

VANUATU KASTOM GOVERNANCE PROGRAM

Management Response to the February 2012 Mid-Term Review

SUMMARY

This paper summarises the recent findings of a mid-term review of the Vanuatu Kastom Governance Partnership Program (VKGP) and outlines future options once VKGP ends in March 2013. There are 4 main messages:

- 1) Engagement with the Malvatumauri National Council of Chiefs (MNCC) has been important “with relevance to improved governance and stability in a volatile political situation.” (p4)
- 2) VKGP storians have fostered “improved understanding of kastom governance and the legal and Constitutional role of chiefs” resulting in the inclusion of ‘strengthening kastom governance’ as a priority in the Government of Vanuatu’s *Priorities and Action Agenda* in May 2011. (p5)
- 3) There are significant management and administrative concerns, with due process in recruitment and financial management not always being followed and limited transparency in planning and reporting within the MNCC (p5).
- 4) There is some duplication of VKGP activities and other AusAID-funded programs, including the Mama Graon Vanuatu Land Program and the Stretem Rod Blong Justice Program. The review offers options for addressing this. (p6)
- 5) “While research undertaken through VKGP has been of good academic value and has captured useful case studies to inform policies linking to *kastom*, the review recommends improvements to the communication and application of this research.” (p14)

BACKGROUND

The VKGP is a partnership between AusAID, the University of Queensland (UQ) and the Malvatumauri National Council of Chiefs (MNCC) with the objective “*to explore, deepen understanding of, and strengthen kastom governance system’s contribution to contemporary Vanuatu, in support of the overarching goal of strengthening governance in Vanuatu.*” The MNCC is a statutory body that reports to the Ministry of Justice and Community Services. VKGP began as a pilot project in 2005 with UQ undertaking research into aspects of kastom governance and the interaction between customary and formal governance systems. Research results are used as the basis for facilitated discussion and dialogues (storians) with chiefs, church, women’s and youth leaders on kastom governance, conflict resolution and community development. The third phase, November 2009 to March 2013, has a budget of \$A2.7 million. The program has a rolling design incorporating on-going action research and dialogue.

There are five program areas: (1) Research into kastom governance and its interaction with post-independence governance systems; (2) Action learning through facilitated dialogues (storians) among chiefs, church, women’s and youth leaders; (3) Support for community leaders and the MNCC to build links to implement action plans; (4) Strengthening management and administrative skills of the MNCC and; (5) Annual forums to enable national level discussions on kastom governance.

In early 2012, AusAID commissioned a review of VKGP, as part of a broader cluster evaluation of AusAID’s support for civil society and the media in Vanuatu. An assessment was made against four OECD-DAC criteria and three AusAID criteria for evaluating development assistance (i.e. relevance, effectiveness, efficiency,

sustainability, monitoring and evaluation, gender equality and cross-cutting issues, and analysis and learning) and options for the future of the program identified.

MAIN FINDINGS

Overall, the VKGP review found that:

Engagement with the Malvatumauri National Council of Chiefs is strategic and relevant

- For AusAID, engagement in VKGP has been both strategic and relevant addressing governance and stability in a volatile political situation where two governance systems operate in parallel – the state and *kastom*. (p12)
- AusAID's other programs have benefited from this engagement, with programs in the land, police and transport sectors reporting regular use of chiefs to settle disputes, resolve conflicts and negotiate peace. (p5)

VKGP has facilitated greater understanding of kastom governance and improved conflict resolution

- The University of Queensland has produced a large body of academic research providing valuable information on kastom governance, conflict resolution, women and kastom and the relationship between the state and kastom. However, this research now needs to be applied into programming to maximise its use. (p14)
- Community storians have been an "effective way of bringing together the two main sources of power in rural Vanuatu – the chiefs and the churches", bridging understanding and fostering collaboration (p15).
- The 12 trained VKGP facilitators are a major asset to MNCC and are highly-regarded in their communities for the work that they do. (p15)

Program Management is of serious concern

- Management of the program in-country within the MNCC "sometimes neglects due process with regard to financial dealings and hiring and treatment of staff." (p18) Compliance with labour legislation and superannuation (VNPF) needs to be updated.
- Risks associated with lack of collaboration and mismanagement were noted in a November 2007 review, but not addressed since and remain a serious concern (p17).

There is some duplication with other AusAID-funded programs

- There is some duplication of activities with the Mama Graon Vanuatu Land Program, the Stretem Rod blong Jastis and the World Bank Jastis blong Evriwan program, all of whom are funded by AusAID and all of whom collaborate closely with MNCC to address land governance and law and justice issues (p17).
- The review proposes amalgamating the VKGP facilitators, by far the greatest strength of the program, with one of these other programs to streamline support to an organisation already at maximum absorptive capacity (p6).

The review recommendations addressed both improvements to the current phase, as well as future funding options.

Recommendations for VKGP

Following the preliminary findings of the VKGP review in February 2012, which revealed serious management concerns, AusAID Post initiated a program audit, which commenced in May 2012. This audit will provide a

further set of recommendations that AusAID will respond to once the process is completed on 31 July 2012. As such, only recommendations that have not yet been addressed are included below.

Recommendation	Actions
Program management	
1. <i>Program partners re-instate the Reference Group including the University of the South Pacific and the Vanuatu Cultural Centre.</i>	Agree. AusAID supports the reinstatement of the Reference Group in line with the recommendations made with an aim in putting together the terms of reference for endorsement at the next Partners Leaders meeting in 2012.
2. <i>Program partners consider reducing the UQ input into those storians where ni-Vanuatu facilitators have the capacity to run them. Continued UQ input will be needed for refresher storians and when introducing and/or fine tuning new topics such as Community Action.</i>	Agree. Following AusAID discussion with VKGP in April 2012 it was agreed that there is still value in UQ providing input on refresher storians.
3. <i>Program partners develop a monitoring and evaluation plan that establishes annual objectives and how progress can best be monitored; and adapt the risk management matrix that includes emerging risks and financial management.</i>	No action recommended. Feedback from the UQ suggests that introducing an M&E plan so close to the program end date is not the best use of resources.
Building relationships	
1. <i>Program partners and VKGP staff develop a strategy for creating closer links with national and provincial governments and civil society organisations and implement this by September 2012.</i>	Implemented. AusAID-funded programs with MNCC are already collaborating much more closely since the review, with the MNCC having produced a “Malvatumauri Roadmap” in June 2012 to guide all future engagement by partners including national, provincial government and civil society organisations. AusAID Activity Manager to continue to monitor implementation of this.
Research and dissemination of research results	
1. <i>UQ complete existing research rather than begin new topics and concentrate on making those research results that are appropriate to a non academic audience widely available in formats accessible to ni-Vanuatu. AusAID could consider providing additional funding if necessary for the development and implementation of a communication strategy with implementation beginning early 2013. Contact with WSB and the use of VBTC talkback would be a useful start.</i>	Noted for further consideration by AusAID.
2. <i>UQ and MNCC strengthen dissemination of information on kastom governance by holding two annual fora – one in Vila and the other in Luganville. This could begin in 2013.</i>	Noted for further consideration by AusAID.
Training and skills enhancement	
1. <i>UQ and MNCC provide more regular follow-up after storians and adapt community action storians to provide better understanding of action planning and what constitutes a useful and implementable action plan. Consideration be given to whether the SMART</i>	AusAID to discuss at next Leaders’ meeting.

<i>planning method is appropriate as it is not understood.</i>	
2. <i>Program partners jointly arrange and fund training in administration and human resource management for the MNCC coordinator, assistant and key facilitators.</i>	Agree. MNCC will coordinate this through the implementation of the Malvatumauri Roadmap. AusAID to continue to encourage different programs to collaborate.
3. <i>Program partners consider including information on electoral rights in all storians held between the acceptance of this MTR and the national elections.</i>	No action recommended. Feedback to AusAID during a workshop on the draft recommendations noted that MNCC and VKGP facilitators felt that this was outside of the MNCC mandate.

The review also identified future options for AusAID support to MNCC:

- 1. Amalgamation with another AusAID program:** Given the importance of kastom governance in conflict resolution, inclusion and customary land registration; the knowledge and work undertaken to date; the management difficulties within the MNCC and the overlap between activities, it is recommended that consideration be given to amalgamating the VKGP and one of the AusAID programs focusing on land and kastom tenure or justice and formal and informal legal systems. A merger with another program would be appropriate, cost effective and allow expanded use of skilled facilitators and a continuity of the excellent work undertaken to date. This would benefit both programs and reduce the workload on the under-resourced MNCC. Both programs have opportunities to incorporate and benefit from VKGP expertise.
- 2. A new phase of VKGP:** Consideration could be given to a new and expanded VKGP which would continue to undertake storians and provide professional advice and services to those AusAID-funded programs which include kastom governance, gender equity, conflict resolution and kastom law and kastom land tenure. Reduced expenditure on research could be used to expand the program at island level, increasing the number of facilitators and building the knowledge and skills of local leaders to help access the support needed to implement action plans. Facilitators could assist, where appropriate, with Mama Graon and Stretem Rod Blong Jastis. This would allow regular follow-up and better collaboration between programs. Additional facilitators and support for action planning and implementation could be trialled on two islands.

CONSIDERATIONS FOR AUSAID'S MANAGEMENT RESPONSE

The following considerations are likely to be relevant in terms of possible future Australian assistance for kastom governance in Vanuatu:

- The review is comprehensive and its assessment against the required criteria was thorough, with generally practical solutions offered to identified issues.
- Since the review the MNCC, with support from the Mama Graon program and advice from the Director-General of the Ministry of Justice and Community Services, has developed a Malvatumauri Roadmap for all programs and partners to fall under. The basic crux of the Roadmap is to focus on the "19 resolutions" relating to custom governance, with key partners already identified through the Mama Graon and Stretem Rod Blong Jastis programs. The World Bank Jastis Blong Evriwan program will also make some contribution. The DG of the Ministry of Justice and Community Services has also verbally suggested that the VKGP facilitators become a resource available to all programs, and as such may be housed under his Ministry rather than in a separate program.
- The draft review report was workshopped with MNCC and VKGP facilitators in April 2012 who have provided feedback on the recommendations and are already aware of their implications.

- In May 2012, AusAID initiated a financial and operational audit of the VKGP. As a result of this process, the VKGP Coordinator was suspended in June 2012 by the DG of Justice and all program accounts within MNCC frozen until the audit completes in July 2012. While VKGP has an acting coordinator, the program office is in a state of transition and uncertainty.
- The President of the Malvatumauri resigned in early May and has been replaced by an Acting President. Similarly since the review consultations in February 2012, a new Acting CEO has been installed.

FUTURE FUNDING OPTIONS

The respective merit of different options to extend VKGP funding in Vanuatu is outlined below.

1. Amalgamation with another AusAID program and/or partner (preferred option)

- As detailed earlier, the DG of the Ministry for Justice and the MNCC have confirmed the value of VKGP facilitators and are keen to have this resource available to all programs working with MNCC. As such the DG of Justice has suggested potentially housing them under his Ministry rather than just within MNCC.
- AusAID-funded programs that have demonstrated interest in supporting/working with VKGP facilitators include the Mama Graon land program, the Stretem Rod blong Jastis program and the World Bank Jastis Blong Evriwan program. These programs are already working closely with the MNCC and are committed to supporting the Malvatumauri Roadmap.
- Subject to the recommendations of the audit and further discussion with the DG of Justice and MNCC, this transition may commence during the first half of 2013.

2. Next Phase of VKGP (not recommended)

- Not recommended given the contextual shift for MNCC and the revealing preliminary audit findings that suggest that the VKGP partnership model was perhaps prematurely adopted by partners.
- Current understaffing within MNCC and temporary status of the CEO and President do not place MNCC in a strong position to adequately address and manage audit recommendations.
- Inappropriate for a donor to be placing additional burden on an under-resourced agency with multiple, overlapping programs in the same space.

NEXT STEPS

- Share draft management response internally within AusAID for feedback by **20 June**.
- Finalise AusAID's management response and release to key partners, along with final MTR by **13 July**.
- Discuss AusAID's management response in Leaders Meeting **August 2012**.
- Send summary cable. Upload final report to AidWorks and external website along with AusAID's management response by **10 August 2012**.