



Australian Government
Department of Foreign Affairs and Trade

Investment Design Document
 for
 Papua New Guinea Quality and Technical Assurance Group (QTAG)

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| PNG Quality and Technical Assurance Group (QTAG) |
| Start date: January 2018 End Date: December 2020 (plus options to extend) |
| Proposed funding allocation: <i>approximately \$ 3,700,000 million over three years</i> |

List of Acronyms

| AHC | Australian High Commission |
|-------|---|
| DFAT | Department of Foreign Affairs and Trade (Australia) |
| GoPNG | Government of Papua New Guinea |
| JSS4D | Justice Services and Stability for Development |
| NCM | National Coordinating Mechanism (JSS4D) |
| PGF | Papua New Guinea Governance Facility |
| PNG | Papua New Guinea |
| PWSPD | Pacific Women Shaping Pacific Development (program) |
| QTAG | Quality and Technical Assurance Group |
| SMC | Strategic Management Committee (PGF) |
| SP | Service Provider |
| SPGM | Strategic Program Governance Meeting (JSS4D) |

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1 Background and strategic context

Background

Australia values its longstanding ties with PNG – we are neighbours and regional partners, with a shared history and a shared geography. A stable and prosperous PNG is clearly in Australia’s national interest.

PNG has experienced over a decade of comparatively robust economic growth, with expanding formal employment opportunities and strong growth in government expenditure and revenues. This economic performance has been driven by high international prices for PNG’s exports (including agriculture) favourable macroeconomic policies and, more recently, construction activity related to the Liquefied Natural Gas project. However, PNG is now facing a number of economic and fiscal challenges including weak international commodity prices, slower economic growth, significant budget deficits, weak job creation, inflation and interest rate pressures.

Despite this sustained period of growth and a long history of aid, the emerging economic and fiscal challenges suggest that PNG will continue to face substantial development challenges and a range of constraints to inclusive economic growth. These include poor law and order, inadequate infrastructure, complex levels of governance, inequality between men and women, weak capacity, corruption, and poor health and education services. These factors have impeded PNG’s ability to meet international development goals and national targets.

Australia has provided aid to PNG since its independence in 1975. In 2015-16 the estimated Australian Official Development Assistance (ODA) to PNG is \$554.5 million which is 13.7 per cent of total of its total ODA. We are PNG’s largest aid donor with Australian aid flows at 67.6 per cent of the total ODA received by PNG. While DFAT coordinates and manages the majority of the ODA to PNG, there continues to be strong whole-of-government engagement across the program including through the Australian Federal Police and Defence partnerships. Australian Government agencies provide expertise across the breadth of our aid engagement, typically through long-term advisory and mentoring support with counterparts in PNG, but also through advice or short-term deployments to support specific reforms.

Australian aid’s Focus on Better Governance and Results

In 2014, the Australian and PNG Governments agreed to reshape Australia’s aid program to better meet PNG’s development needs and reflect the shared priorities of both governments. Australia’s new aid policy¹ for PNG, *A new direction for Australian aid in PNG: refocusing Australian aid to help unlock PNG’s economic potential*² gives priority to the role of the private sector as a driver of broad-based economic growth and greater importance to enabling human development. It recommends nine areas for change, improvement or enhancement.

Good governance is central to PNG’s social stability and economic growth and while Australia has over many years sought to help the PNG Government improve the effectiveness of its state institutions, we are now embarking on an enhanced program of support. We are bringing greater coherence to our governance efforts under the PNG Governance Facility (PGF) and refining our support for the law and justice sector, in particular to focus on Bougainville police, local justice/governance structures, addressing family sexual violence, and combating corruption.

¹ *Australian aid: promoting prosperity, reducing poverty, enhancing stability*: <http://dfat.gov.au/about-us/publications/Pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx>

² <http://dfat.gov.au/geo/papua-new-guinea/development-assistance/Pages/a-new-direction-for-australian-aid-in-png-refocusing-australian-aid-to-help-unlock-pngs-economic-potential.aspx>

Australia is also increasing its engagement with government, the private sector and civil society to empower and improve security and economic opportunities for women in PNG. The very high rate of sexual and domestic violence against women and children requires more concerted action – including through the aid program. We are committed to implementing gender equality and women’s empowerment measures across our aid investments. We are also ensuring more targeted initiatives to promote gender equality and end violence against women and children.

As agreed with the PNG Government through the 2014 PNG Aid Assessment, Australia has gradually increased its support to the Autonomous Region of Bougainville. Australia’s assistance is grounded in support for the implementation of the Bougainville Peace Agreement. We will assist the Autonomous Bougainville Government (ABG) and PNG Government to implement autonomy by developing the core functions and leadership of the ABG administrative and political arms. We will support the ABG to improve its communication so that people are better informed. We will also provide support in the areas of peace building and small grants.

Future assistance will also reflect the Australian Government’s increased focus on performance and mutual accountability for results. As part of the Australian Government’s enhanced approach to aid performance³, the Aid Investment Plan Papua New Guinea: 2015-2016 to 2017-2018 outlines the focus and scope of Australian aid investments in PNG and the results to be achieved. Performance against the strategic priorities set out in the Plan will be assessed using performance benchmarks and mutual obligations developed with the PNG Government.

In challenging environments, the Australian Government recognises that maximising the quality, performance and value-for-money of Australian aid requires the aid program to be innovative and actively engaged with risk, to find new solutions to intractable development constraints. This ambition needs to be supported with better risk management, to ensure we identify poor performance earlier, learn from mistakes and build on our successes.

Aid delivery context

Australian aid administration is also changing, with significant reductions in in-house capability for program delivery and greater interest in harnessing the skills and ideas of the private sector. This is changing the nature of the engagement we are seeking from contractors and creating opportunities for innovation in how we deliver assistance. In the future, our assistance will demonstrate:

- Strengthened aid effectiveness through more consolidated and coherent assistance that exploits potential synergies to leverage the impact of Australian governance support and to influence the rest of the Australian aid portfolio;
- Improved aid efficiency through use of simpler, more agile management structures and use of more streamlined modalities to deliver assistance, including facilities;
- Greater gender sensitivity by working to ensure all programs are gender sensitive and target women’s leadership, empowerment, and security;
- Better value for money through more flexible and responsive approaches that build on success and respond more quickly to under-performance;
- Greater innovation through *inter alia* incentivising and empowering well-managed risk taking by expert contractors through more strategic management arrangements and greater operational autonomy.

A portfolio of more flexible, adaptive and iterative programs that can adjust to changing circumstances under an expert contractor with significant program management responsibilities are a better fit with the PNG context and also enable limited DFAT staff resources to focus on their core responsibilities. However,

³ *Making Performance Count: Enhancing the accountability and effectiveness of Australian aid* <http://dfat.gov.au/about-us/publications/Pages/making-performance-count-enhancing-the-accountability-and-effectiveness-of-australian-aid.aspx>

they also entail significant risks. They account for significant volumes of Australian taxpayers' funds. The ability of the Australian High Commission (AHC) and Government of PNG (GoPNG) to oversee performance can be constrained by limited human resources, poor data and the complex operating environment in PNG. While flexibility is an important attribute of effective aid in challenging environments, experience shows it can lead over time to a diffusion of effort that lacks strategic coherence and impact.

It is therefore necessary to put in place mechanisms that support the Australian aid program as it adopts these new ways of working and help manage the calculated risks that underpin these changes.

The PNG Quality and Technical Assurance Group is one such mechanism.

2 Investment Description

Rationale and Purpose

Following a DFAT open tender process, DFAT intends to appoint an independent, external Service Provider (SP) – single company or consortium – to establish an expert Quality and Technical Assurance Group (QTAG) in Papua New Guinea. The QTAG will provide strategic, advisory, review and quality assurance capability and services to support the delivery of Australia's aid program in Papua New Guinea, initially focussing on two major programs managed by the AHC in Port Moresby: the PGF and the Justice Services and Stability for Development Program (JSS4D).

The PGF will deliver Australia's future governance strategies and programs in PNG, across a range of thematic pillars and geographical areas, using a mix of modalities and financing instruments. JSS4D will deliver Australia's future assistance to the Law and Justice sector in Papua New Guinea. The designs for each of these can be accessed at <http://dfat.gov.au/about-us/grants-tenders-funding/tenders/business-notifications/Pages/business-notifications.aspx>.

The QTAG's primary purpose is to provide external and independent advice and assurance to AHC and GoPNG about the quality and performance of the two programs. In addition, over time the QTAG may be asked to provide assurance support to other AHC programs in the governance portfolio and broader portfolio on an as required basis. The QTAG will be a major tool in improving and maintaining the quality and performance of Australian governance assistance in PNG and managing proportionately the risks associated with new models of program delivery being implemented in the governance portfolio.

The goal of the QTAG is:

To improve the quality and performance of AHC and GoPNG programs that support stability and inclusive growth in Papua New Guinea

The objective of the QTAG is:

To enable AHC and GoPNG to make more informed decisions and exercise greater accountability for the performance and quality of agreed strategies and selected programs.

To fulfil this objective, the QTAG will support the respective strategic oversight and decision-making bodies for the two programs within its initial purview: the Strategic Management Committee (SMC) for the PGF and the Strategic Program Governance Meeting (SPGM) held between the Law and Justice Sector Working Group and AHC for JSS4D. The QTAG will deliver three categories of work:

1. Annual and other regular independent reviews of the performance of the PGF and JSS4D programs and provision of a report and recommendations to the Governments of Australia and PNG.
2. Quality assurance of key program documents as requested by the AHC;
3. Supporting AHC aid program teams to undertake aid quality processes, including annual quality checks.

Delivery approach

Given the breadth of governance issues covered by the PGF and JSS4D programs and the challenging operating environment in Papua New Guinea, the QTAG demands significant management as well as technical skills and experience. The SP will be highly competent and able to demonstrate:

- Experience of major program monitoring and evaluation exercises (design, management, delivery and review), including in the governance sphere in different contexts;
- Ability to communicate results effectively to senior managers;
- Access to world-class expertise from both within and outside the Australasian/Pacific region relevant to the range of governance issues addressed by the PGF and JSS4D programs, as well as skills in program strategy development, design, management (including monitoring) and evaluation;
- Experience in successfully providing flexible and responsive advisory and quality assurance services;
- Strong relationship management skills, with a track-record in building constructive, productive relationships through monitoring and evaluation engagements with clients and those being assessed, working in participatory ways wherever appropriate;
- Knowledge and experience of working in contexts similar to PNG;
- Ability to work effectively in complex governance environments and an understanding of the challenges and requirements of working in Papua New Guinea;
- Commitment to addressing and actively promoting women's empowerment and equality within advisory and M&E engagements.

The QTAG will need to be able to supply experts, sometimes at short notice, who can provide high quality advice and guidance across the range of thematic areas covered by the PGF and JSS4D programs. Technical expertise in program design, management, monitoring and evaluation will also be needed.

The QTAG will provide three categories of support:

Category 1: Regular Independent Reviews

The QTAG will design and deliver an annual program of performance reviews for the PGF and JSS4D. The Annual Reviews will involve:

- Design of an effective annual review process for each of the PGF's and JSS4D's programs that meets both AHC and GoPNG requirements;
- Assessment of the overall annual performance of the PGF and JSS4D program against their respective results frameworks and gender aspects of the programs. The assessment will also include the adequacy of facility-level and program-level monitoring and evaluation systems. If appropriate, make recommendations to improve either the frameworks or systems;
- Performance review of a sample of programs, initiatives or elements under the PGF and JSS4D program. For the PGF, sampling should ensure that all significant, active initiatives (of 2 or more years in duration) are reviewed at least once in a four year period. For JSS4D, the QTAG will sample from the main program components;
- Contribute to the assessment of contractor(s) performance for each of the programs to inform AHC's annual contractor performance assessment;
- Review of the programs' approach to risk assessment, management and reporting and, if appropriate, provide recommendations for improvement;

- Provide an overall assessment of the effectiveness and efficiency of the PGF and JS4D program and, if appropriate, provide recommendations for improvement;
- Report to the SMC (PGF) and SPGM (JSS4D) as required.

In designing and scheduling the annual program of Reviews, the SP should ensure that the enquiry and outputs, as far as possible, also service AHC's annual performance reporting requirements as well as the QTAG's primary objective. The SP may also use this regular annual work to undertake any broader periodic reviews required of the programs, such as mid-term or end of program reviews.

The GoPNG may provide a representative to participate in the Annual Reviews with QTAG.

Category 2: Quality Assurance

The SP will quality assure key written program documents from the PGF and JSS4D on a demand-led basis. These will include:

- Outputs relating to significant program management processes including: new or revised program strategies; designs for major new activities; program monitoring and evaluation plans and risk management arrangements; and communication/dissemination/promotion strategies; and
- Outputs relating to the implementation of the program including: performance assessments and performance reports; and key pieces of analysis or research.

This work will be undertaken as required and contracted on an output basis through a Services Order. Activity levels will be determined by demand. The majority of requests will be for desk based short-term assistance, requiring 1 to 3 days input, but some program outputs may require greater QTAG input to allow for interaction with AHC and program contractors as part of the quality assurance process. The SP may be required to provide quick turn-around support efficiently and effectively. Quality assurance products will be submitted to the AHC in the form of a completed assessment template, to be developed by the QTAG and agreed by the respective strategic oversight bodies for each program. Standard response times for the different types of program outputs reviewed will be agreed during the set up period between the SP and AHC.

Category 3: Program Quality processes

This category relates to supporting the AHC internal aid quality processes. This may involve independent quality assurance and moderation of Annual Quality Checks developed by the AHC and facilitation of annual performance discussions with DFAT and program staff. Exceptionally, the SP may also be asked to conduct a deep-dive assessment, to explore an issue of particular importance in more depth.

Like category 2 work, category 3 requests will be on an as required basis and contracted on an output basis. The form and timeframe for QTAG responses under category 3 will be agreed with the AHC on a case-by-case basis.

Other similar services not described in the categories above may be needed over time, and Tenderers / the SP may suggest such services.

Term

The initial term of the QTAG is for three (3) years in the first instance, with options to extend for further periods as required for a total of up to 10 years (initial term plus options) , subject to DFAT's determination which among other things will consider progress, results, budget, and need among AHC programs.

3. Implementation Arrangements

Management and governance arrangements

Roles and responsibilities

The QTAG will report on strategic aspects of the PGF and JSS4D, including significant issues of aid management, delivery and risk, to the AHC; and report to the SMC and SPGM as required. Program activities in the Autonomous Region of Bougainville are under separate strategic steering bodies and, where appropriate, the QTAG will report to these bodies. Reporting arrangements for Category 3 work will be agreed on a case by case basis.

Close and constructive working relationships will need to be established with these stakeholders and, importantly, with the PGF's and JSS4D's own management and delivery units, based on a clear understanding of respective roles and responsibilities. Establishing and maintaining effective relationships with PGF and JSS4D will be a key performance indicator for delivering these services. Tenderers should explain in their bids how they will go about this. The SP should, as far as possible, take assurance from performance and management data generated by the PGF and JSS4D to ensure the Annual Reviews and other quality assurance activities are delivered efficiently. The QTAG is not intended to duplicate PGF or JSS4D monitoring and evaluation systems. For this reason, the most recent program performance reports (including annual progress reports, and DFAT Aid Quality Checks) should be available in draft form if necessary from the PGF and JSS4D programs for validation during the Annual Review process.

Effective working relationships will also require appropriate use of the QTAG by AHC and GoPNG: the QTAG mechanism is intended to support both Governments and program implementing partners on strategic aspects of PGF and JSS4D program delivery and in doing so help maintain and build mutual trust; it is not designed to intervene in operational management disputes arising between AHC and implementing partners.

The QTAG will consult closely with the AHC and (via the AHC) with DFAT Canberra during the design of the Annual Reviews and representatives of AHC and DFAT are expected to attend key meetings during the Reviews (as appropriate). The AHC will also facilitate the review process but the design and implementation of the process remains the responsibility of the SP.

QTAG recommendations will be provided to the AHC, and to the SMC and SPGM as required, but decisions regarding whether to accept these or not remain a matter for AHC and these bodies. Similarly, QTAG analysis will inform the choices made by the PGF and JSS4D contractors, but responsibility for the management decisions taken will remain with the programs themselves and their respective governance bodies.

As far as possible, the Annual Review reports submitted to the respective strategic oversight committees should be agreed with the relevant program service providers/team leaders (or equivalent). However, integrity should not be compromised and if agreement is not possible, the QTAG will indicate which of its conclusions are disputed and why.

The QTAG will remain responsible to and report to AHC and GoPNG, as the major shareholders in the two programs.

Annual work-planning

The SP should submit a draft detailed work program to AHC in late May each year, covering the scheduling of Annual Reviews, budget and resourcing requirements. This will include any additional assessments already agreed by the SMC or SPGM for the QTAG. A detailed plan for each Annual Review, including implementation arrangements and the proposed sample of components selected for more detailed review,

will be developed in consultation with the SMC, SPGM and AHC, with finalised plans submitted at least 2 weeks in advance of the reviews themselves.

The SP should make the provision for a senior representative to attend the six monthly SMC meetings for the PGF, as an observer and to present the QTAG's mid-year report and Annual Review. Requirements to attend the SPGM are expected to be similar.

Development of the draft annual work program and the detailed plans for Annual Reviews including scheduling will be informed by consultation with the members of the SMC and SPGM as well as AHC and the programs themselves, to ensure any significant concerns are considered. It will also be informed by the findings from the previous year's Annual Review exercises and the PGF and JSS4D's own annual work-plans.

Following agreement between the SP and the AHC of the annual workplan, the AHC will issue a Services Order for the work.

Demand-led work

All requests for QTAG work may be commissioned by the AHC, SMC and/or SPGM. For practicability reasons, it is expected that these bodies will agree on a standard list of program documents/output that should be subject to QTAG quality assurance and commissioning authority will be by the AHC. The AHC will be responsible for ensuring requests for QTAG are in line with its objectives and terms of reference and adequately budgeted with appropriate financial approval to undertake required work. In case of exceptional requests for QTAG support, approval may be obtained if required from the relevant strategic management body out of session.

The specific requirements for each discrete piece of work, the resource inputs and costs and reporting requirements for each discrete request will be agreed in advance with AHC and detailed in a Services Order issued by the AHC. In their proposals, tenderers should suggest practicable ways to ensure the efficiency of that process. A streamlined process will be finalised in consultation with AHC and the SP during the set up period.

Relationships with other AHC governance programs

In addition to the PGF and JSS4D programs, AHC has a number of other programs, which include expertise that may be relevant to the QTAG. Notable among these is DFAT's regional Pacific Women Shaping Pacific Development (PWSPD) program, which supports a significant range of activities Papua New Guinea. This program includes significant gender expertise and is expected to achieve a high degree of collaboration and cooperation with both the PGF and JSS4D programs.

In order to avoid duplication of skills, there may be opportunities for the QTAG to collaborate with the expertise of existing programs (such as the Pacific Women) to address aspects of, for example, the Annual Reviews, where this is feasible and does not involve any conflict of interest.

Tenderers should include in their proposals how they anticipate coordinating the activities of the QTAG with the other relevant AHC programs.

(Indicative) Resourcing the QTAG

Tenderers should explain in their proposals the internal governance arrangements they will establish to ensure efficient management and liaison with the AHC and effective service delivery. In particular, they should explain how they will access the full range of expertise required to support the PGF and JSS4D programs in the categories of work specified on a periodic basis. As far as possible, proposals should identify the experts and skills that tenderers will mobilise under the QTAG.

Tenderers should also include how they will ensure the necessary continuity of QTAG engagement with the AHC and the practical arrangements to manage and maintain key relationships with AHC, GoPNG, PGF and JSS4D.

For Category 1 work, tenderers should outline the anticipated approach to the Annual Review process and other regular reviews and indicative budget including management fees. For Category 2 and 3 activities, tenderers should specify proposed daily rate(s) for the expertise provided, including management fees.

(Indicative) Implementation

Set up

The QTAG establishment will begin with a six week set up period. During this period, key stakeholders, roles and responsibilities on GoPNG's side will be specified in consultation with AHC. During this phase, the QTAG SP will define and finalise key outputs and processes including:

- templates/forms covering routine QTAG outputs: quality assurance for program designs and the Annual Reviews;
- governance mechanisms, including liaison, communications, protocols, and processes for the efficient and effective transmission of GoA/GoPNG approved requests to the QTAG and delivery of responses;
- effective engagement, consultation and communication with PGF and JSS4D contractors;
- risk management framework and approach;
- results framework for the QTAG and agreed terms of reference, incorporating any necessary revisions to operating procedures identified during the set up phase and agreed service standards for QTAG operation; and
- initial timings and processes for the Annual Reviews in consultation with the PGF, JSS4D and the AHC.

The outputs and processes will be defined and developed in consultation with the AHC, PGF and JSS4D program team leaders (or equivalent) and the SMC and SPGM and approved by AHC. The SP will submit a design report at the end of the six week period and full implementation will proceed upon AHC's approval of that report.

The JSS4D and the PGF are both being mobilised in late 2015 – early 2016 respectively. During the QTAG set up period (early 2017), it is likely that the QTAG will be required to provide Category 2 support with respect to the development of key documents and plans for the programs as they mobilise. The SP will need to ensure, therefore, that the QTAG has the necessary operational capacity in place from the outset.

Implementation phase

Dependent on agreement with AHC, the annual review cycle for both the PGF and JSS4D programs may start in 2017. The timings for the PGF and JSS4D program will need to be finalised in discussion with the AHC, GoPNG and facility/program team leaders during the set up period but are likely to be different, reflecting differences in their management cycles. Indicative schedules are as follows:

| Annual Review Phase | PGF | JSS4D |
|---------------------------------|---|---|
| Detailed Annual Review planning | January-February | August-September: following August SPGM meeting |
| Fieldwork | March | October |
| Reporting (draft) | Apr/May: to inform PGF annual work-planning | November: to inform JSS4D annual workplanning |
| Reporting (final) | June | December: presented to SPGM |

The Annual Reviews will involve a visit to Papua New Guinea. The SP may also be required to travel to Canberra to brief DFAT staff; DFAT will advise the SP on this when negotiating the Annual Review Service Order(s). The SP should liaise with the PGF and JSS4D management and delivery units and the AHC to plan the annual reviews well in advance, to clarify data needs and availability, the activities to be sampled and the proposed process, timelines and responsibilities. The PGF and JSS4D management and delivery units are expected to assist, facilitate and support appropriately the QTAG SP and annual review process.

Category 2 and 3 services will be predominantly desk-based with outputs delivered by email or by telephone, though these may on occasion require travel by QTAG personnel in the event of a request outside of the usual Annual Review processes.

Reporting

The QTAG SP will provide concise monthly reports (agreed format) and invoices to the AHC itemising the services provided for reimbursement and summarising performance against the agreed service standards. In addition to these monthly reports, the SP will provide a brief six-monthly report to the AHC, SMC and SPGM on key issues, opportunities and risks arising from the QTAG's operations. These will be provided at the mid-point of the annual review cycle and as part of the Annual Review reports. QTAG Annual Reviews for both programs may be public documents.

Monitoring and evaluation

DFAT is committed to ensuring value for money. During the set up phase, the QTAG SP will develop a results framework for the operation of the QTAG that will include agreed service standards (covering quality, timeliness and cost) for each of the three categories of support. For the services provided, the SP will need to demonstrate consistent adherence to international good practice and knowledge and leadership of emerging best practice.

A formal performance review of the quality and effectiveness of the services will happen after one year and annually thereafter, including an end of contract assessment. These will be organised by the AHC and will include feedback from recipients of the services. Arrangements for these reviews will be confirmed at contract award stage.

Risks

Tenderers should explain their proposed approach to risk management. This should include consideration of risk at the following levels:

- implementation, given the breadth and demand-led nature of the services required and challenges of the operating context in PNG;
- conflict of interest, given the potential for Annual Reviews to assess the effectiveness of activities on which QTAG has provided guidance;
- relationship management, given the need for constructive working relations with the two programs and authoritative and independent advice to AHC and GoPNG;
- mission creep, given the potential demand for expert advisory inputs beyond the QTAG's remit; and
- the wider operating environment, including political and personnel security risk.

Duty of Care and Security

This procurement will require the QTAG SP to potentially operate in conflict-affected areas and insecure areas. QTAG SP personnel may be required to undertake field visits to provincial areas of PNG. All such internal travel will be subject to the security situation and clearance by AHC (Security). The SP should be

comfortable working in such an environment and should be capable of deploying to any areas required within the region in order to deliver the contract (subject to travel clearance).

The QTAG SP will be responsible for ensuring that appropriate arrangements, processes and procedures are in place for the safety and well-being of their personnel and Third Parties affected by their activities under this contract, taking into account the environment they will be working in and the level of risk involved in delivery of the contract. The SP must ensure their Personnel receive the required level of training prior to deployment.

Anti-Fraud

The QTAG SP will develop and implement systems and processes that guard against fraud, nepotism and corruption. This will include:

- A 'zero tolerance' position on fraud;
- Using transparent processes in the selection of local service providers and other contractual arrangements and exercise due diligence over any sub-contractors;
- Suitable financial management procedures clearly articulated, that are compliant with the relevant financial management, fraud control and accountability requirements of DFAT. This includes processes that enable all funds to be tracked, justified, reported on and (where required) audited; and

The QTAG SP will be required to notify AHC immediately where any financial mismanagement or fraud is detected or suspected, either within QTAG operations or those of the programs reviewed by QTAG.

Procurement and Contracting Arrangements

It is envisaged that the QTAG will be contracted for an initial period from contract signing until 30 June 2020, with options to extend until 30 June 2024, through a Period Offer (Deed) arrangement with DFAT. Each specific request by the AHC for QTAG services will be contracted through a Services Order. The AHC in Port Moresby will have overall responsibility for the QTAG contract management and administration.

Gender and Inclusiveness

The Australian government recognises that gender equality and equality of opportunity for people living with disabilities is critical to development and has committed to ensuring it is a key part of aid programming. Access to gender and disability expertise will be an important element of the service provided by the QTAG to the PGF and JSS4D programs as well as liaison with relevant expertise within AHC programs. In addition, bidders should explain how they propose addressing gender and inclusiveness issues in the three categories of QTAG support as well as their own management and operational processes.

Child Protection

DFAT has over-riding policies associated with child protection with all funded SPs and bound by strict policies in relation to managing and reducing risks of child abuse by persons engaged in delivering DFAT activities. This includes a 'zero tolerance' approach on all issues relating to child abuse and child pornography. The QTAG SP will reflect this clear, unambiguous policy in planning, operations and management. All QTAG SP contracted staff required to visit Papua New Guinea will be briefed on DFAT's Child Protection policies and the SP's approach incorporated into a QTAG operating guide.

Value for Money

Value for money is a key consideration for DFAT. Value for money is not delivered as a one-off exercise but is a continuous management process. The SP will be required to demonstrate clear value for money for all activities supported by the QTAG. This will include demonstrating that administrative costs are minimised;

that management processes (including procurement procedures) are designed to maximise cost effectiveness; that commercial risks are managed sensibly in a geographically challenging operating environment; and that funds are allocated based on evidence of results to ensure the greatest possible impact.

With this in mind, the AHC will, in discussion with the SP, establish service standards for the different categories of QTAG support. These will form the basis for assessing on-going value for money on at least an annual basis. The measures and approach will be agreed during the set up phase. At this stage, bidders should explain their prospective approach and how, through their pricing, staffing and management processes, they will deliver expected best value for money for DFAT.