

2018 ANNUAL PERFORMANCE REPORT

VANUATU
**SKILLS
PARTNERSHIP**

The logo for the Vanuatu Skills Partnership, featuring a stylized graphic of colorful, overlapping lines in shades of blue, orange, and green, resembling a fan or a traditional woven pattern.

SUPPORTED BY

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KEY OUTPUTS

- 4 MoET provincial Skills Centres
 - Malampa
 - Sanma
 - Tafea
 - Torba
- 3 Productive sector work-streams
 - Agribusiness
 - Handicraft
 - Tourism
- 422 Individual clients
 - 67% (263) women
- 285 Business Clients
 - Handicraft (38%)
 - Agribusiness (13%)
 - Tourism (49%)
- Women
 - 60% of Business Clients
- 826 Participants in skills development activities – 67% (553) women
- People with disabilities 7% (31) Clients
- 96 Skills Development Activities in productive work-streams (SfA, SfH, SfT)
- 70% (65) ni-Vanuatu coaches and trainers in productive sectors work-streams – 52% (39) women
- 3 Partnership Implementation Frameworks (PIFs) with GoV Departments in the priority productive work-streams
- 5 Rural Training Provider Improvement Agreements with Training Providers
- 7 Training Provider Inclusion Improvement Agreements with Training Providers
- GoV contribute 7% of annual Partnership budget

INTERMEDIATE OUTCOMES – PROGRESS

IO-1 Skills planning & coordination

- Stronger PGTBs – active in planning, reporting and coordination at provincial level
- Coordination and communication system with VQA and provinces established
- Joint planning with TED and Partnership
- PIFs set priorities, guide implementation and investment with GoV
- Skills development is now integral to DoT
- Partnership contributed to NHRD plan and National Trade Policy Framework

IO-5 Representation of women and people with disabilities

Women

- 52% of the Partnership's contracted coaches and trainers
- 12% of the PGTB members

People with Disabilities

- 1 PGTB member
- 1 trainer in Tourism
- Partnerships with DPOs

IO-2 Public & private resource allocation

- SDF financing mechanism established
- 7% co-contribution through GoV Channels to annual Partnership budget
- Co-contributions from government, private sector and community members encouraging albeit small level

IO-7 New businesses started

IO-8 Sustainable business growth

IO-9 New or improved employment

IO-3 Flexible delivery

IO-4 Diversity of skills providers

IO-6 Skills system compliance

- 5 Training Providers (TPs) complete baseline assessment on delivery standards
- 4 TPs improve quality to meet VQAF standards
- 3 TPs state intention to register with VQA
- 3 TPs complete initial VQA registration process
- 3 Accredited courses delivered with Partnership support
- 70% of the 65 coaches contracted with the Partnership are ni-Vanuatu
- 5 RTCs implementing Disability Action Plans
- 10 people with disabilities enrolled in accredited courses at Pektel RTC

Prosperity Outcomes

- 47% growth in number of Business clients during 2018

Skills development contributes to

- Increased productivity, sales and earnings
- Improved business performance indicators

Clients

- Diversify income sources
- Increase personal and household assets
- Open bank accounts

IO-10 Improved market access

- Handicraft hubs contributed to increased income of producer's of up to 400% in 12 months
- Access to niche export markets for cocoa increased Clients' earnings by 29%

KEY CHALLENGES

- Less than ideal commitment by the senior level of MoET to skills development and PSET policy
- Low level of commitment to SDF by GoV, development partners and private sector
- Training Provider registration and accreditation processes are resource intensive and time consuming
- Embedded low representation by women in senior leadership positions
- Disability inclusion not explicit in the VQAF standards
- Partnership budget constraints
- Quality of outcome MEL data to provide evidence base for planning and advocacy

KEY RISKS AND MANAGEMENT

Key Risks	Management
Weak commitment of the MoET and the VQA to PSET policy reform	Strengthen engagement by Partnership at senior level with DFAT
Limited scale of Partnership activities due to budget constraints	Expansion of Partnership's activities contingent on commitment from MoET
Insufficient quality progress and performance data generated and shared	Continue to strengthen MEL system and capacity to implement
	Integrate with and support strengthening of GoV partners' systems
Weak coordination between different parts GoV to support demand driven skills development	Continue to strengthen provincial and national parts of the system

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ACRONYMS AND ABBREVIATIONS

Australian Dollar	AUD
Australia Pacific Training Coalition	APTC
Business Client	BC
Civil Society Organisations	CSO
Department of Agriculture and Rural Development	DARD
Department of Foreign Affairs and Trade	DFAT
Department of Industry	DoI
Department of Strategic Policy Planning and Aid Coordination	DSPPAC
Department of Tourism	DoT
Government of Vanuatu	GoV
Individual Client	IC
Intermediate Outcomes	IO
International Skills Training	IST
Language Literacy and Numeracy	LLN
Long Term Outcomes	LTO
Malampa Handicraft Centre	MHC
Ministry of Agriculture Livestock, Forestry, Fisheries and Biosecurity	MALFFB
Ministry of Education and Training	MoET
Ministry of Foreign Affairs	MoFA
Ministry of Justice and Community Services	MJCS
Ministry of Tourism, Trade, Industry, Cooperative and Ni-Vanuatu Business	MTTICNVB
Monitoring, Evaluation and Learning	MEL
National Human Resource Development Plan	NHRDP
Non-Government Organisation	NGO
Office of the Government's Chief Information Officer	OGCIO
Pacific Vocational Training Centre	PVTC
Partnership Implementation Framework	PIF
Post School Education and Training	PSET
Prime Minister's Office	PMO
Provincial Government Training Board	PGTB
Provincial Training Coordinator	PTC
Public Private Partnership	PPP
Rural Training Centre	RTC
Skills Development Fund	SDF
Skills for Agribusiness	SfA
Skills for Handicraft	SfH
Skills for Tourism	SfT
Skills Partnership Steering Committee	SPSC
Tertiary Education Directorate	TED
Thinking and Working Politically	TWP
Torba Handicraft Cooperative	THC
Training Provider Improvement Agreements	TPIA
Training Provider Inclusion Improvement Fund	TPIIF
Training Provider Support	TPS
Vanuatu Agriculture College	VAC
Vanuatu Cocoa Premium Limited	VCPL
Vanuatu Disability Promotion and Advocacy Association	VDPA
Vanuatu Institute of Teacher Education	VITE
Vanuatu Institute of Technology	VIT
Vanuatu Qualifications Authority	VQA
Vanuatu Quality Assurance Framework	VQAF
Vanuatu Skills Partnership	The Partnership
Vanuatu Society for People with Disabilities	VSPD
Vanuatu Tourism Office	VTO
Vatu	VUV
Vetimboso Handicraft Association	VHA

1. INTRODUCTION

This Annual Monitoring, Evaluation and Learning (MEL) Performance report for the Vanuatu Skills Partnership (the Partnership) provides an assessment of the extent that activities documented in the 2018 annual plan were implemented, and the progress made in achievement of the Intermediate Outcomes and towards the Long-Term Outcomes specified in the Partnership Program Logic.

The MEL Adviser, who commenced with the Partnership in January 2018, prepared the report. The Support Contractor, Scope Global manages the MEL Adviser. The Adviser works closely with the Director and Strategic Adviser of the Partnership, as well as the ni-Vanuatu MEL Manager and Coordinator. The purpose of the MEL Adviser role and the management structure is to enable the Adviser to work closely with, and support, the core Partnership team to develop and implement MEL functions, while retaining a 'semi-independent' position in relation to assessing the Partnership's progress and performance, which is presented in this Annual Performance report.

2. OVERVIEW

DESIGN

The overarching problem that underpins the logic and Theory of Change of Phase 4 of the **Vanuatu Skills Partnership – Skills for Prosperity** is:

Lack of effective coordination, GoV investment, and training provider capacity limits equitable access to demand driven skills training, and inhibits inclusive economic growth and sustainability of the skills system

The Phase 4 design builds on the successes and experiences of the long-term investment by Australia with the Government of Vanuatu (GoV) in the development and strengthening of the skills sector. The focus is on:

- Developing a quality, accessible, inclusive national skills system
- Influencing financing of the skills system through stimulating local sustainable investment primarily by the GoV, private sources, and development partners
- Supporting sustainable economic outcomes for individual participant trainees (clients)
- Contributing to wider economic and social gains nationally and in the four provincial areas (Malampa, Sanma, Tafea and Torba) where Provincial Skills Centres have been established and resourced
- Strengthening the value chains of the key productive areas that are a focus of the Partnership (Tourism, Agribusiness and Handicraft)

Goal

A sustainable and well coordinated skills system that maximises access to relevant and quality assured qualifications leading to improved economic, social and cultural development opportunities for all



Long-term outcomes

- | | | | | | | |
|--|--|---|--|---|--|--|
| <p>1
Government of Vanuatu manages and coordinates its skills system more effectively</p> | <p>2
The skills system provides inclusive access to relevant and quality assured qualifications</p> | <p>3
Clients follow pathways to further education and training</p> | <p>4
The status of women and people with disability is enhanced</p> | <p>5
Clients have increased income</p> | <p>6
Clients contribute to local sustainable development and management of climate change risks</p> | <p>7
Target value chains have improved productivity</p> |
|--|--|---|--|---|--|--|

Figure 1. Partnership Program Logic

Intermediate Outcomes

<p>IO-1 Skills planning & coordination PGTB's, Skills Centres and TED jointly plan and manage skills development</p>	
<p>IO-2 Public & private resource allocation Increased public & private resource allocation to implement PSET Policy</p>	
<p>IO-3 Flexible delivery Increased flexible delivery of accredited skills development</p>	
<p>IO-4 Diversity of skills providers Increased diversity of training providers operating within the skill system</p>	
<p>IO-5 Representation of women and people with disabilities Increased representation of women, people with disabilities, and their interests in the skills system</p>	
<p>IO-6 Skills system compliance Training providers are implementing in line with Vanuatu Quality Assurance Framework and the National Disability Inclusive Development Policy</p>	
<p>IO-7 New businesses started Clients' start new business or self-employment</p>	
<p>IO-8 Sustainable business growth Clients improve sustainable growth of their businesses²</p>	
<p>IO-9 New or improved employment Clients access new or improved employment</p>	
<p>IO-10 Improved market access Improved market access in target value chains</p>	

1. Client refers to Individual and Business Clients, and men, women, and people with disabilities
 2. Note this Intermediate Outcome area was modified to reflect the incorporation of Climate Change element in this result area and strengthen linkage with LTO 6.

ALIGNMENT WITH POLICY

Government of Vanuatu (GoV)

Activity across Phase 4 of the Partnership is organised across three connected priority areas that mirror the 'functional dimensions' of the Post School Education and Training (PSET) Policy (2016-2020) – 'Strategic Direction', 'System Oversight', and 'Service Delivery'. This ensures alignment of the Partnership with the implementation, monitoring and evaluation of the GoV's own policy direction.

The GoV has an overarching commitment to an inclusive agenda and environmentally resilient economic growth. This commitment is reflected in the *National Sustainable Development Plan (2016 - 2030) – Vanuatu 2030: the People's Plan*, the gender equality mainstreaming directives in the *National Gender Equality Policy*, the *National Disability Inclusion Policy (2016)*, and the *Vanuatu Climate Change and Disaster Risk Reduction Policy (2016)* which provide the basis for explicit emphasis in the Partnership Logic for mainstreaming gender and disability inclusion and climate change adaptation and resilience.

Australian Government

The Partnership supports the implementation of the strategic priorities of the Australian Government's aid program in Vanuatu, the Pacific, and globally in the areas of gender and women's empowerment, disability inclusion, and sustainable economic growth.

Australia's 'Step-up' agenda for engagement in the Pacific is one of the highest priorities of the 2017 Foreign Policy White Paper (2017). The 'Step-up' responds to the most important long-term challenges being experienced by Pacific nations and the shifting global political environment that has implications for Australia's relationship with the Pacific. It includes priority strategic areas that are in the Partnership design – developing skills and jobs, strengthening education and values-based leadership with strong connections to Australia, sustaining economic growth, climate change and pursuing gender equality and recognition of the essential contribution of women in achieving better economic development outcomes³.

The Partnership's focus on disability inclusion supports the objectives of Australia's 'Development for All – Disability Inclusion Strategy (2015- 2020)'. Prioritising women's representation and economic empowerment supports implementation of the *Gender Equality and Women's Empowerment Strategy (2016)* and progress for each of the four outcome areas in the most recent *Pacific Women Program Theory (December 2017)*⁴. Further, the Partnership is specifically aligned with three of the Pacific Women program strategies that relate to a gender transformational approach, Pacific ownership and leadership and coordination to mainstream and leverage gender equality in other DFAT investments.

Additionally, alignment of the Partnership design with the objectives of Australia's *Governance for Growth Program* of strengthening capacity in Vanuatu for inclusive economic growth, especially for women, and improved service delivery through regulatory, policy and management reform is reflected by the continued funding provided for some of the Partnership's activities by this program.

DFAT recognises the value and strategic relevance of the Partnership approach in supporting transformative change in locally led ways that are sensitive to local culture and dynamics. The Director and Strategic Adviser are members of DFAT's *Thinking Working Politically (TWP)* Community of Practice based in DFAT's Governance Section in Canberra, and through presentations made to DFAT staff have shared lessons from the Partnership's practice to promote learning, innovation and the potential wider applicability to the aid program.

3. Refer <https://www.fpwhitepaper.gov.au/>
 4. <https://pacificwomen.org/key-pacific-women-resources/pacific-women-monitoring-evaluation-learning-framework/>

ORGANISATIONAL STRUCTURE

The Partnership's Director and 33 core program, management and administrative staff are all ni-Vanuatu nationals. At present two Provincial Training Coordinators (PTCs) positions are recognised by the Public Service Commission and the salaries are paid through the GoV budget. Over the period of the Phase 4 it is anticipated that more of the core staff positions in the Provinces and at the national level from the Port Vila office will become GoV employees, and their salary will be covered out of relevant government department budgets.

In 2018, there were nine short-term international technical advisers who provided periodic support to the core staff in each of the key Partnership areas of practice, and on strategic policy. Both national and international personnel provided a pool of additional specific advisory and technical inputs, and in 2018 Australian Volunteers filled the Climate Change Adviser, and Language Literacy and Numeracy (LLN) Adviser roles.

The Phase 4 Design recognised that a different contracting modality was required to support the ongoing implementation of the Partnership, particularly in terms of its local leadership and systemic reform intent. As a result, Scope Global is engaged as a 'Support Contractor' rather than a 'Managing Contractor.' The Support Contractor provides corporate support in the key areas of financial management, human resource management, procurement, ICT, and monitoring, evaluation and learning, ensuring the Partnership has all the mechanisms in place to enable flexibility, innovation and experimentation in technical delivery.

The Skills Partnership Steering Committee (SPSC) is the Partnership's national governance structure that provides policy and strategic oversight. The members consist of senior (Director or Director General level) GoV representatives from the Vanuatu Qualifications Authority (VQA) Board, Ministry of Education and Training (MoET), productive sector partners, the Ministry of Justice and Community Services (MJCS), and DFAT is also represented. Senior local staff are also members of the SPSC.

The SPSC met twice in 2018 (July and December) to review Partnership progress and provide advice on strategic priorities. Local Partnership staff participated in the meetings – as contributors through making specific presentations and providing inputs at the meeting.

Four MoET provincial Skills Centres in Malampa, Tafea, Torba and Sanma are the primary delivery and coordination mechanism for provincial skills development service delivery. The Provincial Government Training Boards (PGTBs) provide localised advisory support to the Skills Centres and are the decentralised arm in the province of the national level VQA. This helps bring together national and provincial perspectives on policy and its implementation.

ACTIVITIES PLANNED

The time frame in the design of Phase 4 is from 2017 to 2023. In the early stage of implementing Phase 4 there was a change in Support Contractor that took effect in October 2017 when the contract for the current Support Contractor, Scope Global, began. At present the current contract for implementation is up to December 2021.

The three priority areas of the PSET Policy guided the activity plan for the first annual plan (for the extended period October 2017 to December 2018) of Phase 4.

Priority Area 1 – Strategic Direction

- **Refinement and validation of the priorities with each of the productive sector areas (Agribusiness, Handicrafts, Tourism)** to be supported by targeted skills development activities
- **Promoting system resourcing efficiency and diversity** through ensuring compliance with the co-contribution agreements in place with GoV and by building on existing arrangements and brokering new partnerships with GoV, private sector and other donors
- **Skills system coordination** through establishing the SPSC as a national coordination mechanism, and ongoing professional strengthening of the PGTBs as the provincial point of coordination

Priority Area 2 – System Oversight

- **Improve system management and sector financing allocations** through collaboration with the Tertiary Education Directorate (TED) of the MoET and the VQA to improve management of the skills system in line with the PSET Policy Implementation Plan; and continue to support DFAT in the development and monitoring of the Phase 4 Subsidiary Agreement
- **Increase diversity of providers, courses and delivery modalities** through capacity strengthening and professional development support to the VQA Board with a specific focus on assisting Board members to address the current inflexibility of the skills system
- **Increase representation of women and their interests in the skills system** by advocating for a stronger gender equality within the PGTBs and the provincial Skills Centres, and promoting engagement and upskilling for female trainers, particularly in non-traditional trade areas

Priority Area 3 – Service Delivery

- **Prosperity outcomes for Skills Centre trainees** by working with GoV productive sector partners in the priority areas, build on the established models of demand driven skills development activities that combine formal training with customised business development coaching
- **Mainstreaming gender equality, disability inclusion and climate change resilience** through prioritising and promotion in planning and implementation

- **Improve quality, relevance, and inclusion of training provider services at a systemic level** through Training Provider Improvement Agreements (TPIAs) in conjunction with support provided through the Training Provider Inclusion Improvement Fund (TPIIF) to select providers for improved quality, relevance, flexibility and inclusion
- **Improve efficiency and sustainability of system resourcing** management through the Skills Development Fund (SDF), as the Partnership's service delivery financing mechanism, within strict governance and probity processes to ensure transparency and accountability of fund distribution

IMPLEMENTATION

During 2018 activities against each of the priority areas were implemented. Details of key areas of activity and the results achieved are provided in the next section of this report.

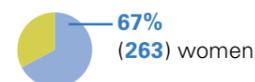
Four MoET provincial Skills Centres

- Malampa
- Sanma
- Tafea
- Torba

Three Productive sector work-streams

- Skills for Agribusiness (SfA)
- Skills for Handicraft (SfH)
- Skills for Tourism (SfT)

422 Individual clients



285 Business Clients in



826 Participants in Skills Development Activities – 67% (553) women

7% (31) Individual Clients with disabilities

Skills Development Activities Implemented in the 3 productive work-streams (SfA, SfH, SfT) –

- Coaching 50
- Workshops 36
- Special projects 8
- Accredited training 2

70% (65) ni-Vanuatu coaches and trainers in productive sectors workstreams – 52% (39) women

3 Partnership Implementation Frameworks with GoV Departments in the productive sector work-streams

Training Provider Improvement Agreements with 5 Rural Training Providers

Training Provider Inclusion Improvement Agreements with 7 Training Providers

7% of annual budget contributed by the GoV⁵ to Skills Development Fund

5. Funds are both from GoV budget and donor funds channeled through GoV to the Partnership's SDF

ADDITIONAL ACTIVITIES

Four other important activities were implemented in addition to those included in the 2018 plan:

Language Literacy and Numeracy

During the period May to December 2018, in collaboration with the MoET, the Partnership focused on the successful completion of foundational activities to establish a sustainable, systemic and strategic approach for improving language, literacy and numeracy (LLN) rates for adults and young people in Vanuatu. In December 2018, The GoV's first National Adult LLN (NALLN) Strategy 2018 - 2023 and its Implementation Plan was launched. The Strategy provides the background, research evidence, principles and directions for positive systemic change in the Post School Education and Training (PSET) sector and collaborative action required to significantly improve literacy and numeracy in Vanuatu.

National Human Resource Development Plan

The Partnership signed an agreement with the Department of Strategic Policy Planning and Aid Coordination (DSPPAC) to facilitate consultation and coordination across multiple sectors for the development of the first National Human Resource Development Plan (NHRDP) for Vanuatu. The plan, that is due for release in early 2019, will help identify and inform on areas of skills shortage and priorities for implementation and investment through the PSET system reform process.

Climate Change Strategy and Implementation Plan

A Climate Change strategy for the Partnership was designed by an Australian Volunteer through a series of consultations with Partnership staff, government and civil society partners and DFAT. The awareness and training on Climate Change and initial activities implemented with the Provincial Skills Centres and the Partnership's Productive Sector teams has generated interest and commitment to this new area of practice that contributes to the Partnership's sustainable business development outcomes and risk management. During 2019 implementation of the strategy, which covers both climate resilience and mitigation actions, will begin.

Trade Policy Framework 2019 – Chapter on Education and Skills

The *Trade Policy Framework* (TPF) of 2019 is an updated version of the TPF produced in 2012 that has received considerable commitment from different areas of the GoV, and supported progress. The 2019 TPF provides a set of practical recommendations and an implementation matrix for the whole GoV on trade development and market access. The Partnership, through the PSET Systems Adviser contributed the chapter on *Education and Skills*, which recognises the importance of a well-educated workforce to boost trade. The content of the chapter drew on existing policies, plans and other official documents and evidence, and consultation with GoV, private sector and donors. It provides an evidence base for strategies to strengthen access and quality skills in priority areas that will help enhance trade for Vanuatu.

CONSTRAINTS

Two important factors have limited the scale and scope of activities that were planned for implementation in 2018.

Lower than anticipated commitment by the MoET and VQA to PSET Policy reform

The GoV continues to articulate commitment to the reform agenda set out in the PSET Policy and Implementation Plan, however delivery of the reform process to date has been slow. At the leadership level of the MoET and TED, engagement and action taken to drive reform has been less than ideal. This is largely due to changes in key staff including at senior leadership level. Recruitment processes to replace key staff are underway, but the critical positions of Director General of the MoET, and Director of TED are still vacant.

During 2018 there was a shift in the MoET's policy priority towards creating a bilingual national university in Vanuatu. This has moved efforts away from developing PSET legislation and depleted focus on developing and improving training provider standards.

To manage the changes in key leaders and decision makers and the apparent reduced commitment and progress in implementing the PSET Policy, the Partnership, through the Director, will continue to make efforts to foster effective working relationships at a senior level with the MoET and TED once key positions are filled.

Beyond the MoET, the Partnership is increasingly viewed as an important contributor to the GoV's national reform agenda, including the Ministry of Foreign Affairs (MOFA) and the Prime Minister's Office (PMO). This positive perception of the Partnership at the highest level of government will be leveraged to greater effect and influence during 2019 to try and regenerate interest and commitment to PSET reform.

A further factor that has weakened progress in the PSET reform is that the Partnership has not been represented or contributed to any VQA Board meetings during 2018. The reason for this is that the PSET System Policy/ Systems Adviser, who previously worked closely to support the functioning of the VQA Board, has been lead advisor for the development of the first National Human Resource Development Plan and the Education and Skills chapter for the National Trade Development Policy. This document will be released in 2019 and it is expected to be an important and potentially influential document in regard to determining PSET priorities and investment. During 2019 it is anticipated that once the NHRDP is released, the adviser and Director will be able to use it as part of the strategy in 2019 to strengthen engagement and support of the VQA Board by the Partnership.

Budget revision

A summary of the budget set and expenditure during the period July 1st 2018 – June 30th 2019 is provided in Section 5. Adjustments to the planned expenditure for activities in 2018 were made during the second half of the calendar year. The reason for this relates to challenges in financial reconciliation from the first period of implementation (July to September 2017) that occurred during the transition to a new Support Contractor in September 2017. As a result the Partnership budget for the 2017/18 DFAT financial year was overspent.

To resolve this fiscal management issue, part of the 2018/19 financial allocation from DFAT to the Partnership was reallocated to cover the level of overspend from the 2017/18 financial year. This resulted in a reduced budget for operations and activities for the 2018/19 financial year.

In order to manage the financial allocation, the Partnership reduced the level of implementation (of between 25% to 40%) in the second half of 2018 of certain activities planned for the productive sector work-streams and in Training Provider Support. The 2019 Annual Plan will continue to reflect this slowing of implementation until the next tranche of funds is released by DFAT in July 2019.

It is difficult to make a complete assessment of the overall impact that reduction in activities has had on the progress towards the projected scale and reach of skills development activities in this Phase. In line with the Partnership design, the activities implemented – and therefore Client and participant numbers – are based on demand in each of the provincial Skills Centres and target productive areas, and the ability of the system to supply the required skills development inputs. The design has not set any specific targets for the number of activities and participants.

Overall in 2018 fewer new Clients registered with the target Skills for Tourism (SfT), Skills for Handicraft (SfH), Skills for Agribusiness (SfA) work-streams through the provincial Skills Centres and there were lower numbers of participants in skills development activities compared to 2017. The level of support provided to training providers has also been less. Details of the inputs and activity participants are provided in later sections of this report.

3. PROGRESS MADE TOWARDS OUTCOMES

OVERVIEW

The performance analysis presented in this section is based on an assessment of the progress made during the first year of Phase 4 (2018) in each of the Partnership's ten Intermediate Outcomes (IOs). The analysis considers the extent that the achievements in 2018 are in line with the progress expected at this early stage of Phase 4, as well as contributions made to the Partnership's Long Term Outcomes (LTOs). The key indicators set for each of the Intermediate Outcomes have guided this assessment.

An assessment has been made of key factors in the external operating environment, and internal to the Partnership's management and implementation approach that have supported or adversely influenced the quality and scale of the results achieved.

Based on the results achieved to date, an assessment has been made of the relevance and effectiveness of the Partnership's current strategies and approach, and aspects that need refinement or improvements made as part of the next year's implementation plan.

At this early stage of implementation in Phase 4 there are some gaps and weaknesses in the data that is available to assess certain outcome areas. The limitations in data and analysis is recognised and action and investment that will be made to make improvements is noted.

SKILLS PLANNING AND COORDINATION

IO-1

Skills planning & coordination

PGTB's, Skills Centres and TED jointly plan and manage skills development



Contributes to:

LTO1. The Government of Vanuatu manages and coordinates its skills system more effectively

PROVINCIAL GOVERNMENT TRAINING BOARDS (PGTBS)

The PGTBs are the primary point of coordination for skills development within the province, and with the national level, and provide strategic guidance to each of the Provincial Skills Centres.

The PGTB members come from provincial government departments and civil society organisations (CSOs) representing the interests of people with disabilities, women and youth. The Secretary General of the province is often the Chairperson of the PGTB.

During 2018 the Partnership has facilitated greater engagement by the PGTBs in the coordination and management processes related to the skills system, including:

- **Meeting regularly (every 6 to 8 weeks)** to discuss progress and results of skills development activities, explore emerging issues or concerns, and facilitate coordination and exchange of information between the different sectors represented on the Board
- **Development and approval of the bi-monthly Provincial Skills Development activity report** with the Provincial Skills Centre Manager and shared by the PGTB Chair with provincial and national level productive sector partners, VQA, the MoET, and the Partnership Director and DFAT
- **Contributing to the first Provincial Roadshow** held in each of the four provinces in March 2018, that brought together representatives from each productive sector department at the local and national level, to discuss and agree on the annual plan of provincial skills development activities
- **Setting provincial skills development priorities**, which has informed the national level annual Partnership Implementation Frameworks (PIF) that form the basis of the joint skills activity plans for each of the Partnership's productive sector partners for the respective work-streams (SfT, SfH, SfA).

There is evidence of an increase in commitment of PGTB members. There is generally strong representation and participation by members at the PGTB meetings. There is a growing sense of ownership and pride about the responsibilities that they fulfil. The Chair of the Tafea PGTB, who is the Acting Provincial Secretary General of the province, in an email to PGTB members and the Provincial Skills Centre, endorsed the results presented in the Provincial bi-monthly report '*I congratulate you all for the outstanding task achieved. Our productive sectors look promising and we will always continue this good working relationship into the future for the benefit of all Tafean Citizens.*'

In September 2018 the Torba Provincial Skills Centre Manager observed that the PGTB members now recognise the importance of their responsibilities in coordination. To help them to efficiently manage the increase in communication with the Board, they made a request to the national Office of the Government's Chief Information Officer (OGCIO) for their own group email address.

TED AND VQA

To date there is no systematic or regular process in place for coordination between the Provinces with national level personnel in the MoET /TED and the VQA. The staff from TED and VQA did not take part in the annual Roadshow that was held in March 2018.

The challenges in the leadership and weakening interest of the MoET in the area of PSET policy reform and legislation are factors that have contributed to the lack of engagement by the VQA and the TED with the provinces. The structures put in place for coordination between the provinces, the TED and the VQA at the national level are still relatively new. The PGTBs in their current form were only re-established as part of the PSET policy reform in 2016/ 2017. Both the VQA and the TED were established at the time of the PSET Policy launch.

In addition, due to decision-making on budget priorities by the senior level of the MoET, the TED has limited financial and human resource capacity that limits the effectiveness of the department, particularly the willingness and capacity of staff to visit and provide support to rural training providers. There is also a lack of clarity about their roles and responsibilities in relation to the VQA and the Partnership's Training Provider Support (TPS) function.

During 2018 the Partnership worked with the TED to improve coordination and strengthen the staff's knowledge and technical capacity. Three visits to remote Rural Training Centres by the TED with Partnership staff, including the TPS Coordinator, the Disability Inclusion Coordinator, the Provincial Skills Centre Managers and the Provincial Training Coordinators have taken place during 2018. This helped increase the knowledge and understanding of the TED officers in working with remote Rural Training Centres (RTCs), and the experience gained has provided a strong basis for coordinated planning between the TED and Partnership for future visits and support with the RTCs.

During the visits, the Partnership team, with the MoET provincial Skills Centre staff and the TED facilitated a workshop involving the community members to inform them about the support being provided by TED and the Partnership to the RTCs. This approach was effective in bringing the different parts of the system from the national and provincial level together in a coordinated and planned way. Recently there has been further progress in establishing a system for communication and coordination between the PGTB and the VQA.

In November 2018 the first meeting between the Tafea PGTB and representatives of the VQA and TED took place. The meeting was not planned, but came about through the initiative of the Provincial Skills Centre Manager, who was aware that the VQA and TED staff were visiting a training provider in the province and he invited them to join another planning meeting with PGTB members that had already been scheduled. As a result of the information shared and the discussions that took place during the meeting:

- PGTB members now have a clearer understanding about the PSET policy, and the responsibilities they have with VQA and TED in its implementation
- It was agreed that two representatives from the Tafea PGTB will participate in the national VQA annual planning meeting in Port Vila
- The VQA Board has made a commitment to strengthen future coordination and communication with all four PGTBs by ensuring that more regular meetings are scheduled and that more frequent communication on policy implementation takes place

Source – Outcome Harvest Prepared by Tafea Provincial Skills Centre Manager

The initiative of the Sanma Skills Centre Manager has helped progress communication and coordination between the Provincial Skills Centre and the VQA. The Manager, on behalf of the PGTB, emailed the CEO of the VQA to share an update on the training providers in the Province that are receiving support through the Partnership. The CEO strongly endorsed the importance of strengthening communication and coordination between the VQA and PGTBs, and has requested that in the future updated information on provincial training providers is routinely shared with the VQA to help prioritise support to assist formal registration of these providers.

Improving the coordination with the TED is a priority for the Partnership and a focus for the TPS work-stream. A positive result in 2018 is that for the first time the TED initiated a joint planning meeting with the VQA and the Partnership. Unfortunately due to the timing of this meeting no one from the Partnership was able to participate, however a written copy of the proposed TPS activity plan for 2019 was shared and discussed at the meeting. The Partnership staff has committed to follow up on this meeting and to try and be available in the future for similar planning meetings.

PARTNERSHIP IMPLEMENTATION FRAMEWORKS (PIFS)

The PIF is an annual planning agreement between the Partnership and the respective national level government productive sector partner for the implementation of the Partnership's productive sector work-streams. In 2018 the first PIFs were agreed for the SfH work-stream with the Department of Industry (DoI) and for SfT with the Department of Tourism (DoT). A draft PIF was developed in the newest sector of Agribusiness, in December 2018 with the Ministry of Agriculture Livestock, Forestry, Fisheries and Biosecurity (MALFFB). When approved, this will guide the activities implemented in the Skills for Agribusiness (SfA) work-stream in 2019.

The PIFs have helped strengthen the commitment and coordination between the Partnership and government partners in the implementation of Skills Centre service delivery. DoT staff noted the value of the PIFs during an informal review and planning meeting that the Skills for Tourism (SfT) Coordinator. They identified that the PIF has helped skills development to become an integral part of the tourism sector activities. The PIF with the DoI has assisted handicraft being included in the responsibilities of provincial DoI staff in the future.

Although the first PIFs agreed in 2018 were a positive start, the Partnership staff identified certain weaknesses and aspects that should be improved. They noted that in the design there had been relatively little discussion with partners about the priorities and objectives set, and only senior level GoV staff were involved in the approval. The PIF agreements have not been widely shared with the GoV staff, which meant that government colleagues who work with the Partnership on a routine basis, were not generally aware of the priorities set out in the agreement, and impacted on the decisions made about joint implementation during 2018.

The design process used in November 2018, for the 2019 PIFs aimed to redress some of these issues. Although it took place over a relatively short period of time, the process was more participatory than that which took place in 2017. Consultation started at the provincial level with Skills Centre staff and the PGTBs. The provincial priorities then shaped each of the Partnership's three productive sector areas, which informed joint planning discussions and the final plan agreed with each of the GoV partners. An increased number of government staff at the provincial and national level took part in the process, which should help strengthen shared understanding and commitment to the priorities and contributions each will make in delivery of the activities in the PIF agreements.

During 2019 the PIFs will be more visible and will be a reference tool to guide planning and implementation decisions by GoV and the Partnership. Joint monitoring and review of implementation and progress made against the annual objectives and targets set will take place after 6 months. This will guide any revisions that need to be made during the year and as the timing of this review aligns with the start of the GoV annual planning process it should also inform the priorities and activities for GoV partners in the following year.

CO-CONTRIBUTION

IO-2

Public & private resource allocation

Increased public and private resource allocation to implement the PSET policy



Contributes to:

LTO 1. The Government of Vanuatu manages and coordinates its skills system more effectively

An important feature of the Phase 4 design is the mutual accountability approach by those with interest in and commitment to skills development. The PIFs, the MoUs and the overarching Phase 4 Subsidiary Arrangement between the Government of Australia (through the Partnership) and the GoV (through the MoET) specify the co-contributions – financial, in-kind, and human resources – to be made by national and provincial government to support activities implemented through the provincial Skills Centres, and at the national level. Similar co-contributions and investment for skills development is being sought from the private sector and other development partners as part of the growth and sustainability strategy for the skills system.

At this early stage of Phase 4 there are encouraging, albeit small, co-contributions from government, private sector and community members. This is an important outcome area in terms of supporting systemic reform and sustainability, and in demonstrating national commitment to the value of skills development.

The most recent data available from the GoV through the MoET shows that in 2016 PSET accounted for 6% of the total expenditure on all levels of education from early childhood to secondary level. Over the period from 2013 this proportion has remained fairly steady. The total funds spent towards PSET in 2016 was approximately 2.5 million AUD, 8% higher than that spent in 2013. These figures indicate that there is relatively modest growth in GoV commitment to PSET. There is no indication that investment in skills development has increased since 2016, when implementation of the PSET Policy began.

In 2013 the Public Service Commission approved a new structure for the Ministry of Education, which expanded its function to become the Ministry of Education and Training (MoET). The restructure established a new Tertiary Education Directorate (TED) which includes a Skills Centre in every province, integrating the four existing Skills Centres in Malampa, Sanma, Tafea and Torba – previously independent under the DFAT Skills for Economic Growth (TVET) Program (now the Vanuatu Skills Partnership). The approved structure has three of the four positions within each Skills Centres (Centre Manager, Provincial Training Coordinator and Finance and Administration Officer) funded through the MoET. At present two Provincial Training Coordinators have been paid through the MoET under the Public Service Commission (PSC) since 2015⁶.

Since 2015, the understanding between the MoET and the Vanuatu Skills Partnership has been that the MoET would allocate budget for two Skills Centre officers each year starting with the Provincial Training Coordinators, then moving to the Finance and Administration Officers and finally to the Provincial Centre Managers. This commitment is recognised in the new Subsidiary Arrangement (SA) which was signed between the Governments of Australia and Vanuatu in 2017 at the beginning of Phase 4. The SA clearly states, 'Should the government (of Vanuatu) fulfil its staffing commitment to the existing Skills Centres, the Government of Australia will consider the refurbishment and operational funding for an additional Skills Centre.'

Although there are frequent discussions held by the Partnership with the MoET each year for budget allocation to demonstrate commitment by the GoV to the skills development sector, since 2015 this budget has not been forthcoming. At present 14 Skills Centre positions for the four Skills Centres are still paid by the Partnership, through funding from the Australian Government. This is in addition to national level Partnership staff including the Partnership Director.

SKILLS DEVELOPMENT FUND

The Skills Development Fund (SDF) has been established as the financing mechanism for the Partnership's service delivery through the provincial Skills Centres. It is managed through the Partnership's fiscal system that ensures accountability and transparency of the fund distribution and its use for skills activities. It is anticipated that as co-contributions increase it will provide a model for establishing a National Training Fund managed through Government of Vanuatu systems.

From October 2017 to June 2018, AUD 609,408.61 was deposited in the SDF. Eighty six percent (AUD 524,043.00) of this amount is additional funds from DFAT from funding agreements brokered by the Partnership with DID Fund, Pacific Women and the Governance for Growth Program. There is a total of AUD 760,000 committed from DFAT through these program agreements during the 2018/2019 financial year.

To December 2018, during financial year 2018 / 2019, the GoV made a contribution AUD 222,263.54 into the SDF, which is 7% of the total annual Partnership budget and consisted of:

- Department of Tourism contributed AUD 12,195.00 as contribution for activities agreed in the 2018 PIF
- DPSSAC 61,800.00 for technical advisory services provided by the Partnership in the development of the NHRDP
- Ministry of Tourism, Trade, Commerce, and Ni-Vanuatu Business (MTTCNVB) of AUD 17,110.00 for inputs on the Trade Development Policy

An additional amount of AUD 131,158.54 was also contributed as part of the Tanna Tourism Recovery project. These are funds from DFAT that were channelled to the Partnership through the Ministry of Tourism.

The DoT has made further commitments to channel additional donor funds it receives during 2019 from New Zealand for specific skills related activities (Tourism Transport Ambassadors and Discovery Trails) into the SDF.

Although still relatively small, the additional contributions made by GoV are positive first steps that indicate commitment and perceived value of skills development for the tourism sector and the viability of the Skills Development model.

6. Originally there were three paid by MoET but one subsequently left to join the TED team at the national level



SKILLS TRAINING PARTICIPANT CONTRIBUTION

The provincial Skills Centres have a current policy that for each skills development workshop or training event attended a participant is expected to contribute 500 VUV (AUD 6). This can be in cash or in-kind which is generally food (a basket of kumala, local potatoes, manioc or banana) that goes towards meals provided during the workshop, and the caterer then reduces the cost of providing food. The funds contributed are accounted for through the Partnership fiscal system. Since October 2017 to date a 127,000 VUV (1,627 AUD) has been collected.

Currently the policy is not being consistently applied. Torba Skills Centre does implement the policy, and since May 2018 Malampa has introduced the system. During 2019 all Skills Centres will be encouraged to collect this form of contribution, and it will be formally introduced into the internal budget and fiscal management system.

Based on the current numbers of participants (approximately 800 per year) the potential value from this contribution is about AUD 6,000 for one year. In addition, promoting participant co-contribution reinforces commitment by the community to locally based skills development, and is a small but not insignificant factor in support of sustainability and ownership for results.

PARTNERS' CONTRIBUTION

The Government of Vanuatu, NGO and private sector partners, and community members make significant non-financial contributions to skills development activities that are not accounted for through the SDF. As part of strengthening Partnership management systems, a systematic process to quantify the value of the non-financial inputs in planning, budgeting and in activity monitoring reports is being developed. The types of inputs that will be measured include time of staff and volunteers, transport, food, materials, facilities and equipment.

Some positive examples of the types of co-contributions outside the SDF that have taken place in different work areas of the Partnership in 2018 are:

Skills for Tourism – from DoT and VTO

Contribution	Estimated value (VUV)
Staff allowances for travel and participation in activities	480,000
Office rent for travel centre Santo	850,000

Following the PIF discussion in October 2018, senior officers from the Vanuatu Tourism Office (VTO) and DoT are currently working in collaboration with the SfT Coordinator to complete work plans for 2019. Through these discussions it has been agreed that the implementation cost for each work plan will be shared by VTO, DoT and the Partnership.

Training Provider – Pektel RTC delivers accredited training

Pektel RTC in Malampa worked with the Partnership on the design and delivery of its first accredited and inclusive Building Construction Certificate II course. The co-contributions from the RTC and the TED contributed to approximately 20% of the total cost.

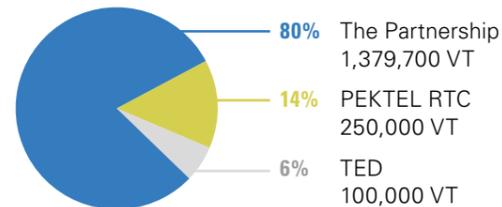


Figure 2 Co-contribution to Pektel RTC accredited training

The community representatives and the volunteer members of the Pektel RTC Board also committed their time for preliminary planning meetings and in taking part in the workshop. This important in-kind contribution has been valued at an estimated 12,000 VT. This is based on 12 representatives providing two days of inputs at a cost of 500 VT / day per person.

Further inputs were provided by staff from the Partnership, the Malampa Skills Centre, the TED, Provincial Government and the staff and trainers of Pektel RTC but have not been calculated for this analysis.

In the future, as part of activity planning, budgeting and monitoring, the actual time that staff contribute to activities will be costed. This will help provide the scope of inputs and the total value of the investment, which assists planning and setting the budget for future equivalent activities.

This example illustrates the approach that will be introduced more systematically in planning and reporting to capture the real value of the different types of investment made in support of strengthening the skills system. This will help future analysis on effectiveness and efficiency and on Value for Money.

PRIVATE SECTOR CONTRIBUTION

The first Public Private Partnership (PPP) agreement in the SfA was agreed in 2018.

Cocoa Production

In late 2017 an agreement between the international cocoa producing company Vanuatu Cocoa Premium Limited (VCPL) and the Vanuatu Skills Partnership was formalised. The core elements of the commitment made in this agreement are:

- The Vanuatu Skills Partnership, through the Malampa Skills Centre, with the Department of Agriculture and Rural Development (DARD), based on identified gaps and priorities, provides skills development through practical workshops and individual coaching to 10 of VCPL's block-holders.
- VCPL guarantees purchase of wet cocoa at 45VUV/kg and green copra at 15VUV/kg, and provides material and equipment including free rat bait, hooks and chainsaw fuel to the block-holders.
- The block-holders commit to maintaining their blocks and crops in good condition, and to harvest the two crops of cocoa each year, which is sold to VCPL

The initial results from this partnership model, which brings publicly provided skills development to the private sector, are positive. For the company, the benefits include improved yield and quality of beans produced for purchase. The block-holders have had access to equipment and materials, learned new technology and skills in cocoa farming, and have increased their income due to improved productivity and are being paid a guaranteed price by VCPL for their beans that is higher than other local markets.

If the value and benefits for the individual farmers and the company continues to be demonstrated in the longer term, it will provide a strong business case for further investment in this agreement and be a model for establishing new PPP agreements.

A second PPP agreement is currently being finalised with the SMILE Premium Coconut Oil Company and the Malampa Skills Centre. In this agreement, which will become operational in 2019, the company will rehabilitate a coconut oil extraction facility and provide a guaranteed market for local coconut farmers in Vuro community. The Skills Centre will source skills development activities for the coconut farmers. The community will also contribute in-kind and materials (labour, food, fuel, water, sand) and their time of an estimated value of 300,000 VUV to support the rehabilitation of the extraction facility used in oil production.

QUALITY TRAINING PROVIDERS AND SKILLS DELIVERY

IO-3

Flexible delivery

Increased flexible delivery of accredited skills development



IO-4

Diversity of skills providers

Increased diversity of training providers operating within the system



IO-6

Skills system compliance

Training providers are implementing in line with the Vanuatu Quality Assurance Framework (VQAF) and National Disability Inclusion Policy in TVET (NDIPT)



Contributes to:

LTO 2. The skills system provides inclusive access to relevant and quality assured qualifications

LTO 3. Participants follow pathways to further education and training

TRAINING PROVIDER SUPPORT

The Partnership's Training Provider Support (TPS) work-stream provides support at the national and provincial levels for quality improvements in PSET service delivery. This is in line with the National PSET Policy 2016-2020 and supports the National PSET Policy Implementation Plan.

A Training Provider Improvement Agreement (TPIA) is made between the Partnership and select institutional training providers. The TPIA articulates the priority areas for improvement, and types of inputs and resources that will be invested by the Partnership, and the co-contribution (financial, human resources, facilities and equipment) that the training provider will commit.

The technical assistance provided through the TPIAs includes assessing current standards of the training provider against the Vanuatu Quality Assurance Framework (VQAF) standards (2016); support in preparing and submitting papers to gain recognition by VQA as a registered training provider; development of new training courses for accreditation by the MoET; and resources to deliver accredited training that is accessible and inclusive for people with disabilities.

During 2018 TPIAs were established with five Rural Training Centres (RTCs) in Sanma, Torba and Malampa Provinces, which are implementing improvements with 10 staff (managers and trainers) and the management boards of these RTCs.

TRAINING PROVIDERS UPDATED QUALITY MANAGEMENT SYSTEMS TO MEET VQAF STANDARDS

The TPS team with the TED officers developed a matrix to assess training provider performance that is based on the VQAF 2015 standards for registered training providers. The matrix has 11 standards that cover different aspects of training delivery such as governance, student management, teacher qualifications and research. The matrix was applied to the five RTCs with TPIAs, which has provided a baseline for monitoring progress of performance over time.

During 2018, one coach was recruited through the Partnership to work with training providers on quality improvement in a number of performance areas including registration, course accreditation and development and management systems.

There are plans to recruit more coaches in 2019 so that inputs can be scaled up to meet demand and more effectively manage the challenge of working with RTCs, many of which are located in remote areas that are hard to reach. Re-assessment in 2019 using the matrix will determine progress and improvements that have occurred.

Key improvements in VQAF standards that training providers with TPIAs have achieved in 2018:

- 4 improved quality management systems to meet VQAF standards
- 3 completed forms required to state intention to register with VQA
- 3 completed initial registration process with VQA

ACCREDITED SKILLS DEVELOPMENT

In addition to those training providers that have TPIAs, the Partnership with the TED, is supporting course accreditation, design and delivery with several registered training providers. The priorities are determined by the demand for qualifications in skill areas in each productive sector, and articulated in the priorities set in the respective sector's PIF. The provincial Skills Centres complete scoping and needs assessments that determine the level of interest in the qualification, and to identify suitable participants. An assessment is also made of any specific LLN requirements or adjustments for participants with disabilities that may be required.

Only training providers that are registered with the VQA are eligible to deliver accredited courses. The accreditation process generally takes a long time to complete, and requires strong commitment and relatively large-scale investment of financial and human resources from the training provider.

The high level of investment and VQA's relatively complex process for accreditation creates obstacles for smaller RTCs with which the Partnership works. The RTCs are keen to register as a VQA approved training provider and to deliver accredited training, but often they are discouraged, and may even determine not to continue the registration and course accreditation processes, as happened with one RTC that had a TPIA. Another challenge the RTCs experience in relation to delivery of accredited courses is the recruitment and retention of qualified staff.

During 2018, the Partnership supported RTCs in Torba and Malampa to design and deliver three accredited courses in priority productive sectors – Certificate I in Tour Guiding, Certificate II in Building Construction, and Certificate I in Tourism (Accommodation). Each of these courses also included units on Climate Change. In total in 2018 in Vanuatu, 38 skills development courses were accredited by VQA, and 35 were delivered through registered training providers, mainly in urban areas.

The TPS work-stream is employing strategies to help make the processes for delivery of accredited courses easier and faster, particularly for smaller providers. The strategies being trialled include concurrently working on registration and accreditation therefore reducing the total investment of time; and encouraging newly registered training providers to take advantage of existing accredited courses and add them to their scope of registration rather than invest their own resources to design new qualifications. The TPS Coordinator is also exploring with the VQA the feasibility of training providers making joint registration applications, which would help reduce the investment of time and create opportunities for sharing costs associated with the preparatory process.

DIVERSITY OF TRAINING PROVIDERS

In 2018, the Partnership introduced new training providers into the skills system through contracting the services of 65 affiliated industry trainers and coaches. These individual, private providers deliver skills development activities for the productive sectors through the MoET provincial Skills Centres.

Seventy percent of the trainers and coaches currently engaged to deliver training through the Skills Centres are ni-Vanuatu. Progress is being made towards a fully national team of coaches and trainers. The number of ni-Vanuatu coaches contracted with the Partnership in December 2018 had increased to 33 from 21 in June 2018. In the same time period, the proportion that is ni-Vanuatu also increased from 58% to 70%.

The Partnership makes a range of professional development opportunities available for ni-Vanuatu coaches and trainers. This is both through 'in-house' training and mentoring facilitated by Partnership staff, and through support to attend external professional development, including accredited courses.

One example is in September and October 2018, when the Partnership with the TED engaged the Australia Pacific Training Coalition (APTC) to deliver the International Skills Training (IST) qualification courses in two locations – in Santo for 19 trainers (3 women) coming from Malampa, Sanma and Torba, and in Vila for 20 trainers (6 women) from Tafea, Sanma and Shefa. The internationally recognised IST qualification provides the coaches and trainers with knowledge and skills to deliver quality skills courses that are tailored to the requirements of individual participants, and their work place situation.

DISABILITY ACCESS AND INCLUSION BY TRAINING PROVIDERS

The TPS Coordinator works closely with the Partnership's Disability Inclusion work-stream. As part of the quality improvement support in training delivery and management systems provided to training providers, there are joint activities to promote disability mainstreaming and on disability specific interventions for improved inclusive policy and practice.

Training Provider Inclusion Improvement Agreements (TPIIAs) provide the basis for the priorities and inputs provided by the Partnership for training providers on disability inclusion which are financed through the Partnership's collaboration with DFAT's DIDFund. During 2018 seven training providers signed TPIIAs with the Partnership. These training providers have been assisted to develop Disability Inclusion Action Plans, which were submitted for approval for funding through a specific fund – the Training Provider Inclusion Improvement (TPII) Fund.

The TPII Fund is managed by a Steering Committee that is made up of representative stakeholders from the PSET and disability sectors, and DFAT. It assesses the Disability Inclusion Actions Plans, and determines which training providers receive funds to implement their plans.

In 2018, five RTCs in Torba, Sanma and Malampa finalised their action plans and received funds to begin implementation of disability inclusive activities. These funds helped ensure the accredited courses designed and delivered in building construction, agriculture and tourism were disability accessible and that content was included on disability. In 2018, ten people with disabilities enrolled in accredited training courses delivered by the Pektel Rural Training Centre in Malampa.

The TPII Fund has also supported four RTCs to complete an accessibility audit of their facilities. The Pacific Vocational Training Centre (PVTC) in Port Vila has initiated research into barriers to work experienced by people with disabilities, and has enrolled a student with disabilities in their institution. The Vanuatu Agriculture College (VAC) in Santo, which is a national training provider, has also initiated disability inclusive practice.

DISABILITY INCLUSION QUALITY STANDARDS

The Partnership Disability Inclusion team has designed a Disability Inclusion Self-Assessment Matrix for training providers. This consists of quality standards on disability inclusion in a range of domains. Seven training providers have completed a baseline self-assessment, and a follow up re-assessment using the matrix will be done in 2019.

While "inclusion" is referred to as a principle in the PSET Policy, the approaches to implementation in relation to disability inclusion are not clearly articulated, and there is no reference to disability inclusion in the standards set out in the VQAF. This means that in order to gain and maintain their registration, training providers are not required to take action and invest in improving disability access and inclusion. Commitment to disability inclusion therefore relies on the motivation of training providers rather than being mandated, which creates a risk for uptake and sustainability of disability inclusive practice. The Partnership's strategic engagement with the VQA provides an opening to promote that disability inclusion be more clearly articulated as a requirement in the existing quality standards.

Professional Development

Fifteen trainers and management staff from seven training providers completed the first two blocks of a three block course in Disability Inclusion Training approaches. The course was co-facilitated by an international trainer (a woman with disabilities) who worked with local trainers, and resource persons from Vanuatu Society for People with Disabilities (VSPD) and Vanuatu Disability Promotion and Advocacy Association (VDPA). The national trainers, who are all people with disabilities, led certain sessions. Their personal experience and knowledge of the context for people with disabilities in Vanuatu enhanced the contextualised and practical learning approach.



REPRESENTATION OF WOMEN AND PEOPLE WITH DISABILITIES

IO-5
Representation of women and people with disabilities



Increased representation of women and people with disabilities and their interests in the skills system

Contributes to:

LTO 4. The status of women and people with disabilities is enhanced

WOMEN IN LEADERSHIP

In Vanuatu, female representation and participation in national skills sector leadership and management is low. For example, there are no female heads of department at the Vanuatu Institute of Technology (VIT), which is one of the leading institutional training providers, and only one woman holds a training manager position at VAC. A small number of women hold coordination roles with different training provider institutions, including in leading national training providers – the Vanuatu Institute of Education (VITE), VIT and the Department of Cooperatives. In traditionally female dominated course areas, such as nursing, women do hold leadership positions. For example, a woman is the head of the Vanuatu College of Nursing Education.

The Partnership faces a major challenge to make change in the historically embedded perception that women don't have the requisite skills and knowledge for senior management positions. To increase women's representation and participation in the skills system, the Partnership has prioritised participation by female trainers in professional development opportunities. The expectation is that if women have a formal qualification this will help to positively influence established perceptions, and will help women to have more opportunities and a greater likelihood in achieving career advancement.

TRAINERS AND COACHES

The Partnership has contributed to increased representation of ni-Vanuatu women in the skills system. At present 52% (39) of the 65 affiliated industry coaches and trainers who deliver skills development activities in the productive sectors through the MoET provincial Skills Centres are women.

Although the number of coaches and trainers engaged through the MoET provincial Skills Centres has increased over the last 4 months, the proportion of female trainers engaged has not increased. In June 2018, 64% (23) of the coaches and trainers in the SfA, SfAH and SfT work-streams were women. Currently this has dropped to 51% (33). The reason for this is the increase in coaches in SfA, a sector generally dominated by men.

Given that very few women in Vanuatu are employed in conventional institutional-based training providers, it is positive that the Partnership still engages more female coaches and trainers than men. However, the drop in women's representation over the last 4 months is of concern and is something that the Partnership needs to actively manage to ensure this trend does not continue.

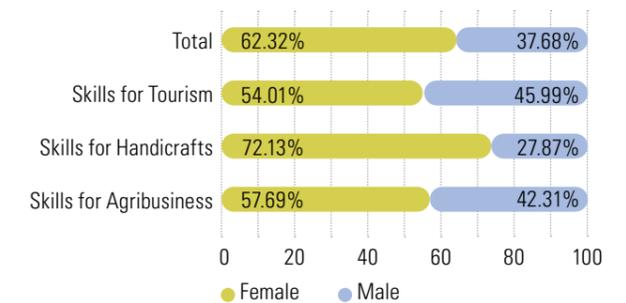


Figure 3 Gender – Productive sector coaches and trainers 2018

PROVINCIAL GOVERNMENT TRAINING BOARDS (PGTBS)

Women currently make up 12% of the membership of all of the four PGTBs. Samna and Torba PGTBs have highest proportion (17%) of women members, while Malampa Province has the least – only 6%. Continued effort needs to be made to increase the membership of women on the PGTBs. A major challenge to increasing women's representation is the low number of women (39%) working across the Government sector as a whole in Vanuatu, with even fewer holding senior positions⁷.

Overall only one person with disabilities (from VDPA) is a member of a PGTB. However, a member from the district office of the Ministry of Justice and Community Services on each PGTB ensures the interest of people with disabilities is represented.

The Partnership is strengthening the PGTB members' awareness, understanding and commitment to gender equality and disability inclusion, through ensuring gender and women's empowerment and disability inclusion, is part of their planning and reporting processes. For example, the bi-monthly Provincial report has a section on the priorities of women and people with disabilities, which help to ensure the PGTB, as part of their monitoring and reporting responsibilities, focus on these areas.

7. Refer <http://asiapacific.unwomen.org/en/countries/fiji/co/vanuatu>

THE VANUATU SKILLS PARTNERSHIP

The Partnership continues to support the engagement and promotion of ni-Vanuatu women within its technical, management and operational functions. In 2018, 34% (18) of the Partnership's ni-Vanuatu staff were women, and 75% of the senior management positions are held by women (local and international). Of these 66% are held by ni-Vanuatu women. None of the Partnership staff identify as people with disabilities.

Professional development opportunities for the Partnership's ni-Vanuatu female staff are actively promoted. In 2018 this included internal professional development training and mentoring, support to complete accredited qualifications and non-accredited courses, and opportunities to participate and present at international conferences.

DISABILITY INCLUSION IN TOURISM

The Partnership's Skills for Tourism team, with the Vanuatu Tourism Office (VTO) and the DoT, have taken important steps towards a more inclusive tourism industry through the provision of targeted skills development. This includes a focus on increasing access for people with disabilities as employees and consumers within the tourism sector.

Building on awareness and knowledge of disability inclusion gained through earlier professional development training provided by the Partnership, the VTO and DoT worked with the Partnership to develop and implement an Accessible Tourism Action Plan to support product development and marketing. This included the establishment of an accessible Vanuatu webpage on the VTO website, further coaching for tourism operators regarding inclusive and accessible tourism, and leadership of a National Tourism Forum in November, which, for the first time, focused on accessible tourism.

To strengthen work in this area, the Partnership brokered collaboration between the VTO and DoT and Vanuatu's two major disability organisations – the national Disabled People's Organisation (Vanuatu Promotion Advocacy Association – VDPA) and Service Provider (Vanuatu Society for People with Disabilities – VSPD). These organisations are now called upon by the VTO and DoT to advise on disability inclusion matters, and representatives also presented at the National Forum.

Since 2017, the Partnership has contracted an Accessible Tourism Coach, who is a ni-Vanuatu woman and wheelchair-user, and has formal qualifications in tourism. She has visited accommodation and tour operators in Efate and Santo to conduct accessibility audits and provide advice regarding improvements to support accessibility for tourists and workers with disabilities. Her unique combination of tourism knowledge, understanding of accessibility standards, and lived experience of disability, has enabled important attitudinal shifts and behaviour change amongst several tourism operators.

The engagement of people with disabilities, and disability organisations has been a major enabler in progressing disability inclusion in tourism. This brings contextual and technical credibility to efforts at both the local and national levels, and challenges assumptions about the possibilities for the participation of people with disabilities in their communities.

The Partnership is well placed to provide a brokering role to bring different actors together to facilitate change. The technical and financial resources provided create incentives for the sector to test new approaches in a small-scale and low risk way.

PROSPERITY OUTCOMES FOR CLIENTS

IO-7

New businesses started

Clients start new business or self-employment



IO-8

Sustainable business growth

Clients improve sustainable growth of their business



IO-6

Skills system compliance

Clients access new or improved employment



Contributes to:

LTO 5. Clients have increased income

LTO 6. Clients contribute to local sustainable development and management of climate change risks

CLIENTS

Two types of Clients participate in the skills development activities delivered through the Provincial Skills Centres.

Individual Clients

The entry point for participants is as an Individual Client (IC). They are selected through scoping activities facilitated by the Provincial Skills Centres, with productive sector partners. Depending on the productive sector and the area of skills development (in line with the PIFs), the IC will complete activities that may include an accredited training qualification course, or a non-accredited workshop, customised coaching or other practical skills development activity.

In 2018 (January to October) 422 Individual Clients registered for skills development activities. This compares to 836 in 2017, and is a 49% reduction compared to the 12-month period in 2017.

The reduced budget and level of activities has contributed to the lower numbers of new Clients, however, it also reflects the change of Client focus as the different skill development areas matured in 2018. In 2017 the Skills for Agribusiness and Skills for Handicraft work-streams were being established and the focus was on registration of new Clients. In 2018 the emphasis has been on continuing skills development activities with existing clients, and 144 individuals in the Handicraft and Agribusiness sectors have become Business Clients during this year.

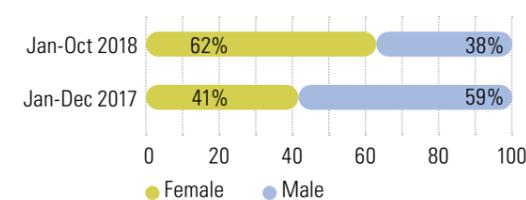


Figure 4: Gender of Individual Clients in 2017 and 2018

Women Individual Clients

In the period January to October 2018 the proportion of women Individual Clients in Partnership activities increased compared to 2017. In October 2018 women made up 62% (263) of the total number (422) of Individual Clients. This compares to December 2017 when 41% of Individual Clients were women.

The increase in the proportion of women is largely due to their higher representation in the SfH activities. Traditionally women are more active in areas including weaving, textiles and jewellery making. Women have been active in SfA activities, particularly in vegetable growing which also expanded during 2018. In 2018 there was less demand than in 2017 for Skills for Construction⁸, which is a sector that typically employs more men.

Individual Clients with disabilities

The most recent reliable data on registered Individual Clients with disabilities is that available for January to June 2018⁹. In this period 7% (31) of the registered Individual Clients are people with disabilities – 26 women and 5 men. 12% of new Individual Clients in Skills for Handicraft are people with disabilities.

PARTICIPATION BY INDIVIDUAL CLIENTS

Participation data is the number of times an Individual Client¹⁰ participates in a skills development activity. Depending on the productive work-stream and the level of interest and commitment, an Individual Client often participates in more than one activity in a year.

The level of participation by Individual Clients in 2018 is less than 2017. The reasons for this are the increase in activity with Business Clients, and the drop in number of new Individual Client registrations. The reduced budget available in the second part of 2018 has meant that fewer skills development activities were delivered.

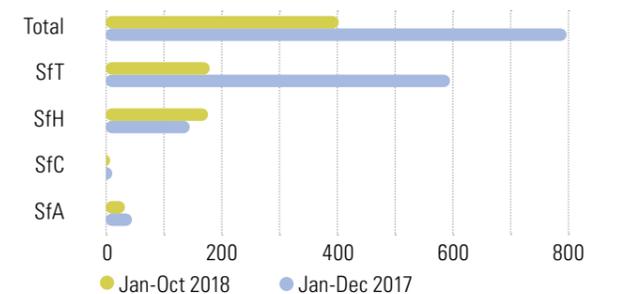


Figure 5 Participation in Skills Development work-stream activities in 2017 and 2018

8. Skills development activities took place in 'Skills for Construction' as part of the construction completed for the Malampa Handicraft Centre. The data for this activity is incorporated within the Handicraft sector data.

9. During the second part of 2018 due to the changes in data collection tools, information on Individual Clients with disabilities has not been systematically collected using the modified version of the Washington Group questions.

10. In subsequent years once the MIS is established, and unique identifiers allocated to Clients, the level of participation for both Business and Individual Clients will be measured. This will allow easier tracking of each Client's pathways in education and skills development whether they are an Individual or a Business Client.

Women's Participation

In each of the productive sectors the proportion of women participating in skills activities has continued to increase in 2018. Women now make up 67% of all participants for the 10-month period to October 2018. This compares to a female participation rate of 53% for the 12-month period January to December 2017.

The growth in participation of women in 2018 is attributed to the increased number of Clients in SfH and SfA. Agribusiness is a new and growing productive area for the Partnership. Skills development in Agritourism specifically focusing on food production ("farm to table") and organic horticulture farming has promoted good participation by women farmers.

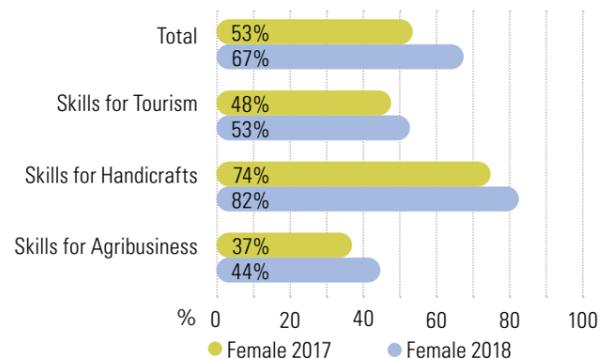


Figure 6 Percentage of women participants in 2017 and Jan-Oct 2018

Participation by people with disabilities

The Clients with disabilities made up 7% of the participants in skills development activities in 2018. This is the same proportion of Clients, which is an indication that Partnership is successfully implementing quality in access to skills development for people with disabilities.

BUSINESS CLIENTS

Some Individual Clients make the transition to Business Clients (BC). This generally occurs when an individual demonstrates interest and commitment, and has applied the knowledge and skills gained to make progress in establishing or expanding her/his own viable business enterprise, that shows potential to provide a sustainable source of income.

Business Clients, and staff that they employ, have the opportunity to receive a more extensive and nuanced suite of training and skills development opportunities. The inputs are determined by an assessment made by a coach about the stage of business development, the quality of the product or service, potential markets, and the aspirations of the client. The skills development then offered may include working towards attainment of accredited qualifications; gaining skills through targeted customised industry-specific activities; or individually tailored industry coaching specifically related to their product or service or to business practice.

During 2018 the focus of skills development activities has been on the transition of existing clients to Business Clients. In October 2018 there were 285 registered Business Clients. Skills for Tourism has the highest number of Business Clients (141). This number has remained steady during 2018. As noted previously, the Handicraft workstream has contributed to the largest growth in Business Clients increasing very rapidly from 10 to 107 (970%) during the period July to October 2018.

A breakdown of the proportion and numbers of Business Clients per productive work-stream is shown in Figure 7.

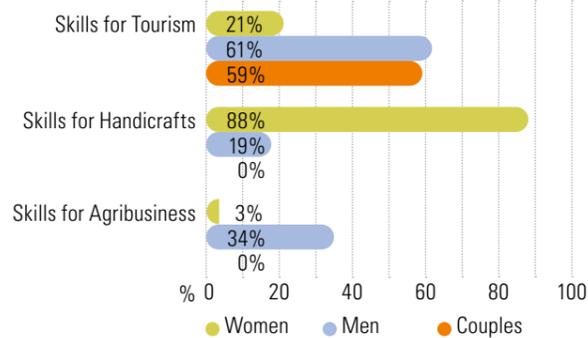


Figure 7: Business Clients in productive work-streams

Women operate 60% (171) of these businesses. Of these 39% (112) are sole women operators, and 21% (59) are businesses where women operate the business with their husbands.

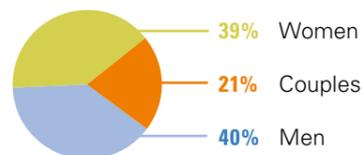


Figure 8: Ownership of businesses (N=285) – for all work-streams

DATA QUALITY

Although the rapid growth in Business Clients in Handicraft, and to a lesser extent Agribusiness, during 2018 is positive, it has created challenges as the tools designed to assess and monitor Clients have been introduced rapidly and at a time where there have been budget constraints.

The important lessons learned from the assessments made of the new Business Clients is that insufficient time was allocated for piloting and testing the tools and processes, and for training coaches in their use. This has raised issues about the consistency and quality of data collected for use by the coaches and for monitoring progress. Where there are limitations in analysis due to data quality it has been noted in this report.

CLIENTS START NEW BUSINESSES

During 2018 no specific tracking of the progress of Individual Client's who have completed skills development activities has taken place, however the transition rate from Individual to Business Clients provides an indication of the growth in businesses that is linked to skills training.

The only data available about setting up of new businesses and enterprises is that collected for case studies. There is anecdotal evidence, collected through Most Significant Change Stories (MSC), and interviews, that Clients have set up new enterprises following the completion of skills development activities, including examples from Handicraft Business Clients. The increased earnings from sales of handicraft products have helped producers in Torba invest in new business ventures such as purchasing cement for renovations to guesthouses or tools for livestock farming. One female member of the Vetimboso Handicraft Association, who is a person with disabilities, has used her increased income from sales of weaving products to diversify her livelihood activities to include livestock farming. An Individual Client who participated in the 'farm to table' Agritourism training, who currently works in a restaurant is now motivated to find ways to establish his own business.

The anecdotal evidence shows that Clients are using the economic benefits gained from skills training to diversify their livelihood interests. Most Clients set up new enterprises in different areas from that in which they had received training. This is not unexpected, as many of the Clients already have an established small business enterprise when they register, and wisely, they are diversifying their sources of income, which helps manage seasonal production and earning cycles, strengthen personal and household economic resilience.

Cocoa is a seasonable cash crop that has its two seasons in a year. I am planning to supplement this with an ongoing income activity ... I see poultry is another good family project which I can involve my family to work on while I am concentrating on cocoa farming.
Block-holder farmer

I have now built a chicken coop but I don't have access to chicken wire. This is my plan, as there is demand for now in Malekula for chickens.
Wife of a block holder farmer.

During 2019, the information on economic and social impacts of skills development will start to be systematically collected once the new economic and social tools are finalised, and the new MIS launched. More detailed and reliable information on the contribution that skills development activities have on Clients' options and choices in livelihoods and business enterprises will be measured and available. An area of particular interest to better understand is the extent to which Clients choose to focus on enterprises directly related to their skill development area, or the extent to which they are motivated and better able to diversify their livelihood options by establishing enterprises in new areas.

CLIENTS IMPROVE SUSTAINABLE GROWTH OF THEIR BUSINESS

Measurement

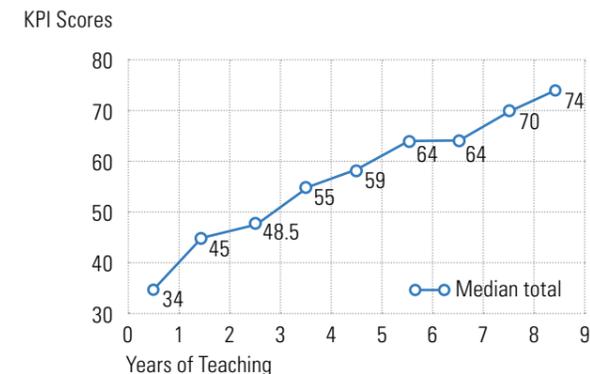


Figure 9 Median Business Client KPI scores for years of coaching

Sustainable growth in business is measured through a number of indicators. The primary source of data is the Key Performance Indicator (KPI) scores that are collected by the Business Client coaches. There are some common indicators for all of the productive sector areas, but most are specific to each sector and for specific business types within the sector; for example, in Tourism – tour guiding, massage, accommodation, hospitality, and for the different types of agricultural production and farming – cocoa, spices, vegetables.

The Partnership's SfT work-stream has the largest cohort of Business Clients, and many of the current clients have received coaching and skills development inputs over a 5-year period (since Phase 3 of the Partnership). In 2018, the Skills for Tourism team reviewed progress of a random sample of 25% of their Business Clients who had received coaching over a period of 1 to 5 years. The analysis of the median KPI scores shows that coaching continues to contribute to improvement in the quality and standards of the business. The greatest improvement occurs during the first 2 years of coaching.

During 2018, the SfT staff and the Industry Coaches, who have had up to five years' experience working with Business Clients, raised concerns about the validity and reliability of the KPI method. They are uncertain that this form of progress measurement is sufficiently sensitive to measure progress over the longer term when businesses have reached a more advanced stage of development, and as coaching transitions from tangible infrastructure coaching to focus more on operations and management of the business.

The Coaches are also concerned that current productivity and business indicators such as income, profit and expenses do not accurately capture the full effects of skills development on overall client and wider household, community and provincial prosperity, particularly for women and people with disabilities.

These issues were addressed to some extent through changes that were made in September 2018 to the indicators as part of the design of new data collection tools and design of Intermediate Outcome indicators, which are discussed more in the MEL Section 4 of this report. However, the staff and coaches remain concerned about the validity of the KPIs to comprehensively monitor the contribution of skills development to businesses growth when clients move from requiring 'product' to 'business' investments such as digital marketing and operational support, which introduces additional external enabling factors that are outside the influence of skills development activities to improve their business.

During 2019 there will be continued refinement of the current indicators and the process used to collect the information. The introduction of specific economic and social analysis tools will also help to address some of the concerns about valid measurements of prosperity outcomes.

The SfH and the SfA work-stream introduced Business Clients in 2018, so only initial baseline and some early re-assessment data is available for these work-streams. There are certain weaknesses in some of the early data that has been collected. In this analysis, only data in which there is confidence about its validity and reliability has been used.

Sustainable business operations

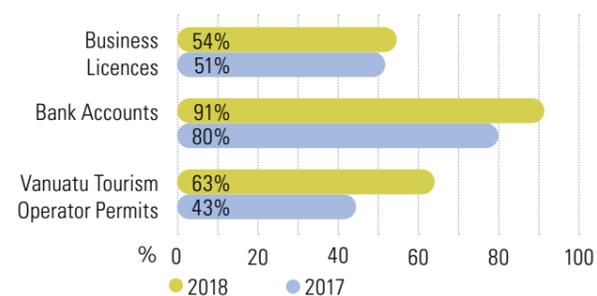


Figure 10 Business Client growth 2017 to 2018

Skills for Tourism

During 2018 the proportion of Business Clients that have formalised their business operations and met industry standards, which is measured by having Business Licences, Vanuatu Tourism Operator Licences and bank accounts has increased compared to 2017.

Three businesses associated with the Partnership were finalists in the Vanuatu Tourism Awards, which is based on recognised international industry standards and assessed by international judges.

Skills for Handicraft

The median / average KPI scores of 66 Handicraft Business Clients improved between the initial baseline assessment and a re-assessment that took place within 6 months. During this time the Clients completed skills development activities.

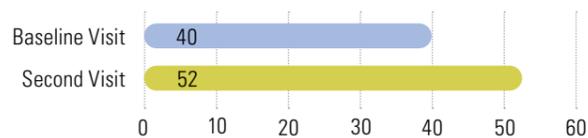


Figure 11 Change in median KPI scores of BCs – baseline and second visit 6 months later

In March 2018 only 3 Business Clients from 28 members of the Vetimboso Handicraft Association (61% are women) had bank accounts. In November 2018, 21 have now opened new bank accounts.

Productivity

There is strong evidence of skills development contributing to improved productivity in all sectors. This is related to improved access to markets and also improved technology, skills and knowledge and new product designs that help to create efficiencies in production.

Because of challenges experienced in collecting reliable data much of the evidence is anecdotal – for example women weavers who learnt new designs and skills for making Christmas tree decorations reported that they now take less time to make products so are producing more. Another indicator of improved production is the volume of sales made through handicraft association hubs (refer to next section IO 10 for details).

In Agribusiness the demand for products from restaurants has increased since completing the 'farm to table' training and vegetable growers are now receiving weekly orders for their produce.

The productivity of cocoa farmers, who received skills training has increased on average by 66% compared to other cocoa farmers who produce and sell to the same company, but who did not receive skills training.

Income

There have been challenges experienced when trying to reliably measure the change in income of Business Clients. Many of the Clients have very limited business records and don't have bank accounts. This often means they cannot reliably recall their income earned. Often the income and expenditure from their business is mixed with other sources of income and expenditure from other business ventures or combined with others in the household. In addition, some Clients are hesitant to share exact details of personal income with Coaches, and if they do, the figures are often vague and inaccurate and often cannot be validated due to poor quality book keeping and business records.

Creating employment

During 2018 initial data was systematically collected about the paid employment status of people employed by Business Clients. Preliminary baseline data from the SfA work-stream shows businesses are employing both women and men. For example, 10 cocoa farmers in Malampa during the 2018 season employed 14 paid workers (7 women) on their farms. This number includes two women with disabilities. Eight vegetable farmers in Santo employed a total of 35 workers during 2018, which included two people with disabilities, and 15 spice farmers in Tafea employed 30 workers in 2018.

In the future the Partnership's MIS will enable routine collection and analysis of the workers that Business Clients employ (disaggregated by employees' gender and disability). This will enable better comparative data to be collected in each of the productive areas of skills development in regard to the scale and inclusiveness of employment created by Business Clients.

CLIENTS ACCESS NEW OR IMPROVED EMPLOYMENT

During 2018 the employment status of Individual Clients pre and post training was not systematically collected. This is due to the changes in the data collection forms, and the challenges in tracking Individual Client progress through the current data management system. The last tracking of Individual Clients was completed in 2015 during Phase 3.

During 2019, when the new MIS is launched and each client is allocated a unique identifying number, it will be possible to undertake tracking analysis of Individual Clients. The economic and social impact assessment tools that will be designed and implemented during 2019 should also enable assessment of the change in employment status over time by skills development clients.

There is some very limited anecdotal evidence and examples of improved employment that is linked to skills and knowledge gained from skills development activities. One example is a restaurant worker who gained a promotion following the completion of the 'farm to table' training that took place in August 2018.

A further factor that creates challenges in relation to reliability of the response is the way Coaches ask and record information on income. It is apparent that a mix of gross and net income is being recorded, and that there is inconsistency in the timeframe being used when seeking the information. As part of improving the quality of data collected, efforts will be made during 2019 to introduce new ways to improve the validity and reliability of financial and economic data collected from Clients. This will include the design and use of locally contextualised tools that measure indicators reflecting prosperity of Clients designed and implemented during 2019 should also enable assessment of the change in employment status over time by skills development clients.

There is some very limited anecdotal evidence and examples of improved employment that is linked to skills and knowledge gained from skills development activities. One example is a restaurant worker who gained a promotion following the completion of the 'farm to table' training that took place in August 2018.

At this stage the information available from the handicraft associations and private companies to which the producers sell provides reliable comparative data on Clients' earnings.

The Vetimboso Handicraft Association (VHA) was established as a producer hub in 2018. The VHA currently consists of 29 members, of which 55% (16) are women. The members all live in Vetimboso village, which is located in a remote part of Torba, about 4 hours walk from the capital Sola. During 2018 the Torba Provincial Skills Centre has provided a range of skills development activities to the members of the VHA in product design, technical skills development and in financial literacy.

The benefits realised for the members from just one year of skills development support are readily apparent. In September, six months after initial baseline data was collected and when the first workshops were held in Vetimboso, the production and sales of the producers had increased in all of the production areas.

The large increase in production, particularly in weaving, is attributed to increases in orders and improved market access gained through the VHA producer hub, and from the Torba Handicraft Cooperative (THC). As a result of the increase in sales, the combined income for the members of the VHA in October 2018 was approximately 280,000VT from handicraft sales. This represents an increase of 20% in earnings from sales compared to 2 months earlier in August 2018.

	% increase between baseline and 6 month	
	Production	Sales
Weaving	94%	96%
Stone Carving	56%	54%
Jewellery	67%	68%

Table 1. % Increase in production and sales over 6 months in 2018



MARKET ACCESS

IO-10

Improved market access

Improved market access in target value chains



Contributes to:

LTO 7. Target value chains have improved productivity

LTO 5. Clients have increased income

There is strong emerging evidence that the strategies being employed by the Partnership to improve market access are successful, and are contributing to increased income earned by both Individual and Business Clients.

HANDICRAFT HUBS

Two provincial Skills Centres have supported the establishment of handicraft hubs. The purpose of the handicraft hubs is to provide local producers a location to showcase and sell their products locally, and also provide a distribution channel for access to national and international markets. It also offers its members access to technical and production skills development.

Two hubs are now formally established in Malampa and Torba provinces. A local producer association has also been set up in the remote village of Vetimboso in Torba Province.

Malampa Handicraft Centre

The Malampa Handicraft Centre (MHC) is a community based social enterprise that was established in 2015 through a partnership between the Partnership through the Malampa Skills Centre and the civil society organisation (CSO) the Malampa Provincial Council of Women. It is a pilot for the first sustainable provincial handicraft wholesale hub in Vanuatu.

The MHC has over 300 members, of which 90% are women. Women and men with disabilities are also members. The members produce a range of handicraft products including jewellery, woven baskets, decorations, wood and stone carving and textiles.

Through the Malampa Provincial Skills Centre, the Partnership is supporting the MHC to become a profitable and self-sustaining social enterprise. The support provided includes financing (from Pacific Women and the Governance for Growth program) for operational and staffing costs, and technical advice on marketing, communication, business and financial management. Training in design and production in different handicraft areas is provided to some of the MHC members.

The MHC is making steady progress towards developing a viable business model. At present, a gap remains between the total operational costs and the proportion of costs that currently are covered through sales. A sustainability plan has been developed and its implementation and close monitoring of the progress being made towards self-sustainability is taking place as part of the business coaching inputs provided to the MHC through the Malampa Skills Centre.

During the 10 months from January - October 2018 the MHC paid 2,035,678 million vatu (AUD\$24,711.42) for sales of products made by the members, 90% of whom are women. Figure 13 shows the increase in sales and also the proportion of sales and income generated by the MHC over the 3 years from 2015.

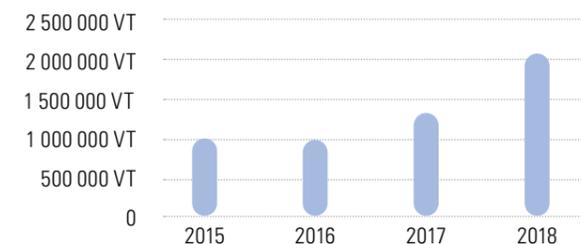


Figure 13 Producer Payments from 2015 - 2018

A comparative analysis was completed in November 2018 of income earned by a subset of 49 MHC producers of which 94% (46) are women. All 49 producers are Business Clients who sell their products to the MHC. During 2018 they participated in skills development activities including workshops on product design, production and financial literacy, and they have also received individual coaching and mentoring specifically related to their products and businesses.

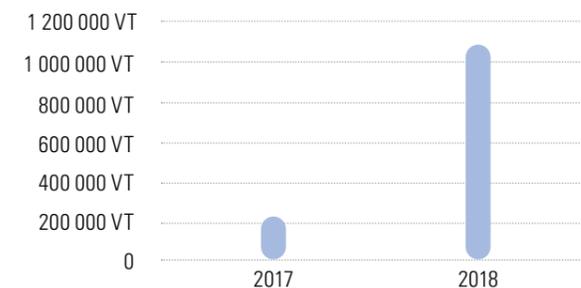


Figure 14 Income from sales of 49 client of MHC 2017 and 2018

Between January and October 2018 this group of producers earned, in total, 400% more income from sales to the MHC than they did for the period January to December 2017. This impressive increase in earnings demonstrates the value of the skills development activities being made available through the Skills Centre, and the benefits of the hub for access to new and larger markets, and as a point of sale locally for products. Membership of the hub also strengthens peer and social support between fellow producers.

Torba Handicraft Cooperative

The Torba Skills Centre has supported the development of the Torba Handicraft Cooperative (THC). The THC was initiated by producers and the Provincial Government in mid-2018 and promotes the sale of quality, sustainably produced carvings, jewellery and woven goods. It aims to function as a market hub that sells the products and strengthens the producers' access to other domestic and international markets.

The THC has provided an avenue for the marketing of Vetimboso products as well as the opportunity for Vetimboso Handicraft Association (VHA) to create a brand and a marketing story. Building on knowledge from workshops and data from sales, VHA chose to direct focus on high-value products for “niche” markets rather than the lower-end and cheaper “souvenirs” market. By aiming produce at a higher price point and more exclusive clientele that to date includes Port Vila resorts, the Australian High Commission, and the Vanuatu High Commission in New Zealand, the VHA is beginning to establish a reputation for high quality products within a unique market.

Being a Torba-based organisation, the THC is able to create a greater level of trust among its members. The increase in sales, quality and orders has also reinforced greater mutual trust between producers and the THC. Accurate book-keeping by the THC assists in proving sales/income for individual co-op members. A large portion of THC income comes from Vetimboso sales through the addition of a 25% commission. From June to October 2018 THC earned 157,000VUV through VHA sales, representing 471,000VUV in sales for VHA.

SOCIAL MEDIA AND E-BASED CHANNELS

Accommodation Business Clients in the SfT work-stream are being encouraged to register with TripAdvisor, Booking.com and Airbnb and other booking channels, and to set up Facebook pages.

The first phase of training in e-marketing was completed in 2018, and results from this will be monitored during 2019.

TRAVEL CENTRES

There are now three Travel Centres that operate in Tafea, Malampa and Sanma established through the Partnership in collaboration with the VTO. Private outer island tourism operators jointly own the Centres with the Provincial government. Demand from local operators and the increase in outer island tourism created the impetus for improvement in marketing mechanisms, and the establishing of the Centres. Their purpose is to support further growth in the local tourist industry by creating coordinated market access between visitors (both domestic and international) and the different tourism operators.

There are some concerns about the structure and management of the Travel Centres. Each centre currently has its own operational systems for finance, online marketing and administration. The VTO is keen to see more consistency between the three centres and better organisational alignment with national government structures.

Currently, in consultation with the Partnership, VTO is undertaking a review of the three centres. It is expected that the review recommendations will lead to a refinement of the structure, governance and operating systems of the centres.

PRIVATE SECTOR PARTNERSHIPS

Access to premium international markets is facilitated through the Public Private Partnership (PPP) agreement with the international cocoa producing company Vanuatu Cocoa Premium Limited (VCPL). Skills development inputs help farmers to improve the quality and yield of green cocoa that they produce for sale. The company pays a guaranteed price for high quality cocoa that is exported to the European market.

There is clear evidence of the benefits to cocoa farmers involved in the PPP with VCPL and the impact of having access to a niche, upper-end market. The cocoa farmers who sell to the company earned on average 29% more income from their cocoa harvests in the 2017/2018 season than the nearby ‘satellite’ farmers who also receive skills training but do not have access to the same market. The farmers selling to the company were paid 45VUV/Kg while the satellite farmers, who generally sell their cocoa to local wholesalers (for local production or export to the cheaper Asian markets), on average only received about 20VUV/ kg.

4. MONITORING EVALUATION AND LEARNING (MEL)

FRAMEWORK AND PLAN

The MEL framework and implementation plan for Phase 4 were approved by DFAT in February 2018. In line with the Partnership design, the approach to MEL focuses on nurturing recognition for the value of MEL data and information within government through locally-led, adaptive approaches.

The independent evaluation report at the end of Phase 3 identified that MEL needed to ‘evolve’ to the next level in order to tell a story of long-term impact. The evaluation recommendations were that MEL needed to be integrated into the planning and implementation processes in program management systems; and ensure MEL is seen as being part of ‘everyone’s business,’ through ensuring that Partnership staff and partners have sufficient support, including appropriate technology, tools and processes, to help them effectively take responsibility for implementation of MEL.

The MEL plan identified key elements of the new system that would be introduced during 2018:

Outcome Measurement

- Focus on new methods for measuring of outcomes for individual and business clients, training providers, the sectors and more widely in relation the coordination, resourcing and capacity of the whole skills system
- Design of economic and social indicators and a process for measuring and analysing baseline and, outcome data
- Additional tools including creative and flexible methodologies such as outcome mapping, to better capture change in a complex and interrelated system

Deeper analysis and evaluation

- Engage specific expertise for high quality technical inputs such as economic analysis
- Collaborative research on Thinking and Working Politically within the Partnership, which will help provide a theoretical framework and language for the Partnership
- Clear work plan for MEL team to work with partners on relevant case studies, and ad hoc evaluations

Evolution of Management Information Systems

- Align and embed within the Government of Vanuatu data systems
- Introduction of innovative tablet/phone based technology for collection of activity and participant data
- Refining formats and processes used to collect client and participant information
- Good data to inform better reporting and impactful communications products

IMPLEMENTATION

During 2018 the MEL team made significant progress in implementing all areas of the planned work. This has been through close engagement with and support from colleagues in the Partnership, and the involvement of national and provincial level government partners. The key activities completed include:

- National and provincial level workshops to introduce MEL concepts and new monitoring tools and processes for Partnership staff and government partners
- Design and implementation of new client data collection forms
- Introducing data collection using Kobo¹¹ application through tablet / phone based technology
- Outcome Harvest and Most Significant Change Story collection and analysis introduced and used by Partnership staff in 6 month progress reports, and the methodology and results were shared with partners through the December SPSC meeting
- Design of a prototype (beta version) technology based Management Information System (MIS), linked to e-Gov system, which will be ready for launch in early 2019 for use by Partnership staff and GoV partners who will be able to access the database and tools to complete simple data analysis
- Scoping and initial design of economic and social analysis impact process and tools that will be finalised through further locally based consultation and piloting in the first 6 months of 2019
- Providing inputs to the Vanuatu National Statistics Office for the National Household Survey that will be the baseline for NSDP (to be implemented in 2019), and agreeing to collaborate to enable access and joint analysis of data sets relevant to the Partnership
- Thinking and Working Political research report that was completed in November 2018 explores the different ways that the Partnership approach supports transformative change in ways that are locally led and deeply sensitive to local culture and dynamics, and the findings will be presented at Australasian Aid Conference (February 2019)

11. www.kobo.com

The MEL team also completed two additional important activities that were not in the initial work plan:

Defining Intermediate Outcome indicators

At the time of designing the MEL plan, it was determined that the monitoring questions articulated during the Phase 4 design process, and the framework of the PSET policy provided a sufficient reference to use to monitor progress towards achievement of the Intermediate outcomes. During the mid-year reporting process it was apparent that more specific process and outcome indicators would help Partnership staff to focus more strongly on outcome rather than output level monitoring, which will also improve their understanding about the inter-dependency of results in the different elements in the program logic and Theory of Change.

Over a 3-month period, through close consultation and collaboration between MEL and the Partnership team, a set of indicators was developed. This process was helped by the design of new Client data collection forms as part of the introduction of Business Clients in SfA and SfH work-streams. The set of indicators was used to guide the end of year monitoring and reporting.

Certain challenges were experienced in agreeing the final set of most important progress markers. Overall staff were ambitious about the number and detail of indicators, and the frequency of measurements. There were also concerns about the validity of some of the measurements being used – for example the questions about income earned and sales.

Given the large number of Intermediate Outcomes (10) in the approved design, there was a high risk of creating a set of indicators that require excessive time and resources to measure, and would not add value to the purpose of the indicators which is to measure key progress markers. The final set of indicators is still large and detailed and will benefit from further refinement that is planned during 2019.

Partnership Management Tools and Process

During the second part of 2018, the MEL team with the Support Contractor and the Management Systems Specialist¹² worked together to develop a comprehensive Partnership Management guideline and tools. The purpose of the new Partnership Management tools is to improve efficiencies and support greater consistencies across all work-streams throughout the management cycle – analysis, planning, implementation and MEL.

The processes are to be introduced incrementally during 2019 and will strengthen coordination between the Productive Sector and Training Provider Support work-streams. They will also ensure that MoET Provincial Skills Centres and PGTBs take stronger leadership in coordinating cross sector planning to determine skills development priorities, and set annual work plans that meet local provincial needs and are in line with and support the national level priorities. This should strengthen the effectiveness and sustainability of outcomes.

Flexibility and responsiveness is a strong feature of the Phase 4 design. Ideally the new tools when introduced should enable continued agility in decision-making that is based on stronger analysis and evidence that is currently available and being used at present. Once the tools have been introduced during 2019, based on review of their use, revisions and improvements as necessary will be made.

12. This is a new role that is part of the Support Contractor function, that has been introduced to strengthen the management and coordination of all productive work-streams

DATA QUALITY – CHALLENGES AND IMPROVEMENT

Business and economic outcome measurements

The primary source of data for the indicators that measure progress in the Intermediate Outcomes that relate to business and economic outcomes are collected using the Business Client files that are maintained by the productive sector work-stream coaches.

Each sector team dedicates time and resources to training coaches on the use of the Business Client file as a tool for coaching and as a data collection tool. The coaches in Handicraft and Agribusiness used the data collection tool (using Kobo and tablet) for the first time in 2018. Informal feedback from the coaches indicates that, overall, they found the tool helpful for their coaching inputs. The data collection process provided opportunities to discuss gaps and priorities with the clients. However, the process takes a long time for the coach and the Client to complete. This is due to a number of factors – the length of the tool; clients don't always have the information required easily to hand; and some areas of questions needed explaining, which in itself was seen as positive as it offers a way to introduce or reinforce aspects of skills development through the process. In addition, the process and the tool used (Kobo) is new for many of coaches. Due to the time needed to complete the process, some coaches found it was better to collect the information in stages with the client, rather than in one session.

A review by the MEL team of the first set of data collected revealed some issues over reliability of the information being collected (details in earlier sections of this report). At this stage the measurement of change in economic prosperity relies heavily on the Outcome Harvest and Most Significant Change Stories (refer examples provided in the wider reporting package.) These qualitative methods provide strong evidence that demonstrates a positive link between improvement in the business leading to improvement in household income, reduction of debt, increase in assets and often diversifying and increasing investments in other enterprises and livelihood options. As yet there is limited reliable quantitative data available to validate the improvements being anecdotally reported.

During 2019, the challenges experienced in collecting quantitative data on economic changes for Clients and their businesses will be reviewed. Alongside this, the design and initial implementation of economic and social analysis tools will be completed. As part of the ongoing professional development in MEL for Provincial Skills Centre staff, industry coaches and productive sector partners, training on the use of the new tools and process will continue.

Client database

In the transition from Phase 3 to Phase 4 considerable challenges in the existing data management system were identified. In summary, the Individual Client and participant data for each phase of the Partnership is held in excel format, which makes it very difficult to manage and to track the pathway and progress of each client over time. It also became apparent there were gaps in data entry and different forms had been used to collect data. This meant that considerable “cleaning” of data already in the system was required.

As part of establishing the new MIS, data cleaning for Phase 4 has been completed, and currently data back to the start of Phase 3 is being cleaned and sorted. This should be finalised in the first quarter of 2019 when the new MIS is due to be launched.

During Phase 3 the SfT Business Client files were managed by the SfT team and were not part of the MEL database. Excel was also used for these files. As part of setting up the Kobo data collection tool and the new MIS, the Business Client files from all productive work-streams will be transitioned to the new system. Once unique identifiers are allocated to Clients, this will enable tracking of clients who transit from the Individual to Business Client status, which was not possible before. This will make it easier to complete tracer studies on specific cohorts of individual participants in the skills system, including follow up on those who have not remained active clients.

Review Partnership design

There is a large number (10) of Intermediate Outcomes in the Phase 4 Partnership design. In the initial year of implementation of the new MEL plan, this has created challenges that have been described already in setting valid progress indicators, and in easily and in resource efficient ways collecting reliable data. During 2019 the MEL team will continue to refine the indicators and the monitoring tools, and provide further training and support to the Partnership team and partners.

During discussions with the DFAT staff and the MEL Adviser (John Fargher) in October 2018 options for the mid term review (MTR) of Phase 4 that is due in late 2019/ 2020 were discussed. It was proposed that it might be more useful and resource efficient to undertake in 2019 an internal rapid assessment to review progress and performance in Phase 4 and consider the implications of changes to the context that may influence the strategies and focus of the current design, including potential refinement of the current partnership logic and ToC. The process, that would be relatively 'light touch', would be facilitated by an independent reviewer and strongly engage key partners and stakeholders (potentially members of the SPSC), to gain their perspectives and also serve as a means to strengthen understanding and commitment to the Partnership design by key representatives from the GoV.

5. FINANCIAL

ANNUAL BUDGET

The Partnership annual budget for the financial year¹³ 2018 / 2019 is AUD 3,103,350.11. This figure excludes the Support Contractor management costs, and is 23% of the total amount allocated in the contract period to 31st December 2021 of AUD 13,664,429.00 for Partnership activities and inputs.

The budget is allocated to four cost centres consisting of:

- **Personnel Costs – AUD 1,271,225.65** for local staff salaries, fees and associated costs for pool of local and international short term advisers
- **Adviser Support costs – AUD 144,124.46** for travel and associated visa and departure tax, accommodation, ground travel
- **Operational costs – AUD 378,000.00** for office rent, utilities, vehicle purchase and running costs, stationary, communication, website, recruitment, maintenance and refurbishment
- **Activity Costs – AUD 1,310,000.00** coaches fees, associated costs for coaches, training workshops, materials, venue hire and local transport

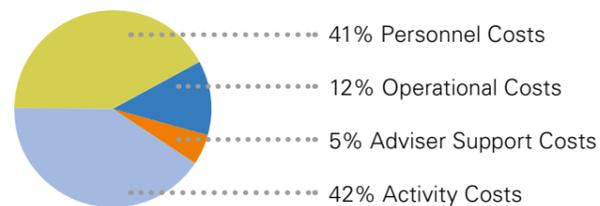


Figure 15: Allocation of budget to cost centres in 2018/2019

EXPENDITURE

The proportion of budget spent in the period July 1st to December 2018 in each of the cost centre areas is summarised in Figure 16.

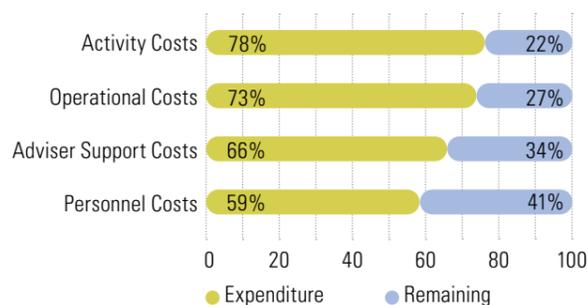


Figure 16: Proportion of budget spent in the period July 1st to December 2018

Although timing of implementation of activities and inputs varies over the 12 month period, at the mid point of the financial year there are certain costs centres where the expenditure made is already above 70%. Two cost centres that have expenditure above 70% are activity costs (78%), and operational costs (73%). The proportion of budget spent on adviser support costs is also high (66%).

Within the cost centres there are certain budget lines where there is higher than anticipated expenditure (i.e over 70% spent by December 2018). Table 2 summarises the levels of overspend, and gives reasons for this, as well as the planned budget management for the period to June 30th 2019.

Area	% spend	Reason	Management
MEL Adviser	86	Low budget allocated Higher investment in MEL improvements in 2018	Consider adjust total MEL budget for the contract period Phase expenditure and anticipate reduction in future years
Adviser support costs	73	Low budget allocated	Reduce inputs for remaining period to June 30 th 2019
Operational costs	73	Up front investment in renovations, IT, web and unplanned purchase of new vehicle	Phase expenditure and anticipate reduction in future years
Program Costs	117	Ambitious activity planning and not clearly linked to budgeting process	Delay and revise activity plans to June 30 th 2019 Improvement in planning and budgeting process for 2019 being implemented

Table 2. Areas of high expenditure during financial year 2018/19

VALUE FOR MONEY

There are a number of features of the Phase 4 design that support DFAT’s approach and principles of Value for Money (VfM). A summary of key strengths of implementation that are supporting a VfM proposition and areas where improvements can be made is provided in this section.

ECONOMY

Strengths

Economy in delivery is supported through the competitive selection and performance monitoring of staff and contractors. Wherever possible locally based and suitably qualified ni-Vanuatu contractors are engaged, and where skills and expertise required is not available internationals resident in Vanuatu are generally sought. If international Coaches or trainers are engaged by the Partnership they will work with ni-Vanuatu nationals to strengthen locally based capacity that can be used in the future. At present 70% of the Coaches and trainers engaged in the Partnership are ni-Vanuatu, which is an increase from 58% during 2018. Many of the inputs provided by national or international Coaches in the productive work-streams are implemented in partnership with GoV national or provincial staff. Both of these strategies support economy, and the professional development of suitably qualified national personnel supports progress towards local sustainability. The partnerships with CSOs (one example being with the disability partners) and the PPPs demonstrate the potential of both economy and sustainability.

Areas to improve

In 2018 international advisers make up 26% (9 international advisers and 34 local staff) of the total Partnership staff. All of these staff are selected through competitive selection processes and are performance managed, but as is discussed further in efficiency, as locally based skills and expertise improves, the number and the level of inputs provided should reduce over the next period of Phase 4. This will help to improve economy and efficiency, and strengthen local sustainability.

EFFICIENCY

Strengths

The engagement of both national staff and international advisers who have worked in earlier phases provides a strong base of knowledge and understanding that informs and guides strategic and activity level decision-making. This is further supported by DFAT staff who have long-term involvement in the current and earlier phases. The senior ni-Vanuatu staff are well connected and have strong and positive working relationships with key GoV personnel and at a political level, which helps the flow of information, facilitates coordination and provides strategic points for engagement and influence at multiple levels. The development of the new Partnership Management guidelines and tools which are now in the early stage of implementing will help to strengthen evidence based planning and decision-making.

Areas to improve

The proportion of the budget in financial year 2018 / 2019 for international advisors is 27% of the total budget and expenditure for all personnel (local and international). To December 2018 expenditure on international advisors is 30% of total expenditure of personnel. To improve efficiency ideally this proportion needs to reduce during the remaining period of this Phase. The investment in TPS is also relatively low and given the challenges in progressing the supply side in response to demand from productive sector work-streams this may need to be adjusted upwards to better meet the needs. MEL also has a low amount allocated in the budget for 2018 and for Phase 4 overall is about 1%. The rate of spend on the MEL Adviser is above that allocated in the annual budget. While seeking proportionality of investment, a sufficient level of investment in MEL is required to support improvements in the Partnership and the GoV Partners’ systems to ensure there is a strong and valid evidence base for influencing and advocacy and to fulfill accountability and reporting requirements. The overall amount of MEL investment may need to be reviewed upwards during Phase 4.

EFFECTIVENESS

Strengths

The Partnership is helping to introduce innovative new practices to the national skills system including new and more flexible delivery of skills development in demand areas by training providers that are accessible to people who typically may not easily participate due to living in rural locations, and barriers that include low formal education qualifications, poor levels of LLN, their gender and disability. Participation in the skills development activities is contributing to prosperity and social gains for participants, and their families.

Areas to improve

The MEL tools and system for Phase 4 still need further strengthening to demonstrate the effectiveness of the Partnership approach and provide a robust evidence base of the economic and social value and importance of the national skills development reform process that will help to influence and garner further commitment and investment of GoV, private sector and other development partners. There is also a lack of clarity about the extent to which continued growth in scale of skills development activities in this Phase is required to effectively demonstrate proof of the value of skills development to help progress policy reform.

ETHICS

Strengths

The Partnership works closely and openly with GoV partners in the management of the SDF, the PIFs and through the PGTBs and SPSC. All Partnership management systems are designed with full consideration and commitment to alignment and integration with GoV systems – for example the design of the new MIS and the Partnership Management Tools. The PGTB and SPSC provide forums for open sharing of progress and of challenges, and for joint monitoring and learning.

Areas to improve

The continued investment in strengthening coordination with GoV partners in both the productive sector and the MoET and the VQA will help the mutual exchange of information that will benefit implementation by the Partnership and strengthen alignment with and support to GoV priorities and reforms. In 2019 efforts to further strengthen MEL, the launch of the MIS and improving joint planning and analysis through the use of the Partnership Management tools and the PIF process will help improve mutual accountability and greater transparency about progress and level of investment and use of funds.

13. Refers to the financial year starting July 1st to June 30th

6. RISKS

Key risks that, if they occur, will adversely influence the efficiency, effectiveness and likely sustainability of Partnership results, and prevention and mitigation management strategies that will be included in the 2019 annual plan have been identified and are summarised in Table 3.

Description of Risk	Implications	Management
i. Weak commitment of the MoET and the VQA to PSET policy reform	<ul style="list-style-type: none"> Weakens financial and leadership contribution from key partners to the Partnership Low co-contribution to the SDF Insufficient level GoV budget to implement PSET policy Weaker growth in PSET sector and reduce likelihood of a sustainable skills system 	<ul style="list-style-type: none"> Strengthen engagement by Director and Strategic Advisor with senior level of the MoET and VQA, and also draw on the support and influence of other GOV departments and at the political level. Seek support and influence of DFAT through their bilateral aid assistance commitments in education Partnership growth in scale and scope of the skills development activities is balanced by the level of commitment made by the MoET
ii. Limited scale of Partnership activities due to budget constraints	<ul style="list-style-type: none"> Lower than anticipated participant numbers in skills development activities Lower quality of inputs provided (e.g less frequent coaching) Weakened economic and social outcomes for participants Difficulties in retaining commitment of coaches and trainers engaged by the Partnership 	<ul style="list-style-type: none"> New planning and budgetary processes that are being introduced during 2019 will help develop a realistic and affordable annual work plan and budget based on stronger evidence of need and priorities DFAT funding released each year be phased according to work plans rather than equal tranches for each year of the Phase Strengthen PIF development process with GoV partners will help increase the level of co-contribution made to the SDF from GoV budget and other development partners, and private sector
iii. Insufficient quality progress and performance data generated and shared	<ul style="list-style-type: none"> Weakened accountability to DFAT and to other investors in the Partnership including the GoV Weakens advocacy to influence commitment and investment in skills development reform by GoV, private sector and other donors 	<ul style="list-style-type: none"> Continue to integrate MEL as part of the Partnership Management processes Ongoing professional development for the Partnership and GoV partners in the use of MEL tools and processes Complete the new MIS in 2019 to make data accessible, in a user-friendly format that will enable easy analysis for the Partnership staff and GoV partners The development and use of the economic and social tools with GoV partners will provide a valid set of information on economic and social impacts of skills development.
iv. Weak coordination between different parts GoV to support demand driven skills development	<ul style="list-style-type: none"> Skills development does not help participants improve their business or gain better employment National and provincial priorities in the MoET, the VQA and in the productive sectors don't align 	<ul style="list-style-type: none"> Continue to strengthen coordination between PGTBs and national level departments Strengthen the participation of provincial Skills Centres and PGTBS in analysis, planning and monitoring processes including the PIFs Facilitate and support more routine meetings between the MoET and the VQA and representatives from the PGTBs

Table 3. Key risks, implications and management

7. CONCLUSIONS

PROGRESS IN INTERMEDIATE OUTCOMES

There are positive and encouraging results in each of the Intermediate Outcome areas. The prosperity outcomes for Business Clients, and the added value that improved access to markets through handicraft hubs and PPPS creates, which further enhances benefits to producers are evident.

The proportion of women in the skills development activities has continued to grow, and the proportion of people with disabilities has been maintained during 2018. Women's representation in the skills system – both local Partnership staff and of coaches, and trainers contracted by the Partnership – is well above the typical level of representation by women in Vanuatu.

The commitment by the GoV to the Partnership and skills system reform is mixed. The DoT has continued to strengthen its commitment, which is reflected in the integration of skills development into their departmental national planning priorities, and in the commitment made to the SDF. The commitment from the MoET and the VQA, the key governance partners, is less than anticipated and needed for system reform and sustainability. There are initial encouraging improvements in the PGTBs and role of provincial Skills Centres in steering local coordination, but the links and coordination with national level of the system requires further strengthening.

The TPS and the Disability Inclusion work-streams have completed initial baseline assessments with training providers to determine improvement plans for quality and inclusive skills training. The plans are now starting to be implemented and the tools used. The progress improvements will be monitored during 2019. Currently relatively few training providers are part of the TP improvements. The progress towards registration of the RTCs using VQAF standards and accreditation of courses is slow due to the complexity of the VQA and the MoET processes, and the high level of commitment and investment that is required by the RTCs. During 2019 the Partnership will introduce more technical support to the RTCs and continue to strengthen coordination with the MoET and VQA staff particularly in field visits to RTCs.

In determining the 2019 activity plans and beyond, it will be important to balance growth in scale of skills training activity with level of commitment by GoV partners both financial to the SDF and in commitment of time of staff and at leadership level to reform and strengthen a quality sustainable system. It is also important that the proportion of participants and representation in staff by women and people with disabilities in the system, including in leadership roles continues to grow, and that the newer initiatives of LLN and Climate Change that the Partnership made progress in during 2018 are incrementally introduced.

STRENGTHEN PARTNERSHIP MANAGEMENT PROCESSES IN 2019

During 2019 there will continued focus on supporting the introduction of the new Partnership Management tools to strengthen the efficiency and effectiveness of program implementation management, particularly in planning, setting budgets and monitoring results.

It is suggested that a *light touch mini* Mid Term Review is completed during the third quarter of 2019 calendar year (July to September). The timing of the review will ensure that Phase 4 will have been implemented for about 2 years, and will enable the results and recommendations from the review to inform on the 2020 planning and to the end of the current contract period (December 2021). It is expected that the review will help to determine any refinements to the Partnership's ToC and design, particularly assumptions about progress and change pathways, based on the experience of early implementation and the current context. It is anticipated that the review process will provide a way to engage more effectively with key governance and implementing partners and stakeholders, and serve as a way to strengthen greater ownership and commitment to the Partnership's goal and objectives. The specific terms of reference will need to be developed by the Partnership's management and MEL team with DFAT.

MEL SYSTEMS AND QUALITY OF DATA

Progress has been made in 2018 in introducing and implementing new and improved MEL systems and tools. There is still need to refine, further improve and implement key systems to ensure quality standards in accountability and to support learning and improvements. These systems and tools should not be overly demanding and resource intensive. Further work in integrating MEL collection, analysis and reporting with GoV systems will take place in 2019.

