



Australian Government
AusAID

Quality at Entry Report for Vanuatu TVET Sector Strengthening Program, Phase III

A: AidWorks details *completed by Activity Manager*

Initiative Name:	Vanuatu TVET Program Phase 3		
Initiative No:	INK210	Total Amount:	\$12 million over 4 years
Start Date:	September 2012	End Date:	September 2016

B: Appraisal Peer Review meeting details *completed by Activity Manager*

Initial ratings prepared by:	N/A
Meeting date:	21 March 2012
Chair:	John Davidson, Minister-Counsellor Pacific
Peer reviewers providing formal comment & ratings:	<ul style="list-style-type: none"> – Kaye Schofield, Principal Sectoral Specialist Education designate – Mark Sayers, Pacific Human Development Section – Digby Swift, Education Resource Facility
Independent Appraiser:	<ul style="list-style-type: none"> – Marcus Powell, Education specialist, Education Resource Facility
Other peer review participants:	<ul style="list-style-type: none"> – Martin Grinsted, Design Team Leader – Katherine Ruiz-Avila, Counsellor Port Vila – Christelle Thieffry, Senior Program Manager Education, Port Vila – Belynda McNaughton, First Secretary Health and Education, Port Vila – Corinne Tarnawsky, Gender and Disability, Pacific Human Development Section – Danielle Heinecke, Director Fiji Vanuatu Section – Stephen Hills, Vanuatu Desk – Emma Blanch, Vanuatu Desk

C: Safeguards and Commitments *(completed by Activity Manager)*

<i>Answer the following questions relevant to potential impacts of the activity.</i>		
1. Environment	Have the environmental marker questions been answered and adequately addressed by the design document in line with legal requirements under the <i>Environmental Protection and Biodiversity Conservation Act</i> ?	Yes
2. Child Protection	Does the design meet the requirements of AusAID's Child Protection Policy?	Yes

D: Initiative/Activity description *completed by Activity Manager (no more than 300 words per cell)*

3. Description of the Initiative/ Activity	<p>What is it?</p> <p>Australia has supported the Technical and Vocational Education and Training (TVET) sector in Vanuatu since 1997, first through funding of particular initiatives and then through a comprehensive sector strengthening program (Phase 1, 2005-2008; Phase 2, 2008-2012). Phase 3 is expected to build on and reinforce the positive achievements to date whilst making any necessary adjustments to further improve skill development outcomes and to establish ongoing program sustainability.</p> <p>Through Phase 3, assistance will be given to the Government of Vanuatu for the implementation of the National TVET Policy. This will include strengthening linkages with national stakeholders; increasing awareness and support for investment in skills development; improving the quality of TVET provision; technical assistance and capacity building; and strategic planning and policy development. At the provincial level, the Program will focus on coordinating skills training, business development services and follow-up support for trainees and some employment services. The Program also aims to increase participation of and linkages between government, private sector and civil society in the TVET system; improve provincial level skills development planning and prioritisation; and enhance the sustainability of the TVET centres.</p>
4. Objectives Summary	<p>What are we doing?</p> <p>The goal corresponds with that of the national TVET policy: a coordinated and quality-assured TVET system that will provide nationally and internationally recognised training through flexible delivery mechanisms and will lead to maximum employment and social development opportunities for all.</p> <p>The strategic objective is to increase productivity, employment and income generation through facilitating the provision of demand-driven, nationally recognised skills training, business development and employment services.</p>

E: Quality Assessment and Rating *(no more than 300 words per cell)*

Criteria	Assessment	Rating (1-6) *	Required Action (if needed) ‡
1. Relevance	<p>Why are we doing this?</p> <p>This program is highly relevant to the Vanuatu development context. Post-school opportunities for skills development are few, often of poor quality, and of limited relevance to the formal or informal labour markets. The opportunities that exist are inequitably distributed between provinces, between urban and rural areas, and between males and females. The design targets this problem which has received relatively limited attention in the past from the Government of Vanuatu (GoV) or from other donors.</p> <p>The program aligns well with Australia's overall development priorities and with country, regional and thematic strategies. It will contribute to three of the strategic goals set out in the new Australian aid policy. It has strong links with the Australia-Vanuatu Partnership for Development, particularly Outcome 1. The design aligns with two of the three pillars of AusAID's new education strategy. It is consistent with the focus of the <i>Pacific Education and Skills Development Agenda</i> and the <i>Pacific Technical and Higher Education Strategy</i> under development. The proposed also program complements and strengthens links to the work of the Australia-Pacific Technical College; and is well-aligned with other regional activities.</p> <p>The design is closely aligned with GoV's national development priorities as set out in the <i>Priorities and Action Agenda 2006 - 2015</i>. It contributes directly to the <i>National Skills Development Strategy</i> and the <i>National TVET Policy</i>. The program will support implementation of the five year TVET plan, helping to create a more flexible, coordinated and responsive TVET system which meets the needs of the labour market and learners. The design clearly articulates the specific role of Australian aid in contributing to GoV's priority development outcomes.</p> <p>While there is support for continuing with a project modality, the design should make the case for doing this more explicitly considering the large number of projects and project implementation units in Vanuatu.</p>	6	<p>1. Strengthen Section 4.1 (Form of Aid) to make explicit why a program-based aid modality has been chosen, notwithstanding the need for the number of development projects in Vanuatu to be reduced. (The 2011 GoV/PIFS Vanuatu Peer Review Report and the PEFA are both relevant to this decision.)</p>

E: Quality Assessment and Rating <i>(no more than 300 words per cell)</i>			
2. Effectiveness	<p><i>Will it work?</i></p> <p>The proposed program is likely to be effective, given the positive outcomes of Phase II and the incorporation of lessons learned into the design of Phase III. The program is based on solid analysis, is tightly focussed and includes a good feedback mechanism. The strategies proposed are practical, adequately resourced and appropriately sequenced.</p> <p>Most peer reviewers assessed the program objectives to be clear, measurable and achievable. However, Digby Swift disagreed and requested that they be revised. The relationships between the analysis, objectives and our approach and would be assisted by providing a logical framework. Some activities will be more achievable than others and it could be helpful if some of the assumptions surrounding the expected roles of partners were clarified.</p> <p>Risks and mitigation strategies have been identified thoroughly, although some minor improvements could be made. The Risk Management Framework should better differentiate between medium and high risks. Definitive strategies for tackling the major risks such as funding and government participation should be made more explicit.</p>	5	<p><i>2. Post to work with an M&E expert (Sue Dawson) to revise the program objectives.</i></p> <p><i>3. Design team to consider providing a logical framework for the program in the design document. However, this should not be too detailed since the M&E framework will be developed during implementation.</i></p> <p><i>4. Design team to review the Risk Management Framework at Annex P to better differentiate medium from high risks and identify definitive strategies for tackling major risks.</i></p>
3. Efficiency	<p><i>How will we do it?</i></p> <p>The proposed program represents good value for money and the design has addressed this issue comprehensively. The design analysed the program's return on investment and found this to be very high at 20% (returns for donor projects are normally between 12% and 15%). AusAID should ensure that the Scope of Services requires the Contractor to provide a further cost-benefit analysis across the whole program prior to the mid-term review.</p> <p>This is a grassroots program where the emphasis is on providing money at the provincial level. The program is not seen as a glossy, high cost program. Cost efficiencies have been identified against Phase II. For a 20% increase in funds, a third Centre can be funded and potentially a Co-ordination unit in a fourth province. The number of people benefiting from training and business development opportunities will be increased significantly.</p> <p>The proposed implementation arrangements are of good quality. The program is appropriately resourced to achieve its objectives within the stated timeframe. Roles and responsibilities are well-defined. Australia is the lead donor in this sector. The design includes appropriate strategies for the program to engage other donors at the operational level but policy leadership of this should rest with AusAID and GoV, not the managing contractor.</p> <p>The proposed program is strongly aligned with partner government systems, since it will support implementation of the national TVET policy.</p>	5	<p><i>5. Annex K (p.60) proposes that further cost-benefit analysis across the whole Program be undertaken in Phase 3. The Scope of Services should make explicit that the Contractor will be required to provide a further cost-benefit analysis across the whole program prior to the Mid-term Review.</i></p> <p><i>6. AusAID and GoV need to share the lead role in donor harmonisation through policy dialogue and not leave it to the Program to achieve this outcome. This will be especially important if/when a national Education and Training Fund proves feasible.</i></p>

E: Quality Assessment and Rating *(no more than 300 words per cell)*

4. Monitoring & Evaluation	<p>How will we know?</p> <p>For Phase III, the design team decided not to change too much of the Phase II M&E system, but rather use and improve this existing system. This is welcome since a comprehensive, valid, reliable and outcomes-focussed system has been operational for the second half of Phase II; considerable baseline data has been collected; and stakeholders understand the current system. Phase II invested a lot of effort into building local capacity in using the M&E system. Moreover, AusAID has been satisfied with the information coming out of the Phase II system.</p> <p>While the initial M&E arrangements for Phase II were far too complex, the program made a genuine attempt to simplify them. However, the M&E arrangements are still relatively complex (with over 170 indicators) and could be further simplified for Phase III. The program will need to live with a certain amount of complexity since it needs to measure difficult things such as productivity increases. Nevertheless, the M&E arrangements for Phase III need to enable AusAID to explain the program to a lay audience. The information needs to be more politically targeted, with a view to contributing to the broader policy debate around skills development in Vanuatu.</p> <p>The design's M&E plan for Phase III could be further improved by including some measurable indicators for the strategic objective and clarifying who is responsible for assessing what and when. While Digby Swift suggested that the design M&E plan also include some targets, these will be developed during the implementation stage, along with the full M&E framework. This is partly to allow synergies with the M&E for the implementation of the TVET policy.</p> <p>The design resources M&E adequately. 48 months of a local M&E officer and 8 months for an international M&E adviser represents a substantial investment.</p>	<p>5</p>	<p>7. Design team to provide a communication strategy as an annex to the design. This needs to draw on a set of indicators and to enable the program to communicate politically.</p> <p>8. Design team to include some indicators for the strategic objective in the M&E plan and clarify who will be responsible for assessing what and when. A full M&E framework will be developed during program start-up, and this will include some targets.</p>
5. Sustainability	<p>Will benefits last?</p> <p>The benefits accruing to individuals participating in the training program are likely to be sustained. Sustainability strategies in terms of human resources and organisations are built into all aspects of the design, at both national and provincial levels, and within individual activities. The design makes a strong effort to ensure that the public benefits that accrue to the productive sectors, the education sector generally and the TVET sub-sector can be sustained organisationally.</p> <p>However, financial sustainability of the program is problematic and the design does not provide clear answers for this. GoV investment in skills development is very low and skewed to scholarships and formal provision by one government provider largely serving Port Vila. The new TVET policy has been approved without adequate budget provision, and there is no budget for implementation the National Skills Development Strategy. There is no government investment in rural training centres and funding for the system architecture is so low as to make it almost unviable. While the design does what it can to lift private investment, financial sustainability of this or any other TVET activity will be dependent on donor assistance beyond Phase III, even if the GoV allocates its education budget more efficiently and equitably.</p> <p>After fifteen years of continuous Australian support, it is not unreasonable to GoV's budget to match its policy commitment. There are a number of ways to think about co-investment, but there should be modesty in what is proposed. One option is to ask the Ministry to fill positions that are already allocated. Another option is for GoV to provide more than nominal funding. This issue is not easily resolvable considering that we do not want greater GoV commitment for TVET to come at the expense of GoV commitment to basic education. The upcoming Pacific TVET financing study may provide some answers to these issues.</p> <p>It will also be important for AusAID to garner extra support from other donors, for example around the National Training Fund.</p> <p>The program is not expected to have a significant negative environmental impact.</p>	<p>4</p>	<p>9. AusAID to use upcoming Quarterly Talks and negotiations around start-up to leverage greater commitment from GoV, especially in terms of public investment in additional TVET Centres, a feasible national training fund and the provision of minimum staffing to MYDST.</p>

6. Gender Equality	<p>How will we achieve gender equality?</p> <p>The design attempts to address gender issues and operationalise gender sensitive practice comprehensively in Phase III. Gender has been considered across all aspects of the design including the activity components, outputs and outcomes, M&E framework, risk framework, program management and the Scope of Services. The decision to provide affirmative action within the Education and Training Fund to ensure women benefit equally from the program is very good considering the general male bias in skills development programs. Strategies aimed at increasing participation of women in training make sense (modularised, flexible, short-cycle training, partnerships with women's groups, modified course offerings). Updating the Gender and Inclusion Strategy will provide a solid basis for Phase III programing. As designed, the activity is anticipated to advance and improve gender equality in Vanuatu.</p> <p>To further address gender in the design, the program should seek to address the limited number of engaged in leadership and decision-making positions with in the sector. Women need to be explicitly included in the program governance and decision-making. The design should also clarify whether the program will need to access gender expertise.</p>	5	<p>10. Design team to provide for a representative of the Vanuatu National Council of Women and/or VANWOODS on the Program Task Force; and provide explicitly for women's representation on the Strategic Advisory Group (both of which occurred during Phase 2).</p>
7. Analysis and Learning	<p>How well have we thought this through?</p> <p>The design is based on a solid analysis of the political, economic, policy and operational environment. Annexes D and E provide a comprehensive analysis of the context, drawing on the most relevant available data and information. The program's approach has been informed by international best practice and feedback from stakeholders.</p> <p>The program also builds on and incorporates lessons learned from Phase II. The approach to change and its management in Phase II has yielded solid results. The bottom up and top down approach, combined with a strong emphasis on strengthening whole of government relationships and the development of private/public partnerships have led to a strong understanding of what a good skills development/TVET system looks like. The design for Phase III continues this approach with some adjustments to ensure that provincial commitment can be matched by not only national commitment but also by private sector engagement.</p> <p>This program links training with small business development and employment services to good effect. In that regard it is unique in our work in this sector in the Pacific and stands to offer valuable insights and lessons for other programs. It would be worth doing a proper case study of this program's theory of change and linking it with the drivers of change work so that we could learn from it.</p>	5	

*** Definitions of the Rating Scale:**

Satisfactory (4, 5 and 6)	Less than satisfactory (1, 2 and 3)
6 Very high quality; needs ongoing management & monitoring only	3 Less than adequate quality; needs to be improved in core areas
5 Good quality; needs minor work to improve in some areas	2 Poor quality; needs major work to improve
4 Adequate quality; needs some work to improve	1 Very poor quality; needs major overhaul

† Required actions (if needed): These boxes should be used wherever the rating is less than 5, to identify actions needed to raise the rating to the next level, and to fully satisfactory (5). The text can note recommended or ongoing actions.

F: Next Steps <i>completed by Activity Manager after agreement at the Appraisal Peer Review meeting</i>		
Provide information on all steps required to finalise the design based on <i>Required Actions</i> in "C" above, and additional actions identified in the peer review meeting	Who is responsible	Date to be done
1. Port Vila Post to work with an M&E expert (Sue Dawson) to revise the program objectives.	Belynda McNaughton, Christelle Thieffry	April 12
2. Design team to revise the design document to: <ul style="list-style-type: none"> Strengthen Section 4.1 (Form of Aid) to make explicit why a program-based aid modality has been chosen, notwithstanding the need for the number of development projects in Vanuatu to be reduced. The 2011 GoV/PIFS Vanuatu Peer Review Report and the PEFA are both relevant to this decision. Revise the program objectives based on Post's work with Sue Dawson. Include a logical framework for the program (although this does not need to be too detailed). Update the Risk Management Framework at Annex P to better differentiate medium from high risks and identify definitive strategies for tackling major risks. Ensure that the Scope of Services make explicit that the Contractor will be required to provide a further cost-benefit analysis across the whole program prior to the Mid-term Review. Explain that AusAID and GoV will need to share the lead role in donor harmonisation through policy dialogue. The design should not leave it to the Program to achieve this outcome. Include a communication strategy as an annex. This needs to draw on a set of indicators and to enable the program to communicate politically. Include some indicators for the strategic objective in the M&E plan and clarify who will be responsible for assessing what and when. Provide for a representative of the Vanuatu National Council of Women and/or VANWOODS on the Program Task Force; and provide explicitly for women's representation on the Strategic Advisory Group. Highlight the various disability frameworks Vanuatu has signed up to by including an annex. Include more strategic analysis of partnerships with Disabled People's Organisations in the design and involve them in the development of the social inclusion strategy. Ensure that within the program, the needs-based assessment of people being trained covers everything; and that teachers are equipped to teach people with disabilities. Consider how to bring skills development into the political arena rather than confining it to the technical arena. 	Martin Grinsted, Design Team Leader	Before end of April
3. AusAID to share lessons from this program with other Pacific programs and to consider commissioning a case study of the program's theory of change.	Christelle Thieffry	ongoing
4. AusAID to use upcoming Quarterly Talks and negotiations around start-up to leverage greater commitment from GoV, especially in terms of public investment in additional TVET Centres, a feasible national training fund and the provision of minimum staffing to MYDST. AusAID to strategically include skills development issues in Partnership for Development discussions and Cairns Compact Reporting more broadly.	John Davidson, Katherine Ruiz-Avila, Belynda McNaughton, Vanuatu Desk	April 2012
5. AusAID to consider how this program can be better integrated within the sectoral approach to education, and identify opportunities within the design document to do so.	Belynda McNaughton, Martin Grinsted	

G: Other comments or issues *completed by Activity Manager after agreement at the APR meeting**Disability*

The design attempts to ensure that the program will be inclusive of people with disabilities. It includes good participatory methods and promotes pathways to employment for people with disabilities. Suggested improvements are:

- Highlight the various disability frameworks Vanuatu has signed up to by including an annex to the design. – *Agreed*
- Include more strategic analysis of partnerships with Disabled People's Organisations in the design and involve them in the development of the social inclusion strategy. – *Agreed*
- Ensure that within the program, the needs-based assessment of people being trained covers everything; and that teachers are equipped to teach people with disabilities. – *Agreed*

Whole-of-sector approach

Kaye Schofield points out that skills development operates in a relatively closed bubble in Vanuatu. She argues that in Phase 3, the skills development system needs to be brought in from the remote margins of the education sector. At the national level, AusAID should consider getting the government to define what lies in and out of the education sector, and to avoid TVET from being free-floating. However, Post pointed out that this is a very difficult conversation to have with GoV and risks distracting them from basic education (GoV already has a disproportionate investment in tertiary education). Nevertheless, AusAID needs to consider how this program can be better integrated within the sectoral approach to education, and identify opportunities within the design document to do so, thus laying the foundation for future policy dialogue. This will include AusAID's strategic inclusion of skills development issues in Partnership for Development discussions and Cairns Compact Reporting. The design could do more to bring skills development into the political arena rather than confining it to the technical arena.

Other comments from Kaye Schofield (not discussed in peer review)

- The design includes provision for work attachments of trainers and trainees to APTC but it is not clear whether this has been agreed with APTC prior to inclusion in the design.
- The provision within Phase 3 to support the review of the Vanuatu Foundation Skills Certificate is very welcome as it will align well with the proposed Pacific Technical and Higher Education Strategy (THES) under PESDA. When the THES is approved, these linkages need to be made explicit.
- Annex I – 3.4 – amend to make clear that the Program will only fund the development of skill plans for the other provinces which will host a TVET centre or coordination unit, not for all provinces.
- Annex P – Risk Management Framework – page 102 "Insufficient number of registered training providers to meet provincial demand" - change risk rating from 4 to H
- Annex Q – Draft Scope of Services – 8.1 (d) page 120 first dot point – delete reference to FCDP
- Include definition of ISS (Information Systems Services) - Annex O - in Acronyms and Abbreviations

H: Approval *completed by ADG or Minister-Counsellor who chaired the peer review meeting*

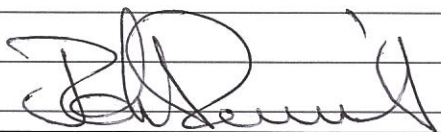
On the basis of the final agreed Quality Rating assessment (C) and Next Steps (D) above:

☒ **QAE REPORT IS APPROVED**, and authorization given to proceed to:

☒ **FINALISE** the design incorporating actions above, and proceed to implementation

or: ☐ **REDESIGN** and resubmit for appraisal peer review

☐ **NOT APPROVED** for the following reason(s):

 16.4.2012

John Davidson,
Minister-Counsellor Pacific

signed:

