



Australia-Tuvalu Aid Partnership

2017 – 2021

1. The Partnership

- 1.1. This Partnership between the **Government of Australia** (“GOA”) and the **Government of Tuvalu** (“GOT”) (“the Partners”) establishes the Partners’ shared vision to ensure their cooperation contributes effectively and efficiently to Tuvalu’s achievement of its development objectives.
- 1.2. This Partnership builds on the Australia–Tuvalu Partnership for Development signed in August 2009 and aligns with Tuvalu’s development vision as articulated in Te Kakeega III: National Strategy for Sustainable Development 2016–20 (TKIII).
- 1.3. The term of this Partnership is from February 2017 until June 2021.
- 1.4. The relationship between the Partners will be built on the principles of:
 - a. equality, because it leads to respect;
 - b. transparency, because it leads to trust; and
 - c. mutual benefit, because it leads to sustainability.
- 1.5. Reflecting these principles, the Partners acknowledge:
 - a. Tuvalu’s ownership and leadership of its own policies for improvement and growth;
 - b. their mutual responsibility for results, including through joint, regular and evidence-based review of progress against partnership objectives and performance benchmarks set out in Annex A;
 - c. that Australia also works with Tuvalu through wider regional and multilateral delivery mechanisms to support its development; and
 - d. the UN *Sustainable Development Goals* adopted by Tuvalu, Australia and the broader UN General Assembly at the UN Sustainable Development Summit in New York, September 2015.
- 1.6. The Partners understand that this Partnership, while expressing its goodwill and intention to cooperate and collaborate on issues of mutual interest, does not create any legally binding or enforceable rights or commitments (expressed or implied).

2. Objectives and Priorities

- 2.1 The overarching objective of this Partnership is to facilitate close cooperation to support Tuvalu's development.
- 2.2 The Partnership seeks to advance Tuvalu's development vision as articulated in Te Kakeega III: National Strategy for Sustainable Development 2016–20 (TKIII).
- 2.3 The Partners have jointly determined two over-arching priorities to guide development cooperation under the Partnership: these are economic resilience and environmental resilience. The priorities are consistent with Tuvalu's development policy agenda; Australia's aid policy, *Australian aid: Promoting prosperity, reducing poverty, enhancing stability* (2014); and the Tuvalu-Australia Aid Investment Plan (2016-17 to 2020-21). The priorities are also consistent with the GOT's sectoral strategies relating to economic reform, climate change and education.
- 2.4 The **first priority** is to support the GOT to implement its policy reform matrix to maximise the benefits of its resources, achieve TKIII priorities and support Tuvalu's long term economic prospects. This support will focus on budgeting for the education sector, to ensure all children have access to primary and high school education of good quality.
- 2.5 The **second priority** is to support the GOT's work on climate change adaptation and environmental resilience, particularly to achieve water security, coastal protection and food security. It will also ensure that Tuvalu has a plan in place to prepare and respond to disasters.

3. Mutually Reinforcing Commitments

- 3.1 The Partners affirm that this Partnership is based on a series of mutually reinforcing commitments.
- 3.2 The GOT will:
 - maintain or exceed the current expenditure in education in its budget;
 - implement reforms under the GOT's policy reform matrix; and
 - improve gender equality indicators as committed to in the Pacific Islands Forum Leaders' Gender Equality Declaration.
- 3.3 The GOA will:
 - deliver aid in line with the strategic priorities and objectives of this Partnership, reinforcing the GOT's leadership of effective development strategies and programs;
 - facilitate common approaches and partnerships among donors under the GOT's coordination and leadership;
 - provide support to the GOT to monitor and strengthen its decision-making, finance and procurement systems; and
 - be transparent in the allocation of funding under the Partnership and keep the GOT informed of domestic policy developments, which may affect the anticipated level of funding.

regional stakeholders and encourage others to invest in and seek greater coordination of development policies and programs with the GOT. The GOA will continue to work closely with multilateral partners to encourage their increased and effective presence in Tuvalu.

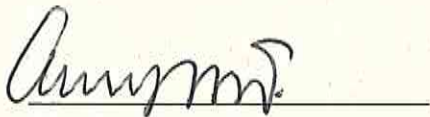
7. Declaration

This Partnership sets out the framework within which the Partners will work together to deliver a series of strategic investments to improve economic and environmental resilience in Tuvalu.


Signed at: FUNAFUTI, TUVALU on: 14 MARCH 2018

For the Government of Australia

For the Government of Tuvalu



*Her Excellency Amy Fay Crago
High Commissioner to Tuvalu*



*Honourable Maatia Toafa
Deputy Prime Minister and
Minister of Finance and
Economic Development*

- 3.4 The Partners undertake to maintain a zero-tolerance approach to fraudulent and corrupt actions against GOA's aid program with Tuvalu. Both Partners also undertake to improve the GOT's procurement and financial systems to ensure that aid funds are disbursed effectively, efficiently, economically and ethically providing the greatest possible value for money and improving the lives of people in Tuvalu, including those in greatest need.
- 3.5 The Partners will ensure that high standards of transparency and accountability, value-for-money principles and active management of risks are implemented in the aid program. The Partners will ensure adverse environmental and social impacts of the aid program are minimised through the application of safeguard policies in environmental and child protection.

4. Performance Benchmarks

- 4.1 Australian aid provided to GOT will be linked to the performance framework set out in *Making Performance Count: Enhancing the Accountability and Effectiveness of Australian Aid*.
- 4.2 The Partners undertake to achieve the performance benchmarks at Annex A, tied to the priorities and objectives, identified in paragraph.

5. Governance and Review

- 5.1 Annual or bi-annual partnership dialogues between senior officials of the Partners will ensure there is a joint, regular and evidence-based review of progress against the objectives, performance benchmarks and mutually reinforcing commitments under this Partnership.
- 5.2 The Partners undertake to discuss any performance concerns and attempt to resolve issues through dialogue.
- 5.3 The GOA's performance against the objectives and priorities under this Partnership will be reported and reviewed through the production of an *Annual Program Performance Report*.

6. Other Development Partners

- 6.1 The Partners commit to an effective dialogue with other partners and stakeholders in fulfilling the objectives of this Partnership.
- 6.2 Other delivery partners and mechanisms will be chosen based on an assessment of the most effective way to achieve the objectives and priorities listed above, and the past performance of partners. This may include expanding partnerships with the private sector and partnering with civil society organisations, in recognition of their critical role in achieving economic and environmental resilience.
- 6.3 The GOA will seek to support improved coordination among bilateral and

ANNEX A - Performance Benchmarks

Strategic Objective	2017/18-2020/21 Benchmark	Means of Verification	Resourcing	Leading Agency Responsible for Implementation, Monitoring and Reporting on Progress	
				GOT and DFAT	Annual Progress
SUPPORT A SECURE AND PROSPEROUS TUVALU					
<i>Improve governance and fiscal resilience</i>					
Strengthened governance and public financial management	Annually agreed priority actions, as mutually determined under the Policy Reform Matrix (PRM), are achieved. Donor payments are made on schedule.	Minutes of the PRM Annual Review Meetings	Budget Management TA PRM TA	Planning, Budget and Aid Coordination Unit, Ministry of Finance, DFAT economist	
Independent audit of the annual financial statements of the Tuvalu Government (including national budget data) meets international auditing standards.	Independent audit of the annual financial statements of the Tuvalu Government (including national budget data) meets international auditing standards.	Independent audit report and reports from the PACTAM Audit Adviser	Audit TA	Tuvalu Aid Program Staff at the Australian High Commission (AHC) in Suva	
Contribution of Australian-funded technical assistance to progressing economic and climate change adaptation/disaster risk reduction reform priorities is assessed by stakeholders annually as effective.	Contribution of Australian-funded technical assistance to progressing economic and climate change adaptation/disaster risk reduction reform priorities is assessed by stakeholders annually as effective.	PACTAM Annual Assignment Performance Assessment	Other PACTAM TAs including Public Sector TA, Tax TA, Climate Change and Disaster Risk Reduction TA, Education TA and Health TA		

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Strategic Objective	2017/18-2020/21 Benchmark	Means of Verification	Resourcing	Leading Agency Responsible for Implementation, Monitoring and Reporting on Progress GOT and DFAT Annual Progress
Building resilience to environmental and climate change impacts				
Strengthened resilience to climate change (including disaster risk management)	Climate Change and Disaster Coordination Unit effectively coordinates the National Advisory Committee (NAC) activities ¹ on Climate Change. Standard operating procedures (SOPs) in place, and updated as required, for coordinated disaster preparedness, response and recovery. Seasonal weather / climate forecasts publicised regularly by radio and television through regional meteorology programs.	Annual Report of the Climate Change and Disaster Coordination Unit Cabinet endorsement of the developed SOPs Reports from Tuvalu Meteorological Office	Climate Change and Disaster Risk Reduction TA	Tuvalu Director of Climate Change and Disaster Coordination, Office of the Prime Minister Head of Tuvalu MET office Tuvalu Aid Program Staff at the Australian High Commission (AHC) in Suva

¹ NAC members include: Tuvalu Red Cross, Tuvalu Meteorological Service, Ministries of Home Affairs and Rural Development, Natural Resources, Energy and Environment, and Works, Communications and Transport

Strategic Objective	2017/18-2020/21 Benchmark	Means of Verification	Resourcing	Leading Agency Responsible for Implementation, Monitoring and Reporting on Progress	
				GOT and DFAT	Annual Progress
Improve Education and Human Resources Development					
Improved quality of basic education outcomes	<p>Increased percentage of boys and girls achieving a 70% (Tuvalu Ministry of Education target) pass in primary and secondary years and reduced percentage of Year 8 repeaters (from 10% (2015) to 5% (2021)).</p> <p>Increased percentage of boys and girls transitioning from primary to secondary level (from an average of 61.7% (2015) to 70% (2020)).</p> <p>All schools meet at least 10/25 of their Core Minimum Quality Service Standards e.g. water, sanitation and hygiene facilities standards.</p> <p>Increased percentage of qualified and approved relieving teachers, reaching 70% by 2020.</p> <p>Increased percentage of teachers benefiting from continuous professional development to meet the criteria of the Tuvalu Teacher Competency Framework, reaching 70% by 2020.</p>	<p>Ministry of Education Annual Statistical Digest</p> <p>Ministry of Education annual reports</p>	<p>Education Planning TA</p> <p>Sector Support</p>	<p>PS and Director Ministry of Education, Youth and Sports and DFAT education adviser</p> <p>Tuvalu Aid Program Staff at the Australian High Commission (AHC) in Suva</p>	

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Strategic Objective	2017/18-2020/21 Benchmark	Means of Verification	Resourcing	Leading Agency Responsible for Implementation, Monitoring and Reporting on Progress	
				GOT and DFAT	Annual Progress
Increased skilled and educated workforce	Appropriate number of external scholarships are provided to target the identified Tuvalu human resource development needs aligned with business continuity. Increased completion rate of scholarships annually from 75% (2015) to 90% (2021).	Tuvalu pre-service and in-service annual reports / Tuvalu Human Resource Management Annual Report on Scholarships DFAT Scholarships Tracer Study	Provision of Scholarships annually, subject to budget appropriation	PS and team of Human Resource Management Tuvalu Aid Program Staff at the Australian High Commission (AHC) in Suva	
Cross Cutting: Promoting Gender Equality and Disability Inclusive Development					
Improve Gender Equality and social inclusion services	Ten percent or more of the Tuvalu bilateral program allocated to support gender equality and disability inclusive activities as per the Tuvalu Gender Country Plan. Gender Affairs Department is strengthened to mainstream gender policy as per the TKIII. Increased people-to-people linkages and strengthened roles of Non-Government Organisations through Australian Volunteers.	DFAT Breakdown of Budget Allocation on bilateral Support for Tuvalu Quarterly Reports from Gender and Social Inclusion Adviser/Quarterly Reports from Volunteers Newsletter from Tuvalu Gender Affairs Department	Gender and Social Inclusion Adviser TA Psychosocial Counsellor TA Support on Gender Disability Study Up to five Volunteers placed at NGOs and relevant institutions	Director and Team of Gender Affairs Department Disability Persons Organisation - Fusi Alofa Association Directors of relevant Tuvalu NGOs/Gender & Social Inclusion Adviser Tuvalu Aid Program Staff at the Australian High Commission (AHC) in Suva	

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