

Forum Compact: Strengthening leadership, institutions and partnerships to improve service delivery in the Pacific



Asia and the Pacific Policy Society Conference
"Confronting the Pacific's Health Challenges"

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Outline of Talk

❖ **OVERVIEW - Forum Compact (DVD)**

❖ **KEY CHALLENGES & PROGRESS**

❖ **KEY MESSAGES & NEXT STEPS**

What works and lessons for health & other sectors

Harmonisation of efforts – *Aid effectiveness in practice!*

ODA Plays a big role in Pacific development

- Pacific region receives 1.8 to 2.4 billion USD annually
- Highest ODA per capita in the world 4 X more than Africa

But lackluster development & development outcomes

- Slow economic growth
- Pacific region lagging behind on MDGs achievement

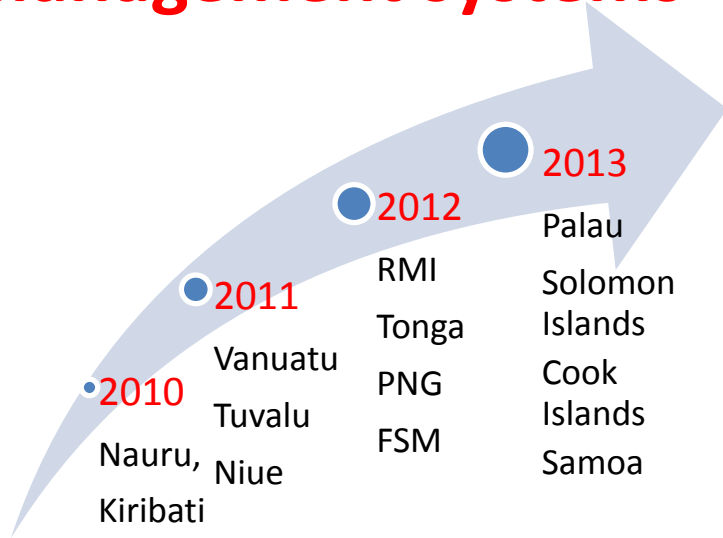
	MDG 1 Eliminate Extreme Poverty and Hunger	MDG 2 Achieve Universal Primary Education	MDG 3 Promote Gender Equality and Empower Women	MDG 4 Reduce Child Mortality	MDG 5 Improve Maternal Health	MDG 6 Combat HIV/AIDS and Other Diseases	MDG 7 Ensure Environ. Sustainability
Cook Is	On track	On track	On track	On track	On track	On track	On Track
FSM	Off track	Mixed	Mixed	On Track	Off track	Mixed	On track
Fiji	Mixed	On track	Mixed	On track	On track	Mixed	On track
Kiribati	Off track	Off Track	Mixed	Mixed	Mixed	Off Track	Off track
Marshall Is	Off track	Mixed	Mixed	On track	On track	Off track	Mixed
Nauru	Off Track	On Track	Mixed	Mixed	Mixed	On Track	Off track
Niue	On track	On track	On track	On track	On track	On track	On Track
Palau	Mixed	On track	On track	On track	On track	On track	On track
PNG	Off track	Off track	Off track	Off track	Off track	Off track	Off track
Samoa	Mixed	On track	Mixed	On track	Mixed	Mixed	On track
Solomon Is	Mixed	Mixed	Off track	Mixed	Mixed	Mixed	Off track
Tonga	Mixed	On track	Mixed	On track	On track	On track	On track
Tuvalu	Off track	On track	Mixed	On track	On track	Mixed	Mixed
Vanuatu	Mixed	Mixed	Mixed	On track	Mixed	On track	Off track

2009 Pacific Response – Forum Compact



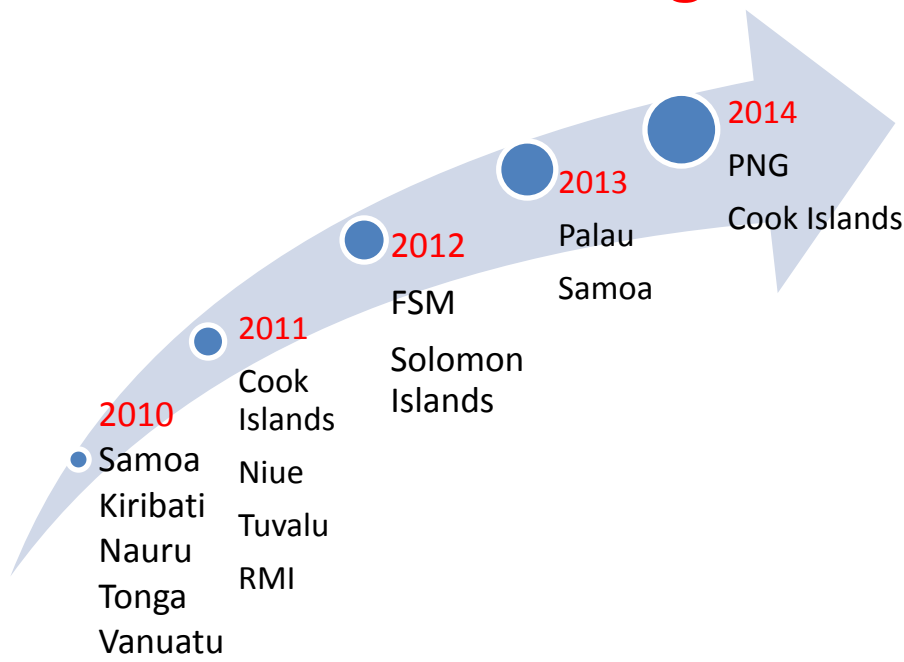
- ***Pacific Leaders concerned*** that the Pacific was lagging behind in achievement of the MDGs
- ***Leaders Political Commitment - Cairns/Forum Compact.*** A set of initiatives to assist Pacific Countries (with support of development partners) to improve the use of ***BOTH domestic and donor resources*** to accelerate efforts towards achieving the MDGs
- Focus on ***strengthening systems, institutions and policies*** for national planning, budgeting, public financial and aid management

Peer Reviews of planning, budgeting, PFM & aid management systems



- ✓ 13 Pacific countries completed reviews of their country systems
- ✓ 40 senior officials as peer reviewers
- ✓ Consulted 4,000 Pacific stakeholders
- ✓ 173 recommendations across 13 countries **70% focus on strengthening planning, budgeting & aid management**

Public Financial Management reforms



- ✓ All 13 FICs have completed some form of PFM assessment since 2010
- ✓ 2 FICs completed 2 PEFA's over the past 5 years
- ✓ **Repeat PEFA's show improving quality of PFM systems**
- ✓ **Issues remain with procurement, audit**

Development Partner Reporting

Development Partner Reporting by Year

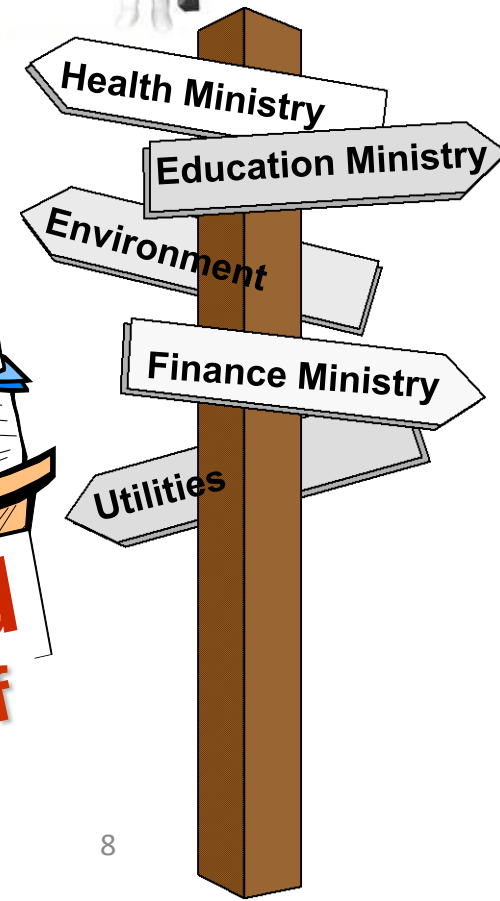
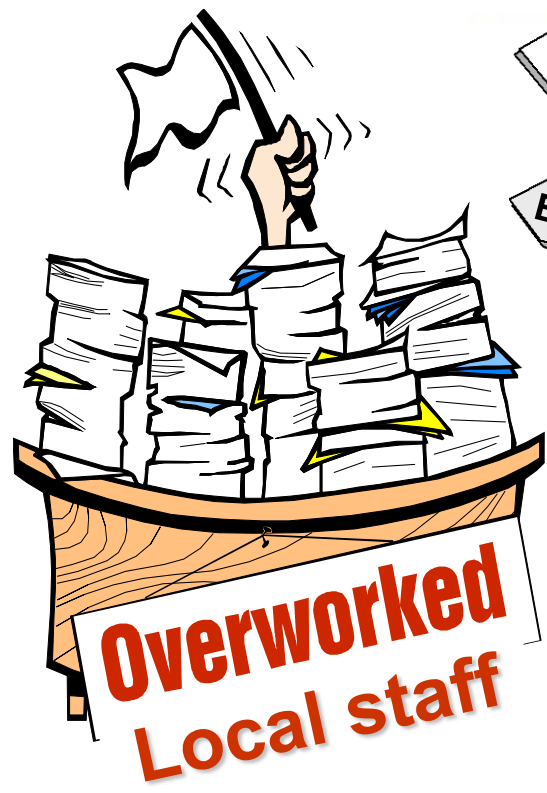
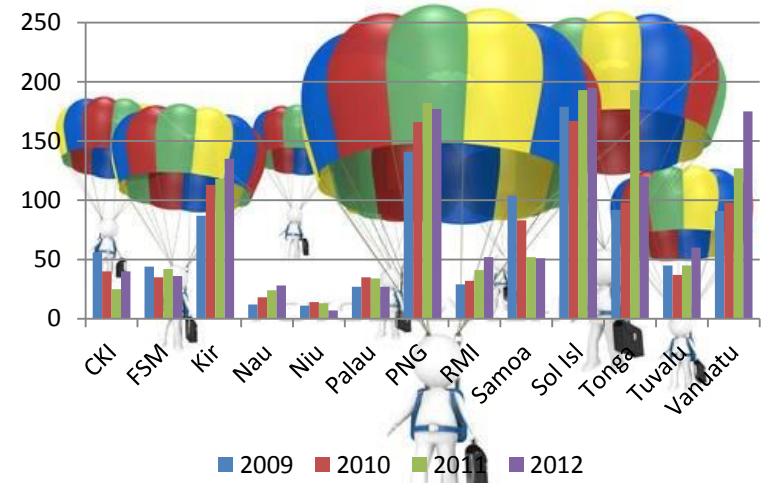
Development Partner	Year			
	2010	2011	2012	2013
ADB	x	x	x	x
Australia	x	x	x	x
Japan	x	x	x	x
New Zealand	x	x	x	x
United Nations System	x	x	x	x
European Union		x	x	x
Pacific Islands Forum Secretariat		x	x	x
World Bank		x	x	x
Republic of Korea	x	x		x
France	x			
Israel	x			
Thailand	x			
United States	x			
World Health Organisation			x	
GIZ				x
Secretariat of the Pacific Community				x
Turkey				x
Total	10	9	9	12

- ✓ **17 Development Partners** have reported since 2010
- ✓ **9 consistently (ADB, Australia, EU, Japan, Korea, NZ, PIFS, UN system, WB)**
- ✓ **Report on**
 - **Total ODA to each FIC**
 - **Number of Missions to FICs & coordinated missions**
 - **No of programme based approaches**
 - **Predictability of ODA (annual and 3 yrs forward)**

Key Findings - Challenges

- Significant human resource capacity issues especially in some Smaller Island States
- Some national & sector Plans are not **well targeted, costed, not regularly or jointly monitored and not influencing national and sector budgets**
- Gaps in data and evidence for policy making and monitoring
- Fragmentation of aid delivery – too many projects and missions & excessive demands on countries to report and attend overseas meetings, trainings.
- Parallel Implementation Units. Global Funds and vertical projects in health and environment are key challenges for FICs.
- Use of country systems is low (less than 35% of Pacific ODA use country systems)

**Development partners mean well.....But.....
The devil is in the execution.....**



Fragmentation of aid delivery in the Pacific

Figure 4: Total Number of donor missions to the Pacific 2009-2012

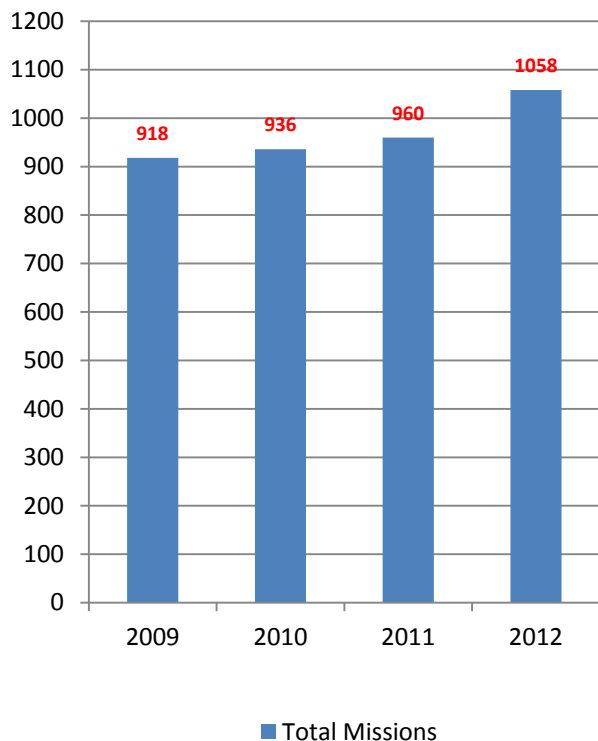
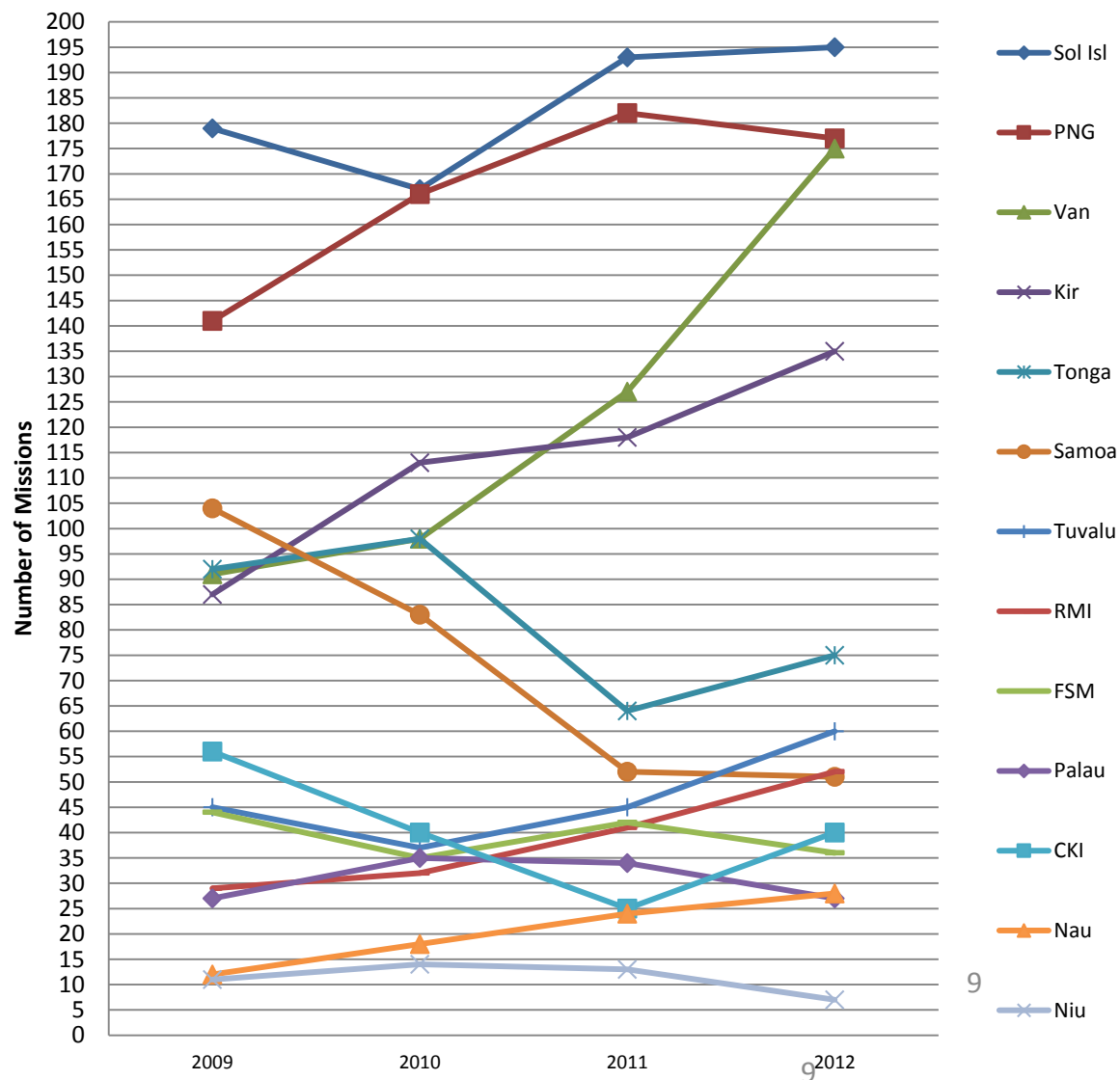
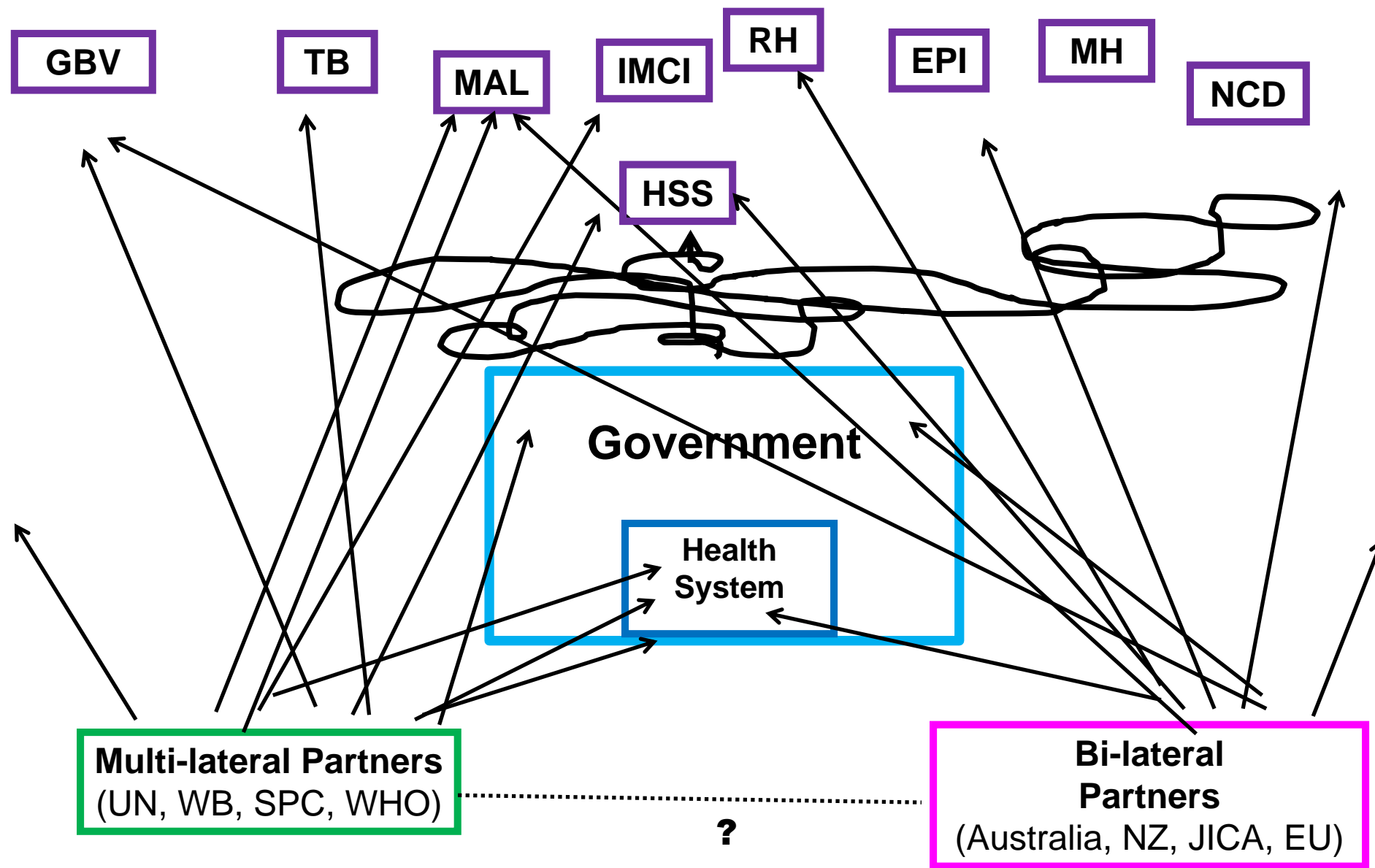


Figure 5: Mission Numbers in Forum Island Countries: 2009-2012



Fragmentation of aid delivery in the health sector



Key Findings - Positive Changes

- Overall FICs are **exerting stronger leadership** /directing DPs & engaging more with NGOs & private sector
- More attention to **strengthening governance systems & capacities**
 - national & sector planning and monitoring systems & capacities
 - linkages between national & sector plans and budgets
 - public financial management systems
 - aid management systems, policies and capacities
- Overall development partners **engaging in more joint programming, joint missions, joint policy reform matrices for budget support**
- Gradual decrease in fragmentation & slow increase in use of country systems

Lesson learned – what works

- **National Ownership & Leadership are absolutely essential**
 - Strong political and technical ownership and leadership;
 - Participative development is essential – government cannot do it all alone – it needs a whole of country approach.
- **Effective institutions, capacities and policies**
 - Credible, realistic and targeted plans linked to national resource frameworks
 - Demonstrable commitment to strengthening public financial management and accountability
 - Right number of people with the right level of skills in the right places
 - Tailored systems suited to country capacities & needs;
 - Integrated approach to systems and capacity improvement
 - For small island countries, collective voice on common issues helps
 - Learning from each other – advise on what works and what doesn't
- **Supportive development partners**
 - Support aligned to national and sector priorities, policies and monitoring frameworks
 - Simplified and harmonised processes with other development partners to reduce transaction costs
 - Using country systems especially where they are demonstrated to be sound

Next Steps (regional support)

- **Targeted & coordinated regional technical support *tailored to each FIC*** to implement their peer review recommendations and strengthen country systems & capacities.
 - **Targeted capacity building initiatives** – twinning and south-south attachments, capacity supplementation, mentorship programme
 - **Knowledge management and learning** - Case studies on good practices, research into specific areas
- **Tailoring the SDGs** into national, sector plans, budgets & monitoring frameworks
- **Focus on health and environment sectors** in 2015
- **Peer Review of Development Partners in 2014** – starting with New Zealand and Australia.

KEY MESSAGES FOR THE GOVERNMENT HEALTH SECTOR

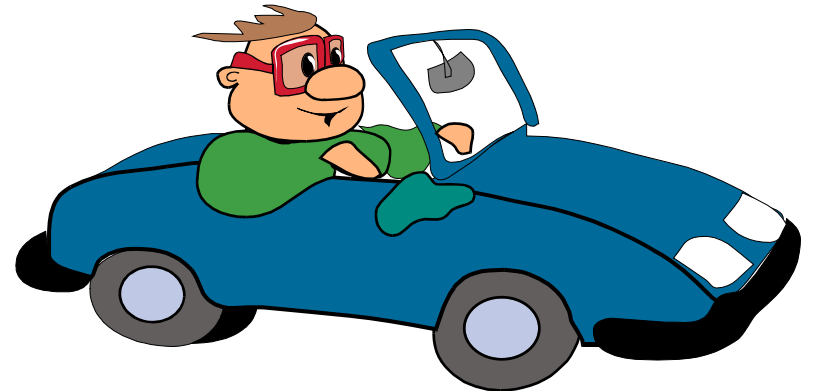
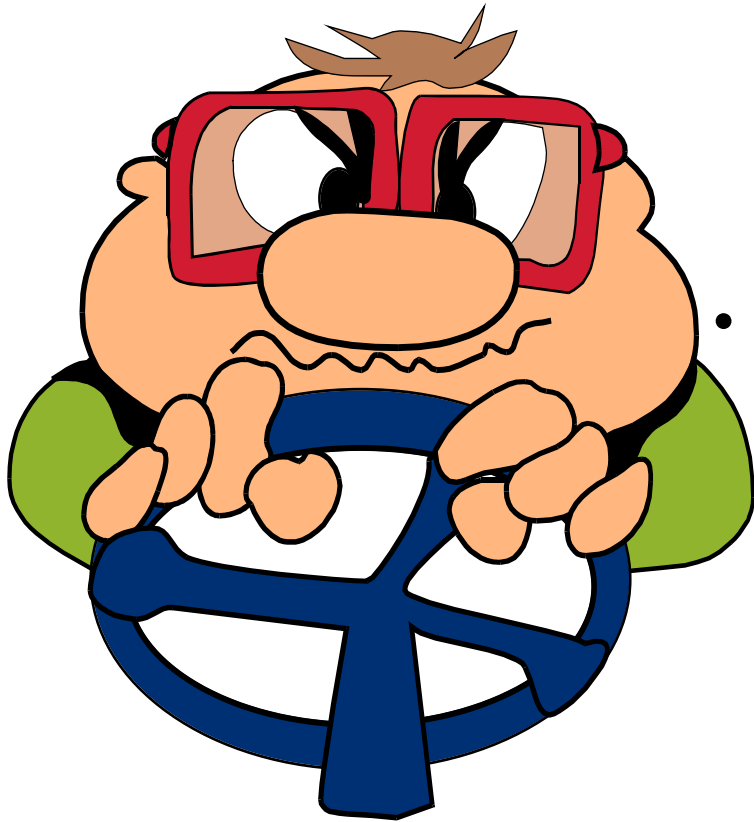
- **Strengthen national health ownership and leadership**
 - Set clear, targeted and credible national health plans/priorities and resourcing frameworks to guide health sector development inclusive of development partner resourcing;
 - Build and strengthen national health systems and capacities to better exert leadership over national health agendas and guide development partner engagement;
- **Reduce Fragmentation of delivery:**
 - Move to sector wide programming and sector budget support to reduce the proliferation of projects and transaction costs.
 - Request annual missions schedules to the health sector from development partners to better manage missions;
- **Set clear capacity development targets**
 - Transform the relationship with development partners from “supply” driven to “demand” driven and targeted capacity building.

KEY MESSAGES FOR DEVELOPMENT PARTNERS IN HEALTH

- **Country ownership and leadership is essential.**
 - Align programming with government health priorities; Put government health needs, policies and systems first!
 - *Countries cannot exert leadership if they do not have the human and institutional capacity to do so*
 - Where appropriate – help countries set clear health priorities, targets and funding needs & supplement capacity
- **Reduce fragmentation and number of stand alone projects and support strategic sector wide programming and sector funding;**
 - Share annual schedule of country visits for programming, technical assistance, workshops, with Pacific countries;
 - Where it makes sense – engage in joint country visits / combine workshops/trainings at the regional and national levels with other development partners.
- **Meaningful and mutually accountable partnerships are important**
Engage in regular collective and transparent dialogue with
key stakeholders to strengthen harmonisation
Role clarity & division of labour is essential

Who drives development?

- Country centered development
- Paris, Accra, Busan, Pacific Principles of Aid Effectiveness & Forum Compact puts the **governments squarely in the drivers seat** of development with the support of their development partners.
- Development partners play a key supporting role





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