and agricultural production, and further ramping up of infrastructure projectsⁱⁱⁱ. Stable macroeconomic management, key microeconomic reforms and social stability have helped attract investment and tourists.

Developments in Vanuatu in 2015-16 can be described as a tale of two halves. The first half of the reporting period saw Vanuatu Government resources and attention diverted by issues associated with Tropical Cyclone Pam recovery, El Niño, and political instability which led to a general election in January 2016. This contributed to delayed progress for many investments. The second half of the reporting period saw the formation of a new government in February 2016 followed by a period of relative political stability during which the Vanuatu Government focused its attention on an ambitious reform agenda and cyclone recovery efforts. Our *Governance for Growth* (GfG) program, co-located with the Prime Minister's Office has been well-placed to assist with some reforms, including initial work on tax policy and administration.

In late 2015, the conviction of 15 Vanuatu Government Members of Parliament (MPs) (including one guilty plea) on criminal charges of bribery resulted in the dissolution of the government of the day and a snap election in January 2016. The case highlighted the risk corruption poses to efficient and effective management of public finances and resources. However, the successful prosecution of 14 serving MPs (plus one guilty plea) also highlighted the integrity and effectiveness of Vanuatu's public sector governance and accountability mechanisms and its adherence to the rule of law.

Tropical Cyclone Pam, which struck Vanuatu in March 2015, will continue to compound many of Vanuatu's existing social and economic challenges and may delay progress in addressing them. Tropical Cyclone Pam caused widespread and severe damage, estimated at around \$600 million (or 64 per cent of GDP), affecting the livelihoods of around 195,000 people, including in the key agriculture and tourism industries. The cyclone recovery process will take a number of years, with recovery costs estimated at around \$426 million, likely far in excess of donor contributions. Australia was the first and one of the largest contributors to the cyclone response, providing more than \$50 million in assistance. This assistance was developed in consultation with the Vanuatu Government and aligns closely with the critical needs identified in its recovery plan, *Strengthening ni-Vanuatu Resilience – National Recovery and Economic Strengthening Plan*. It also complements the Australia's bilateral program and proposed cyclone recovery support by other donors.

Australia is the largest provider of aid, equivalent to around 30 per cent of total public spending and around six per cent of Vanuatu's GDP. Australia is one of the largest sources of foreign investment (\$112 million in 2015, down from \$169 million in 2014) and tourists (over 200,000 a year) and is the twelfth ranked destination for Vanuatu exports. We are the lead donor in the health, education, governance and justice and policing sectors.

Vanuatu has few other long-term development partners. New Zealand supports infrastructure, education, water and tourism. China and Japan have a growing presence in infrastructure. The World Bank and the Asian Development Bank are increasing their engagement in Vanuatu following the cyclone, and their contribution to recovery will be important.

EXPENDITURE

Total Australian Government ODA to Vanuatu in 2015-16 was \$61.0 million. *Table 1* shows expenditure from the bilateral program for financial year 2015-16, disaggregated by objective. Australian-funded long-term cyclone recovery projects will be implemented over three years through the Vanuatu Government's recovery management arrangements.

Total ODA flows to Vanuatu include an estimated \$18.0 million from regional and global programs and \$0.9 million from other government departments. Pacific regional programs are reported in a separate Annual Program Performance Report (APPR). Australian Federal Police (AFP) advisory activities are funded through DFAT and included in bilateral figures.

Table 1 Total ODA Expenditure in FY 2015-16

Objective	A\$ million	per cent of total ODA
<i>Bilateral</i>		
Building resilient infrastructure and environment for economic opportunity	22.9	37.5
Improving early education and essential health services	10.1	16.6
Improving community safety and resilience	9.1	14.9
Supporting cyclone recovery and reconstruction	n/a	n/a
Sub-Total Bilateral	42.1	69.0
Regional and Global ^{iv}	18.0	29.5
Other Government Departments	0.9	1.5
Total ODA Expenditure	61.0	100.00

PROGRESS TOWARDS OBJECTIVES

Table 2 summarises progress against Australia's four objectives in Vanuatu as articulated in the *Aid Investment Plan 2015-16 to 2018-19*.

Table 2 Rating of the Program's Progress towards Australia's Aid Objectives


Objective	Previous Rating	Current Rating
Building resilient infrastructure and environment for economic opportunity	n/a	Green
Improving early education and essential health services	Amber	Green
Improving community safety and resilience	n/a	Green
Supporting cyclone recovery and reconstruction	n/a	Amber

Note:

■ Green. Progress is as expected at this stage of implementation and it is likely that the objective will be achieved. Standard program management practices are sufficient.

■ Amber. Progress is somewhat less than expected at this stage of implementation and restorative action will be necessary if the objective is to be achieved. Close performance monitoring is recommended.

■ Red. Progress is significantly less than expected at this stage of implementation and the objective is not likely to be met given available resources and priorities. Recasting the objective may be required.



Overall the Vanuatu aid program is performing well against its four AIP objectives, achieving most performance benchmarks and showing improvements in gender equality and disability inclusiveness measures across nearly all sectors. The infrastructure program is back on track, two thirds of cyclone recovery funds have been programmed, and some health and education indicators are improving. However, enduring challenges remain within Vanuatu Government systems in relation to: public sector financial and human resource management, significant severance liabilities for retiring public servants and maintenance of public infrastructure.

OBJECTIVE 1: BUILDING RESILIENT INFRASTRUCTURE AND AN ENVIRONMENT FOR ECONOMIC OPPORTUNITY

This objective was rated green because, despite some challenges and delays, progress on building resilient infrastructure was satisfactory. Economic governance, scholarships and vocational training outcomes met expectations for the reporting period.


Economic growth over the past decade of around 4 per cent a year (marginally higher than population growth of 2.5 per cent) has lifted some living standards. Despite the shock of Tropical Cyclone Pam and the impact on Vanuatu's economy, growth is projected to reach 4 per cent by 2016 and 4.5 per cent by 2017. This is largely driven by recovery in tourism and agricultural production, and further ramping up of infrastructure projects. Growth has been underpinned by macroeconomic and social stability, as well as key microeconomic reforms. Nonetheless, Vanuatu faces significant challenges in its efforts to decrease the cost of doing business, improve the environment for investment, and deliver durable broad-based growth. In addition, challenging public sector reforms are required to improve the quality of public expenditure and service delivery. Tropical Cyclone Pam also highlighted the importance of supporting improved budget management, revenue collection and public sector reforms, which increase economic resilience to disasters.

The GfG program is DFAT's main avenue for engagement with the Vanuatu Government on economic, trade and fiscal policy. GfG's assistance aims to strengthen public sector governance and management to promote sound, economic growth-focused policies. The program works with a large number of government agencies (currently eight). GfG's strength lies in its long-term approach, relying on strong relationships with key players in central ministries and line agencies. It is co-located with the Vanuatu Prime Minister's Office and is highly valued by senior members of the Vanuatu Government.

In 2015, GfG faced significant challenges with central agencies distracted by the cyclone response and political instability in the latter part of 2015. Despite this, GfG made some progress in addressing availability and affordability of services and utilities. The program supported a Utilities Regulatory Authority (URA) review of Port Vila water tariff which recommended a 20 per cent reduction in price. Roll-out of the pilot *Universal Access Program* (UAP) increased telecommunications access in rural areas where previously there was little or no access. This supported the school internet lab and community internet café program which has opened in 19 schools, covering 4,326 students, of which 2,074 are girls.

GfG continues to improve gender equality outcomes, although more needs to be done. In 2015, roll out of a National Bank of Vanuatu (NBV) *Mobile Banking Program*, designed with a focus on financial inclusion of women, resulted in: almost 3,500 women participating in financial literacy training; over 3,000 women opening new bank accounts; and 382 women receiving micro-loans to the value of \$1.2 million. A GfG program evaluation and re-design in 2016 will incorporate more systematic gender analysis to inform investments. But further improvements will require stronger support from senior levels of the Vanuatu Government regarding the importance of women's economic empowerment for driving economic growth.

GfG's support for improved revenue collection and public financial management continued in 2015. With GfG assistance, government value-added tax collections exceeded targets despite widespread exemptions following Tropical Cyclone Pam, with VT6.0 billion (approximately AUD 75 million) collected. Over the past three years, with GfG assistance, VAT collections have consistently increased as a result of improved



compliance and enforcement from the Department of Customs and Inland Revenue (DCIR). Continued strengthening of tender processes has resulted in stronger public expenditure control, however resourcing constraints in the Ministry of Finance present risks to the implementation and sustainability of reforms.

Ni-Vanuatu participation in the *Seasonal Worker Programme* grew strongly in 2015-16, with 1,198 (190 women; 1,008 men) participants during the year (more than doubling the previous year's participation of 94 women and 473 men). It brings the total number of ni-Vanuatu participants to 2,096 since the program began in 2012. The majority have participated in horticulture. The expansion of the SWP to the broader agriculture and accommodation sectors will provide further benefits to ni-Vanuatu, given the prominence of those sectors in Vanuatu and the relevance of those skills to jobs and livelihoods. This complements our investments in-country. It is difficult to assess the contribution of seasonal workers to Vanuatu's economy, although research suggests that, on average, a Pacific seasonal worker remits around \$5,000 during a six-month placement.


The final phase of Australian support to the **lands sector**, a challenging area of government policy in Vanuatu, concluded in December 2015. Overall, the program, which ran from 2009-2015, rated less than satisfactory in achieving its objectives and outcomes. This was in part due to unclear end of program outcomes, the scope being too broad (and beyond the resources and capacities of program partners), and the inherent complexity of customary land tenure. Despite this, there were a number of positive achievements over the course of the investment, including: scanning/digitising of 14,000 land registry files; completion of Port Vila and Luganville valuation roles and valuation zone maps (which provide a sound basis for the determination of land rents and municipal rates); improvements to the integrity of the digital cadastral database; and improved use of new survey equipment. There is no plan to undertake another phase of support to the lands sector.

Despite recent challenges, **building resilient infrastructure** work is back on track and making incremental progress against performance benchmarks, in line with Vanuatu Government priorities. Investment designs incorporate consideration of climate change and disaster risk reduction and mitigation measures and are exploring ways of meaningfully incorporating gender equality and disability inclusiveness measures.

Vanuatu's infrastructure sector is undergoing significant change. As reported in last year's APPR, Vanuatu had six major loan financed projects in the pipeline totalling US\$321 million: US\$34 million from ADB (11 per cent), \$84 million from JICA (26 per cent), US\$59 million from World Bank (18 per cent) and US\$144 million from China EXIM (45 per cent). In June 2016, the World Bank announced a commitment of US\$50 million to fund further reconstruction and climate resilient improvements to roads, schools and public buildings damaged by Tropical Cyclone Pam. Considering the capacity limitations in the Public Works Department (PWD) and increasing support from other donors, Australia's role in the sector may need to change over time. Our investments will increasingly need to support policy dialogue and institutional strengthening, performance management and capacity building in PWD. Tropical Cyclone Pam recovery activities will compound the challenges the sector faces by increasing the strain on PWD implementation capacity.

The *Roads for Development program (R4D)* is a long term program (10-15 years) designed to improve economic growth and service delivery in rural areas through increased access to a well maintained, affordable and integrated transport network. Key activities include physical civil works on the islands of Tanna, Malekula, Ambae and Pentecost, institutional transformation such as establishing public financial management and procurement systems and processes, and human resources capacity building. In 2016, R4D support was opened up to all provinces and islands and its work plan was integrated with that of PWD.

By end-June 2016, R4D had maintained 668 kilometres of rural roads—in large part basic maintenance by communities—and built 210 drainage structures since the program commenced in July 2013. In 2015-16, the program provided around 56,100 worker days (including 9,005 for women), mainly through island based contractors (IBCs) and community based contracts. To assist PWD to manage and maintain roads in a sustainable and cost-effective way, the program established an innovative Tractor-Based Plant and



Equipment Trial (including outsourcing of management and equipment), and used community-based contractors (CBCs) to undertake light labour-based maintenance of roads. A tracer study of IBCs in the previous reporting period showed approximately 20 per cent of the work-force is female. Equal employment opportunities varied significantly from area-to-area and amongst IBCs. There appeared to be more equality of opportunity on labour-based, light routine maintenance jobs (e.g. grass cutting, clearing drains), but little opportunity for women to work on construction.

In response to an Interim Review completed in March 2015, the program assisted PWD to develop a draft *Rural Road Access Policy* (RRAP) that gives clear and detailed guidance for multi-year road investment planning in line with program targets. The policy, which is in the final stages of preparation, sets time-bound rural road access (RAI) targets for islands, provinces, and the entire country¹. The program is also shifting the physical works focus away from road lengths to “pinch points” with an emphasis on building critical drainage structures and crossings, sealing steep sections of roads, and providing reliable all-season access over longer distances and reaching more people. The program also shifted to a demand-driven approach to physical works planning during the reporting period. This paradigm shift to a demand driven approach led to an unprecedented level of positive engagement, capacity development of divisional (provincial) managers, and improved responsiveness to central government policies and priorities.


The *Port Vila Urban Development Project* (PVUDP) will contribute to sustainable urban development in Port Vila through improved road, drainage and sanitation infrastructure and services. The PVUDP, which is managed by the Asian Development Bank (ADB), has demanded intensive effort by the Australian High Commission to ensure that significant challenges were overcome during the reporting period. Previously identified management and governance challenges are being addressed and have resulted in improved engineering design performance, successful construction tenders, increased management oversight and construction supervision. However, the investment will require close and careful monitoring and management oversight to ensure that improvements continue.

Revised engineering designs and tender documents that are fit-for-purpose have brought PVUDP back on track to achieve expected outcomes, albeit with a reduced scope. This resulted in four out of five sub-projects tendered and contracts awarded. By April 2016, one contractor had started work and three were about to mobilise, including the large Phase 1 Roads and Drains contractor. The original scope for urban drainage and sanitation has been mostly retained, while road rehabilitation scope was reduced from 22km to 13km and some residential area flooding hotspots may not be treated. After a four-month delay, the first sub-project George Kalsakau Drive (GKD) reconstruction commenced in April 2016 and is well harmonised with other donor funded projects in the vicinity. By June 2016 the majority of project funds were committed and construction underway on three community sanitation facilities and two drainage detention basins.

PVUDP contracted the *Vanuatu Society for People with a Disability* to conduct a needs survey of people with disability living in targeted communities that resulted in five of the seven communities having accessible toilets included in the design of community sanitation facilities (CSF). The project partnered with *World Vision* and *Wan Smolbag* to develop baseline data and consider disability issues in the designs for CSFs and traffic and pedestrian management plans.

Progress was very good for our *Technical and Vocational Education and Training* (TVET) program during the reporting period. Phase three of the TVET program, which concluded in June 2016, saw a large increase in coverage of activities with TVET centres opening in Torba and Tafea provinces, in 2014 and 2015 respectively (in addition to two previously established in Sanma and Malampa provinces). Since 2013, 86 per cent of program participants have come from rural areas (of which 25 per cent were from remote areas) in line with the Vanuatu Government goal of decentralisation of service delivery to rural and remote areas. At the provincial level, progress generally exceeded expectations, with 65 nationally accredited training and 176

¹ RAI is expressed as a percentage (%) – the % of an area’s population living within two kilometres of an all season road connecting to the nearest trade and services hub. RAIs are still being calculated by the R4D program team.



business development support (BDS) activities aligned to provincial economic development priorities delivered to 2,706 participants (2013-2015) of which about 37 per cent were women. Over the same period, the number of participants with a disability increased from four to eight per cent. The program exceeded performance benchmarks with some 63 per cent of all participants and some 89 per cent of self-employed participants reporting increases in income attributable to skills acquired during training activities.

The TVET program has strong Vanuatu Government support. The investment is well-aligned with Vanuatu Government policies including the draft *National Sustainable Development Plan* (2016-2030). In 2016, the program supported the Ministry of Education and Training (MoET) and the Vanuatu Qualifications Authority in drafting a new national Post-School Education and Training policy in line with the national TVET policy. The TVET program adapted to service the high demand for post-cyclone reconstruction skills, with the fourth TVET centre in Tafea province (the most heavily affected by Tropical Cyclone Pam) having the highest demand. The program will continue to help meet the strong demand for skills development opportunities following Tropical Cyclone Pam and complement our long-term recovery activities. Capacity building within the cyclone recovery program team resulted in all full time staff, including the Team Leader, being locally recruited.

The TVET program has maintained a partnership with the *Pacific Women Shaping Pacific Development (Pacific Women)* program since 2014, although it has no specific gender outcomes or targets. It recognises that women are a key factor in economic growth and has developed measures to encourage women's participation in skills development activities. In 2015, 68 per cent of female participants reported increased income and improved livelihoods attributable to TVET development activities. Women's participation has varied from year to year and by province. In 2015, women's participation in activities decreased to 36 per cent from 48 per cent the previous year. This was likely due to the aftermath of Tropical Cyclone Pam when priorities were reconstruction and food security for families.


Completion rates were high in the *Scholarships Program* in 2015, with 32 (17 women, 15 men) of a possible 40 graduating and returning to Vanuatu and 6 (4 women, 2 men) granted extensions and expected to graduate in 2016. Of the recent graduates, seven returned to their employers and 13 found employment in their field of study and are contributing to development outcomes in Vanuatu. Our focus on disability inclusiveness and gender was continued.

The *Scholarships Program* has implemented new processes to improve the efficiency and rigour of the selection process, and awardees selected through this process have demonstrated excellent academic results to date. The program also completed a comprehensive survey of former scholars and conducted a number of focus groups to better target alumni activities to meet the demands of members in 2015. The Australia Awards Alumni Network – Vanuatu was launched in February 2016 and has since coordinated a number of professional development workshops and other events for alumni members, which have been well attended. The program has increased engagement with the Public Service Commission and the Training and Scholarships Coordination Unit (TSCU) at MoET to share information and ensure alignment of the program with the priority needs of the Vanuatu Government. An Australian Volunteer for International Development also provided support to the TSCU to improve Vanuatu Government scholarship processes.

OBJECTIVE 2: IMPROVING EARLY EDUCATION AND ESSENTIAL HEALTH SERVICES

This objective was rated green because early education work is on track to deliver end of program outcomes and improvements to health sector financial and information management processes have supported improved delivery of essential health services, including routine immunisation for children.

The enrolment rate in primary education in Vanuatu has increased over time with 45,000 children enrolled in 2015. Net enrolment rates have remained static in the last few years at 88 per cent (after increasing from 87



per cent in 2008 to 96 per cent in 2013). However, the quality of education in Vanuatu remains a major concern. Building on Australia's long history in the sector and lessons from previous investments, the **Vanuatu Education Support Program (VESP)** focuses on basic skills in the early years of primary education, recognising the need for stronger foundational learning to underpin a more effective education system. VESP provides targeted support to MoET with three long-term goals of improving basic education quality, providing more equitable inclusive access to education and ensuring a well-managed education system. The program pools funds with New Zealand.

Despite some delays associated with Tropical Cyclone Pam, VESP is on track to meet its objectives. Teacher guides for maths and science were distributed to all (391) schools for Year 1; all (22) provincial trainers and 53 zone curriculum advisers received training in providing classroom support for Year 1 teachers implementing the curriculum; and 475 teachers were trained. In October 2015, a baseline study of Year 4 literacy and numeracy was conducted which will be used to measure progress in literacy and numeracy rates and the impact of implementing the new language policy and curriculum for Years 1-3 students.


The *School Leaders Development Program* has brought positive change to: classroom practices; age-appropriate enrolment; community participation in schools; and school improvement planning. Progress has also been made in increasing women's involvement in school management committees in line with AIP gender equality objectives. School-based management is also improving, and school grants (which are used by schools for a specified range of school needs, such as minor maintenance work and to top up school supplies) are increasingly funded by MoET, with over 60 per cent of primary school grants funded by the Ministry. Almost all (99 per cent) eligible primary schools received the first tranche of 2015 school grants, and over 80 per cent of eligible primary schools received the second 2015 school grant.

The VESP program responded to Tropical Cyclone Pam by prioritising "rebuilding stronger and safer" primary schools in Tafea province; reprinting numeracy and literacy kits; and assisting staff in MoET in the immediate aftermath and ongoing recovery work. Work is on track for education recovery in Tafea province with contract revision for works on 18 schools (42 classrooms) on Tanna signed and selection of materials supplier for Tanna works approved. The program is highly regarded within MoET, partly due to program team assistance to support Tropical Cyclone Pam recovery efforts.

Vanuatu's health sector has one of the lowest trained health worker to population densities in the Pacific (0.19 doctors and 1.58 nurses and midwives per 1,000 population). Under-five mortality rate of 31/1,000 is also very poor and Vanuatu had not met MDG 4 (reduce child mortality) by the end of the MDG reporting period^v. Combined with system inefficiencies and limited service delivery capacity, health clinics often lack basic resources.^{vi} Despite these ongoing challenges, improvements in health were made in the **Health Sector Support Program**, including in health information management and budget planning in the Ministry of Health (MoH). Progress across all initiatives improved on last year.

Australia is the largest and lead donor in the health sector in Vanuatu. DFAT provides support to: hospitals and nursing; village health workers; malaria elimination; immunisation and health systems strengthening. Assistance is provided through government systems, third-party contracts, technical assistance and projects directly managed by contractors. In early 2015, Tropical Cyclone Pam activities took priority, which resulted in delayed progress in some areas throughout 2015.

In 2015-16 DFAT worked with MoH and the World Health Organisation (WHO) to strengthen Vanuatu's Health Information System (HIS) to improve data collection and management. This has led to an improvement in reporting rates for hospitals, health centres and dispensaries across all provinces of up to 87 per cent in 2015 compared to 79 per cent in 2014 and 58 per cent in 2013. During 2015, locally engaged advisers were deployed to Human Resources, and Tropical Cyclone Pam recovery. The strategic alignment of advisers has strengthened public sector financial management, including through contributing to improved business planning processes and budget management. However, planning at the provincial level is still a challenge which affects service delivery to communities in rural and remote areas. Support to



provinces has been a focus for 2017 Vanuatu Government budget preparations. An Australian funded WHO adviser is also working at the provincial level to improve coordination of public health and primary care outreach activities.

Staff vacancies, leadership turnover and policy and management challenges in MoH limited the impact of our support to workforce planning and management and constrained health service delivery. DFAT nevertheless maintained regular policy dialogue with MoH and other health development partners throughout the year, and helped MoH to produce a credible 2016 Ministerial Budget Submission that linked HIS data to policy proposals and priorities for 2016. MoH's 2017 budget preparations commenced in early 2016 which, unlike previous years, is in line with the Government's budget timetable.

In 2015-16, DFAT supported MoH and UNICEF to strengthen routine immunisation for children, with 68.5 per cent of children aged 23-59 months being fully-immunised nationwide (exceeding the 33 per cent baseline target). There have been no confirmed deaths from malaria since 2012. MoH reported that the 2015 Annual Parasite Incidence rate for malaria was zero, with no confirmed cases in 2015^{vii}. The risk of malaria re-emerging remains, and we will continue to monitor impacts of reduced Global Fund allocations to Vanuatu for malaria control, announced in March 2014. Some progress has been made on maternal and reproductive health, but ongoing close attention on this priority will be required in 2016-17.

We remain confident that our capacity building approach in the medical field will be increasingly sustainable over time, which will reduce the requirement for capacity supplementation. As cited in last year's APPR, in 2015, there were seven consultant or Masters-level ni-Vanuatu doctors, and 11 Diploma-level specialist doctors, compared with none in 2002. By 2026 there are projected to be 49 Masters level ni-Vanuatu specialists. Midwife training commenced in early 2016, with 15 trainees expected to graduate in mid-2017.


DFAT continued its support to the NGO *Wan Smolbag*, which includes a focus on delivering primary health services to the peri-urban poor through sexual and reproductive health clinics. Clinics provided sexual reproductive health services, including testing for STIs and family planning advice, to over 9,500 clients. In 2015, *Wan Smolbag* also produced the seventh series of *Love Patrol*, a television series with wide reach across Vanuatu and the Pacific, which continues to educate about HIV and other sexually transmitted infections as well as social issues affecting communities including sex work, drug abuse and gender based violence.^{viii} *Wan Smolbag* theatre productions reached over 10,000 people covering a range of issues, including: social, health, gender-based violence, environment, hygiene, sanitation, politics and corruption.

In 2015-16, a new health sector investment plan (SIP) was developed. The SIP will consolidate our investments and build a comprehensive program logic to improve outcomes and guide investments over the next four years. The SIP takes account of the 2014 independent review of Australia's health investments. A monitoring and evaluation plan will be completed in the second half of 2016 which will support the SIP.

OBJECTIVE 3: IMPROVING COMMUNITY SAFETY AND RESILIENCE

Overall this objective was rated green as Australian support continued to achieve good results despite high leadership turnover in key policing and justice sector agencies and the impact of Tropical Cyclone Pam. Extending service delivery and access to justice for women and children in rural areas presents ongoing challenges.

The *Policing and Justice Support Program Vanuatu (PJSPV)* aims to improve access to justice for women, children and youth. It provides support to the Vanuatu Police Force (VPF), the Judiciary, justice agencies, statutory and constitutional bodies as well as the Ministry of Justice and Community Services (MJCS), the Prime Minister's Office, and partners with civil society including *Save the Children*. Policing assistance is provided in partnership with the AFP.



In 2015-16, our support helped deliver improved information management systems for the Courts and State Law Office resulting in reduced processing time for the handling of advice matters and court cases. Agencies are demonstrating improved service delivery, including through training VPF officers (74 men, 22 women) in an innovative new Rapid Charge System (RCS), which has reduced the time until charges are heard in court to 10 days (from 92 days in cases where RCS is not used). Ongoing assistance to the VPF Professional Standards Unit (PSU) resulted in a 14 per cent increase in complaints against police (demonstrating increased public confidence in reporting systems and responses) and a 200 per cent increase in internal disciplinary matters being referred to the PSU.

The program has worked with the VPF Corporate Services Unit (CSU) to improve financial processes and access to operational funding, but salary costs continue to consume the bulk of VPF's budget allocation with little left over for operations. This negatively impacts service delivery and access to justice, particularly in rural areas.

Pacific Women provided support through the PJSPV program to conduct research on improving access to justice for women and support to the Department of Women's Affairs (DWA) for the piloting of authorised persons and registered counsellors under the *Family Protection Act* (FPA) – a key stumbling block to full implementation of the FPA. VPF personnel are being provided with training on their obligations under FPA, and dealing with women and children. The PJSPV is also assisting VPF to implement their FPA obligations with general duties police officers now required to undertake crime prevention and community awareness raising activities, including on gender-based violence, for one shift per month.


Australia also continued its longstanding support to the Vanuatu Women's Centre (headquartered in Port Vila with four centres in the provinces, most recently Malekula) which has established a national network of 43 island-based *Committees Against Violence Against Women* (CAVAWs) and trained male advocates. Male advocates include chiefs, police, health workers, and church, youth and other community leaders. CAVAWs undertake community awareness raising activities and assist women and children living with violence in remote communities. CAVAWs are able to process and provide reliable information on *Family Protection Orders* (FPOs) and support ending of violence against women outcomes through engaging formal and informal systems with the assistance of male advocates. During the reporting period, VWC assisted 6,858 women survivors of family violence (up from 4,685 in 2014-15), including through counselling support and legal advice (such as assistance with FPOs). The NGO *Wan Smolbag* performed three plays on family violence, reaching an audience of 3,917 people.

Box 1 – Cross-sector collaboration between policing, justice and community services agencies improves service delivery

Australia's *Vanuatu Policing and Justice Support Program (PJSPV)* aims to support improved coordination, collaboration and communication across the complex grouping of constitutional, statutory and line agencies, as a basis for improving the efficiency and effectiveness of the sector, and ultimately service delivery.

New Zealand's *Pacific Prevention of Domestic Violence Program (PPDVP)* together with PJSPV police advisers and the Vanuatu Police Force (VPF) developed and delivered training on a VPF *Family Violence Policy* and Standard Operating Procedures. A local NGO, the Vanuatu Women's Centre (VWC), also partnered to assist in the delivery of training with the VPF Training College that has resulted in positive changes to VPF work practices regarding how officers respond to family violence complaints.

The Australian Commonwealth Ombudsman provided training on administrative investigations for the VPF Professional Standards Unit (which investigates complaints made against police officers), the Vanuatu Ombudsman, the Vanuatu Land Ombudsman, and other agencies who undertake administrative conduct investigations. As a result a professional network of integrity investigators has been established. Also, an MOU has been developed between the VPF Professional Standards Unit and the Vanuatu Ombudsman for the Vanuatu Ombudsman to review a proportion of the VPF Professional Standards Unit cases to ensure compliance of the VPF with its own internal policy on complaints and the discipline aspects of the Police Act, as well as to provide feedback on complaints processes.



Improved **disaster preparedness** and early-warning systems in Vanuatu, supported by Australia (including through the Australian Civilian Corps - ACC), may have helped reduce the number of fatalities and the extent and scale of damage during Tropical Cyclone Pam. The ACC support to the National Disaster Management Office (NDMO) was continued through the reporting period, and contributed to the Vanuatu Government's Tropical Cyclone Pam lessons learned processes as well as legislative and policy development for disaster management.

DFAT regional programs have been addressing the need for communities to become more resilient to the adverse effects of natural disasters and **climate change** through community programs. Climate change and disaster risks have been incorporated into seven school safety plans in remote and high risk areas. A Risk and Resilience Unit was established within the Ministry of Agriculture to oversee relief and recovery efforts in the agriculture, forestry and fisheries sectors, among others.

Ongoing support to the Vanuatu Meteorological and Geo-Hazards Department (VMGD) through regional climate change programs and the Bureau of Meteorology helped the Vanuatu Government use climate and weather science for better **risk mitigation**. This support helped the VMGD provide timely and critical climate and ocean analysis for key sectors such as agriculture. This information helps to lessen the impact of extreme events such as cyclones and drought.

The Vanuatu Government launched its *Climate Change and Disaster Risk Reduction Policy 2016-2030* in late-2015. The Policy was developed with the support of the Australian-funded **Pacific Regional Risk Resilience Program (PRRP)** and provides a framework for mainstreaming climate change and disaster risk reduction into sustainable development processes. The PRRP also supported a public-private partnership between the Vanuatu Government and *Digicel Vanuatu* which incorporated climate change, disaster risk mitigation and food security in public awareness-raising, particularly regarding education and agriculture.

During the reporting period, a dedicated climate change and disaster risk mitigation function was established within the DWA to integrate gender and protection issues into improvements to preparedness and response measures.

OBJECTIVE 4: SUPPORTING CYCLONE RECOVERY AND RECONSTRUCTION

Despite exceeding its performance benchmark for the reporting period, this objective was rated amber overall, which can largely be attributed to the complex and challenging funding modality for the long-term cyclone recovery investment. The \$34.7m million long-term recovery package has been channelled through a direct funding arrangement with the Reserve Bank of Vanuatu and is being delivered through Vanuatu Government systems. Since January 2016, the Vanuatu Government has made reconstruction a priority and enabled DFAT to program 65 per cent of long-term recovery funding (\$23 million). However, DFAT will need to work closely with Vanuatu Government agencies to ensure that risk is adequately managed and aid quality standards and safeguards are incorporated into investments.



Early Recovery

As a rapid humanitarian intervention, the \$5 million early recovery programming achieved expected results in terms of restoring basic education and health services, ensuring food security and helping rebuild agricultural livelihoods. Our support helped the Vanuatu MoH repair hospitals and health centres across the worst affected provinces. Australian funding to UNICEF helped forestall disease outbreaks by vaccinating 24,000 children and screening over 13,000 for malnutrition and micronutrient feeding. DFAT also funded MoET grants to 143 schools for urgent repairs and replacement of damaged teaching materials, allowing 19,000 students to return to school more quickly.

Long-term Recovery

Notwithstanding the challenging operating environment, the program has exceeded its AIP performance benchmark, successfully programming 65 per cent of long-term recovery funds during the reporting period, the bulk of this during the last six months. By June 2016, 65 per cent of long-term recovery funding had been programmed by the Vanuatu Government, including: repair of health and infrastructure (\$7.1 million); water management systems (\$3.3 million); tourism (\$600,000); agriculture (\$2.5 million); and education (9.3 million).

There is a high level of local ownership of the program, since the long-term recovery package is being implemented through Vanuatu Government systems and recovery projects are informed by the Vanuatu Government's *Strengthening ni-Vanuatu Resilience – National Recovery and Economic Strengthening Program Plan*. This innovative delivery mechanism will provide an opportunity for ministries with limited capacity and experience to implement activities – with Australian-funded technical assistance – on a large scale. While working through Vanuatu systems for cyclone recovery is challenging, in the long-term this should provide sustainable strengthening of Vanuatu's capacity and systems. The key challenge for the recovery program will be to find a balance between ensuring that DFAT's aid quality and safeguard arrangements are applied in every activity, while building on the positive working relationship with the Vanuatu Government. This will mean taking informed risks to deliver outcomes and will require active engagement from the Australian High Commission recovery team in Port Vila in project committees and oversight mechanisms.

Progress on providing additional support for outreach focused on gender-based violence, child protection and improved access to disability services to meet cyclone-related needs has not progressed as much as we anticipated, but proposals have been drafted for Vanuatu Government consideration to address these areas. Finalisation and approval of proposals to meet the needs of women, children and people with a disability will be a high priority in 2016-17.

PERFORMANCE BENCHMARKS

Six out of the seven performance benchmarks set for 2015-16 in the Aid Investment Plan were fully met (see **Annex B** for detail).

Proposed performance benchmarks for future years have been included in this report and are in line with the four strategic objectives outlined in the Aid Investment Plan drafted during the reporting period. These will be confirmed through Aid Partnership discussions with Vanuatu during 2016-17. All investments identified as requiring safeguards (child protection and environmental protection) implemented the relevant policies.

Performance Benchmarks 2016-17 to 2018-19

		2016-17	2017-18	2018-19
Aid objective	Build better infrastructure and an environment for economic opportunity			
1.1	Kilometres of urban roads resealed / asphalt concreted ^{ix}	13	8	n/a
1.2	Increase in bank accounts opened in rural areas	3,000	3,000	3,000
1.3	Self-employed TVET trainees report higher incomes following training	80%	80%	80%
Aid objective	Improve early education and essential health services			
2.1	Increase in literacy and numeracy rates in Year 4 students	51%	51%	70%
2.2	Increase in number of fully-immunized children, using routine immunisation systems	70%	75%	80%
Aid objective	Improve community safety and resilience			
3.1	Increase in number of women survivors of violence provided counselling, support and legal services	3,500	4,000	4,000
Aid objective	Support cyclone recovery and reconstruction			
4.1	Australia's \$35m long-term recovery support is allocated to recovery projects	85%	100%	n/a

MUTUAL OBLIGATIONS

The AIP developed in September 2015 identified a number of suggested mutual obligations for further discussion with the Vanuatu Government, focussing on gender equality, rural road accessibility, school rationalisation, human resources and cyclone recovery. These issues, along with public financial management, infrastructure maintenance and other Vanuatu Government priorities, will inform a discussion to finalise mutual obligations as part of the new Aid Partnership in late 2016.

DFAT has been in regular contact with Vanuatu Government counterparts on the aid partnership and mutual obligations, but the distractions of the first half of the reporting period have delayed progress by at least six months. At the time of writing, discussions had commenced.

PROGRAM QUALITY AND PARTNER PERFORMANCE

The Vanuatu program continues to make effective use of performance information. Post coordinates regular monitoring that inform program management, including regular discussions and monitoring of program-level risk registers. Evaluations and reviews are also being used to improve performance and inform future program planning and re-design. A review of the TVET program considered impact and value for money and findings were used to inform the upcoming design and implementation for TVET Phase 4. A review of PJSPV highlighted that the innovative design was highly relevant and resulted in a design refinement exercise for



Australia's future assistance to policing and justice in Vanuatu. Reviews for VESP and R4D, planned for this reporting period, will be carried out in 2016-17. **Annex C** lists evaluations completed during the reporting period and planned for the next 12-months.

The ANAO performance audit of the Australian aid program in Vanuatu during 2014-15, tabled in Parliament on 5 June 2015, found that the program was generally effective and met Australian and Vanuatu Government priorities. The ANAO made two recommendations on documenting risk and monitoring and evaluation planning. DFAT agreed to and implemented both recommendations.

The AIP and a new Aid Partnership will support further consolidation of the program. The AIP consolidates the program within four weighted strategic pillars to ensure that Australian assistance is best meeting development objectives agreed with the Vanuatu Government.

ANALYSIS OF AID QUALITY CHECKS (AQCS)

Most programs continue to have high **relevance** scores. The only exception to this is the Vanuatu Land Program, which concluded in 2015. Infrastructure programs (PVUDP and R4D) implemented management responses in 2015 to improve **effectiveness** and 92 per cent of all programs were rated as satisfactory or above for this criterion, exceeding DFAT's target of 85 per cent (only the Vanuatu Land Program, which has now concluded, was rated as unsatisfactory). DFAT's target of 85 per cent for **efficiency** was almost met (83 per cent), with significantly improved processes for Australia Awards Scholarships bringing this program to a satisfactory rating, while the Vanuatu Land Program (now concluded) and PVUDP were rated as unsatisfactory for this criterion. With ongoing close monitoring and management oversight to ensure that improvements continue for PVUDP, we expect that the target for efficiency will be met next year.

Programs generally have accurate data on activities, inputs and outputs and **monitoring and evaluation** scores improved slightly, however the *Vanuatu Land Program*, *Health Program* and *Australia Awards Scholarships Programs* maintained unsatisfactory ratings for monitoring and evaluation.

There were notable improvements to **sustainability** scores for *R4D*, *VESP* and *Pacific Women*, due to program refinements, trialling new practices and increased Vanuatu Government ownership and engagement in some areas.

Although 83 per cent of programs were rated as performing satisfactory or above on **gender equality** (exceeding DFAT's target of 80 per cent, and an improvement from 73 per cent of programs in the previous year), a number of management responses are being implemented to continue to improve gender equality outcomes including gender analysis, new tactics to improve women's participation rates in activities, close monitoring and improved reporting on gender equality and improved stakeholder engagement.

Risk is managed well, and documentation of risk management has improved in response to the ANAO's findings, with a discussion of risk a standing agenda item at fortnightly Aid Team Meetings.

The AQC for Tropical Cyclone Pam Recovery was rated as adequate across all indicators, despite program delays and the challenging delivery modality for long-term recovery programming that has undermined program efficiency and effectiveness. Overall program ratings have been balanced by good early recovery performance, highlighting the difficulties of applying standard AQC template ratings to this program.

A table of AQC ratings is included in **Annex D**.

PERFORMANCE OF KEY DELIVERY PARTNERS


The Vanuatu program works through many modalities, including government systems (e.g. in health and education), through managing contractors (e.g. in law and justice, TVET, education and infrastructure) and through civil society partners (e.g. in health and governance). Ten partner performance assessments were completed during the reporting period.

In terms of program size, the ADB, which is delivering PVUDP, is our major implementing partner. PVUDP has overcome some performance shortfalls that were highlighted in a recent ANAO audit. DFAT will continue to work closely with the ADB and Vanuatu Government to ensure that performance continues to improve. The ADB has also committed to take a number of steps to address performance issues.

RISKS

Table 3 Management of Key Risks to Achieving Objectives

Key risks	What actions were taken to manage the risks over the past year?	What further actions will be taken to manage the risks in the coming year?	For emerging/ongoing risks provide a Risk Rating (low, medium, high, very high)
Political instability leads to changes in policy direction and key stakeholders, resulting in diminished understanding and sustainability of the Australian aid program.	<ul style="list-style-type: none"> • Strong engagement with central agencies for oversight of policies and expenditure. • Regular dialogue with relevant senior officials. • Work to agreed priorities and work plans. 	Ongoing open dialogue with the Vanuatu Government.	High
Poor planning and human resource management impacts negatively on effectiveness, efficiency and sustainability of programs.	<ul style="list-style-type: none"> • Recruit HR and Capacity Development advisers where appropriate. • Strong engagement and policy dialogue with relevant officials. • Dialogue with development partners. • Coordinate efforts and messaging with GfG. • Ongoing dialogue with PMO / MFEM / PSC on HR management. 	Ongoing engagement with key stakeholders, such as PMO / MFEM / PSC on human resource management.	High
Weak partner government financial systems and fraudulent use of program resources.	<ul style="list-style-type: none"> • Work through managing contractors and advisers where appropriate to manage and monitor funds and processes • Funds delivered in tranches as appropriate. • Regular reporting, acquittals and audits required. 	Ongoing reporting, monitoring and audits to ensure funds are spent appropriately and used to strengthen local financial systems.	High



Significant natural disaster disrupts implementation and/or relevance of programs. May also have an impact on economic growth, which in turn could lead to reduced ministry budgets and capacity to implement reforms / programs.

- Climate change and disaster resilience built into aid programs.
- Crisis Action Plan updated.
- Programs amended as appropriate following disasters to ensure continued relevance.

Ongoing dialogue with partner government.

High

MANAGEMENT RESPONSES

Progress addressing last year's management responses was mixed. **Annex A** provides detail.

Proposed management responses for 2016-17 are as follows.

1. Finalise a **new aid partnership** between Vanuatu and Australia, which sets objectives for the program, provides greater strategic coherence and outlines clear performance benchmarks and mutual obligations.
2. Provide close management of **PVUDP** to ensure that improvements continue.
3. Provide strong oversight of the **cyclone recovery package** to ensure its effective implementation, including early recognition of emerging risks.
4. Monitor the **program budget and pipeline** closely to ensure any contingencies can be effectively managed.
5. Continue work to promote **gender equality and disability inclusion** throughout the program, with a focus on programs which received less than satisfactory ratings.
6. Analyse current programming pipeline to assess its contribution to **climate change programming targets** from existing programs, including R4D, PVUDP and the *Australian NGO Cooperation Program* (ANCP). Future programming may need to incorporate greater climate change expenditure.
7. Consider tailored **communications strategies** alongside program designs to support program implementation.

ANNEX A - PROGRESS IN ADDRESSING MANAGEMENT RESPONSES

Describe progress made against management responses in 2014-15 report

Management responses identified in 2014-15 APPR	Rating	Progress made in 2015-16
Develop a new aid partnership.	Partly achieved	A draft Aid Partnership agreement is with Vanuatu Government for consideration. Initial discussions to finalise the partnership have been held.
Ensure PVUDP remediation plan to address performance issues is implemented effectively.	Partly achieved	DFAT worked with ADB on the remediation plan to ensure increased in-country supervision, refined project designs that were fit for purpose and budgeting that ensures value for money.
ANAO performance audit recommendations fully addressed.	Achieved	DFAT has implemented the two recommendations of the ANAO performance audit on documenting risk and monitoring and evaluation planning.
Tropical Cyclone Pam recovery package receives strong management oversight to ensure that it is implemented effectively, that staff are supported and emerging risks are identified early.	Partly achieved	Post is working closely with Vanuatu Government agencies to ensure that Tropical Cyclone Pam recovery funds are programmed effectively, in line with DFAT quality standards. However, a monitoring and evaluation framework is not yet in place. A program-level risk register is monitored by Post through regular fortnightly meetings to ensure that emerging risks are identified early.
Program design processes are adequately resourced, achieve efficiency and consolidation objectives, and transition plans are in place.	Achieved	Design and implementation of next phases of TVET and PJSPV programs have been adequately resourced at post, and supplemented by specialist personnel as required. Program redesigns and refinements have been informed by previous AQC's and independent evaluations. Planning for the independent evaluation of R4D occurred during the reporting period, and has been mindful of having appropriate specialist expertise on the evaluation team.
Budget Management	Partly achieved	Ongoing close monitoring and management of the budget, mindful of high program funding commitment levels, ensured that contingencies were effectively managed during the reporting period.
Gender and disability	Partly achieved	Gender equality and disability inclusion challenges are being constructively addressed across the program. This includes: targeted stakeholder engagement (scholarship alumni activities), monitoring and evaluation (women's participation rates in TVET programs, program design objectives/outcomes, gender analysis of health sector to identify entry points, improved reporting on gender equality and disability inclusion in R4D), and other (employing tactics to restore women's participation to a higher level (TVET/Pacific Women, consider funding support for advocacy on gender-based violence through WSB).


Note:

- Achieved. Significant progress has been made in addressing the issue
- Partly achieved. Some progress has been made in addressing the issue, but the issue has not been resolved
- Not achieved. Progress in addressing the issue has been significantly below expectations

ANNEX B - PROGRESS TOWARDS PERFORMANCE BENCHMARKS IN 2015-16

Aid objective	2015-16 benchmark	Rating	Progress in 2015-16
Objective 1: Build better infrastructure and an environment for economic opportunity			
1.1 Increase in Vanuatu's rural access index (RAI)	77% (baseline)	Not Achieved	This was not measured in 2015-16. The Vanuatu Government's Public Works Department with assistance from Roads for Development is still finalising the <i>Rural Road Access Policy</i> (RRAP).
1.2 Increase in bank accounts opened in rural areas	3,000	Achieved	Roll out of a National Bank of Vanuatu (NBV) mobile banking program, designed with a focus on financial inclusion of women, resulted in over 3,000 women opening new bank accounts, and 382 women receiving micro-loans to the value of \$1.2 million.
1.3 Self-employed TVET trainees report higher incomes following training	80% (of 800 participants)	Achieved	89 per cent of self-employed participants reporting increase in income attributable to skills acquired during TVET training activities.
Objective 2: Improve early education and essential health services			
2.1 Increase in literacy and numeracy rates in Year 4 students	Baseline conducted by Vanuatu Education Support Program	Achieved	Baseline completed in 2015. The next testing will be done in 2018.
2.2 Increase in number of fully-immunised children, using routine immunisation systems	33% (baseline)	Achieved	68.5% of children aged 23-59 months were fully-immunised nationwide.
Objective 3: Improve community safety and resilience			
3.1 Increase in number of women survivors of violence provided counselling, support and legal services	3000	Achieved	6,858 women survivors of violence were provided counselling support and legal advice in this reporting period
Objective 4: Support cyclone recovery and reconstruction			
4.1 Australia's \$35 million long-term recovery support is allocated to recovery projects	50% allocated	Achieved	65% of the long term recovery fund was allocated. This included health infrastructure (\$7.1 million), water management systems (\$3.3 million), tourism (\$600,000), agriculture (\$2.5 million) and education (9.3 million) projects.

Note:

- 
- Achieved. Significant progress has been made and the performance benchmark was achieved
 - Partly achieved. Some progress has been made towards achieving the performance benchmark, but progress was less than anticipated.
 - Not achieved. Progress towards the performance benchmark has been significantly below expectations

ANNEX C - EVALUATION PLANNING

List of evaluations completed in the reporting period

Investment number and name (if applicable)	Name of evaluation	Date completed	Date Evaluation report Uploaded into AidWorks	Date Management response uploaded into AidWorks	Published on website
INK210 - TVET Sector Strengthening Program (phase 3)	Review of the TVET Sector Strengthening Program (phase 3)	June 2015	February 2016	February 2016	Planned for September 2016
INJ603 - Policing and Justice Support Program-Vanuatu	Review of the Policing and Justice Support Program	June 2016	tbc	Planned for August 2016	Planned for September 2016
INK586 – Pacific Women (Vanuatu)	Review of the Pacific Women Vanuatu Country Workplan	June 2016	tbc	Planned for August 2016	Planned for September 2016
INK721 – Port Vila Urban Development Project	Partner-led Review of the Port Vila Urban Development Project	April 2016	August 2016	August 2016	Planned for September 2016

List of program prioritised evaluations planned for the next 12 months

Evaluation title	Investment number and name (if applicable)	Date – planned commencement (month/year)	Date – planned completion (month/year)	Purpose of evaluation	Evaluation type
Early Childhood Care and Education Evaluation	INK372 - Vanuatu Education Support Program –	August 2016	October 2016	To assess progress & inform future program planning	Partner and DFAT
Three evaluative pieces: Program Evaluative Review; Economics, and Public Financial Management Review; and Organisational Review	Governance for Growth	August 2016	December 2016	To assess progress & inform future program planning	DFAT-led
Review of the Vanuatu Education Support Program	INK372 - Vanuatu Education Support Program	September 2016	November 2016	To assess progress	DFAT-led
Review of the Roads for Development Program	INK771 - Roads for Development	September 2016	November 2016	To assess progress	DFAT-led

ANNEX D - AID QUALITY CHECK RATINGS

AQC RATINGS

AQC investment performance over the previous 12 months and where available last year's AQC ratings are included.

Investment name	Approved budget and duration	year on year	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
VESP	\$36.6m 2012-17	2016 AQC	5	5	4	5	5	5	5
		2015 AQC	5	5	4	4	4	4	4
TVET Phase 3	\$11m 2011-16	2016 AQC	6	6	5	5	5	6	5
		2015 AQC	6	5	5	5	5	6	4
Scholarships	\$7.3m 2007-17	2016 AQC	5	4	4	3	4	4	5
		2015 AQC	5	4	3	3	4	5	3
PJSP	\$31m 2011-18	2016 AQC	5	5	5	5	4	5	5
		2015 AQC	5	5	5	4	4	4	4
Pacific Women	\$12m 2012-18	2016 AQC	6	5	5	5	4	5	5
		2015 AQC	5	5	5	5	3	6	4
WSB	\$11.8m 2010-17	2016 AQC	5	5	5	4	4	5	5
		2015 AQC	5	5	5	5	4	5	5

Land	\$11.8m 2009-15	2016 AQC	3	3	3	3	2	2	5
		2015 AQC	3	3	4	3	2	3	4
Health	\$50.8m 2010-2019	2016 AQC	5	4	4	3	4	3	5
PVUDP	\$26.5m 2012-17	2015 AQC	4	4	5	3	4	4	4
		2016 AQC	4	4	3	4	4	4	5
		2015 AQC	4	3	3	4	4	4	4
R4D	\$24.2m 2012-17	2016 AQC	5	4	4	5	4	4	5
		2015 AQC	4	3	4	5	3	3	5
GfG	\$30.7m 2012-18	2016 AQC	6	5	4	5	4	4	5
		2015 AQC	6	5	4	4	4	3	5
Recovery	\$41m 2015-18	2016 AQC	4	4	4	4	4	3	4
		2015 AQC	N/A	N/A	N/A	N/A	N/A	N/A	N/A

FAQC RATINGS (include if relevant)

Final AQC's assess performance over the lifetime of the investment (ratings are not compared to previous years).

Investment name	Approved budget and duration	Overall rating	Relevance	Effectiveness	Efficiency	Monitoring and Evaluation	Sustainability	Gender equality	Risks and Safeguards
TVET Phase 3	\$11m 2011-16	6	6	6	5	5	5	6	5
Land	\$11.8m 2009-15	3	3	3	3	3	2	2	5

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas. 5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas. 1 = Very poor; does not satisfy criteria in many major areas.

ⁱ 2015 Pacific Regional MDGs Tracking Report, Pacific Islands Forum Secretariat (pp. 98-101), September 2015. Although this report was published in September 2015, the most recent MDG data for Vanuatu appears to be from 2013 (aside from a progress update on the Pacific Leaders' Gender Equality Declaration).

ⁱⁱ A recent global risk analysis study found that Port Vila is the world's most exposed city to natural disasters (The Natural Hazards Risk Atlas 2015). Similarly, Vanuatu has been ranked as the world's most vulnerable country to an extreme natural event (World Risk Report 2014, United Nations University).

ⁱⁱⁱ IMF Press release on 26 July 2016 (URL: <http://www.imf.org/en/News/Articles/2016/07/26/16/14/PR16362-Vanuatu-IMF-Staff-Concludes-2016-Article-IV-Mission>)

^{iv} Includes El Niño Humanitarian Partnership Agreement funding.

^v See endnote i.

^{vi} For detail see Government of Vanuatu, Vanuatu Demographic and Health Survey – MICS 2013.

^{vii} Vanuatu Ministry of Health Annual Report 2015

^{viii} See Wan Smolbag, Annual Report 2014.

^{ix} The previous AIP benchmark (*Increase in Vanuatu's rural access index (RAI)*) has been changed for the period 2016-17 to 2017-18. Progress will now be measured against *Kilometres of urban roads resealed / asphalt concreted*. RAI targets for islands, provinces and the entire country will be set out in the Vanuatu Government's Rural Road Access Policy, which is in the final stages of preparation. But at the time of writing, these targets had not been finalised. The revised AIP benchmark also reflects the enhanced focus on PVUDP over the next two years.