

**SCHEDULE TO THE PAPUA NEW GUINEA – AUSTRALIA
PARTNERSHIP FOR DEVELOPMENT**

Priority Outcome 1: Education (2012)

PARTNERSHIP FOR DEVELOPMENT BETWEEN

THE GOVERNMENT OF PAPUA NEW GUINEA

AND

THE GOVERNMENT OF AUSTRALIA

The Papua New Guinea-Australia Partnership for Development was formalised by Prime Ministers during the Pacific Forum Leaders' Meeting held in Niue on 20 August 2008. The Partnership for Development initiative represents a new era of cooperation between Australia and Papua New Guinea and other Pacific Island nations. The initiative provides the guiding and practical framework for the implementation of the Port Moresby Declaration that was announced by Prime Minister Rudd on 6 March 2008.

The Papua New Guinea-Australia Partnership for Development is founded on the principles of mutual understanding, mutual respect and mutual responsibility for improved development outcomes. The Partnership reflects the shared vision of the two Governments to work together to meet the common challenges and to improve the quality of life of all Papua New Guineans. Specifically, the Partnership seeks more rapid progress towards poverty reduction and the other Millennium Development Goals by 2015.

Priority outcome 1: Education

In August 2011 the Government of Papua New Guinea announced a new policy platform of Tuition Free Education for all students to year 10. This policy was extended in 2012 to include full subsidisation of students in Years 11 and 12. The Government of PNG's intention to undertake a review of Universal Basic Education remains from 2011. Australia's contribution of the implementation of the policy will be progressed as part of the Partnership for Development.

(i) Aim of the Partnership

The Governments of Papua New Guinea and Australia have agreed to pursue **significant measurable progress towards the achievement of Universal Basic Education and improve access to quality education at basic, secondary, technical and tertiary education levels by 2015**. The Partnership will support and strengthen Papua New Guinea's education sector towards the following targets in the specified subsectors:

Basic and Secondary education:

- Increased access
 - 74.3 per cent net enrolment rate in basic education by 2015
- Improved quality
 - Participation in an internationally recognised quality assessment process by 2015 and the development of a joint action plan to implement its recommendations to improve literacy, numeracy, and management in education
- Increased access for girls
 - Five point improvement in gender parity index (from 0.92 [2010] to 0.97 [2015])

Technical and Higher education:

- Increased access:
 - 52,000 graduates from higher education institutions¹ between 2011 and 2015
- Improved quality
 - A more effective national qualification framework used for institutional quality assessments of all accredited technical and tertiary education institutions by 2015 and a commitment to improving quality in universities through PNG Government budget allocations allowing activation of the kina-for-kina mechanism²

¹ Target taken from Papua New Guinea Medium Term Development Plan 2011-2015 (MTDP), page 39. Includes all graduates from Universities and Colleges (teaching, nursing, technical and business, government and private).

² Consistent with the joint commitments in the Implementation Plan to the Garnaut-Namaliu Review of Papua New Guinea's universities, Australia will match on a kina-for-kina basis any increases in funding to universities by the Government of Papua New Guinea over 2011 levels where the funds are specifically directed at enhancing institutional and academic quality.

- Increased access for women
 - Gender parity index of 0.97 by 2015

Education is one of the most effective means of promoting development. It directly improves living standards and is fundamental for longer term economic growth and social development. Education increases productivity, provides a skilled workforce to meet development demands, and facilitates personal self-development. It also enables people to participate more effectively in the democratic system of government, and educated mothers have healthier children.

Education and human capital are identified as a priority in the Government of Papua New Guinea's Vision 2050, Development Strategic Plan 2010-30 (DSP) and Medium-Term Development Plan 2011-15 (MTDP). Educational development is guided by the National Education Plan 2005-14 (NEP) and Universal Basic Education Plan 2010-19 (UBE Plan) and the National Higher Education Plan III (2000-04). The implementation of these plans is coordinated by the Department of Education and the Office of Higher Education, in collaboration with sub-national levels of government and higher education institutions. The roles and responsibilities of these different levels of government are specified in Annex 2. For the purposes of this Schedule, the education system includes basic, secondary, flexible open and distance, vocational, technical and tertiary education, as set out in Table 1.

The Government's implementation of the tuition fee-free policy has resulted in an increase in enrolment in elementary and primary schools across the country and this will create growing demand for secondary and vocational education. It is important to recognise the need for strategic planning and investment in these sub-sectors addressing both access and quality.

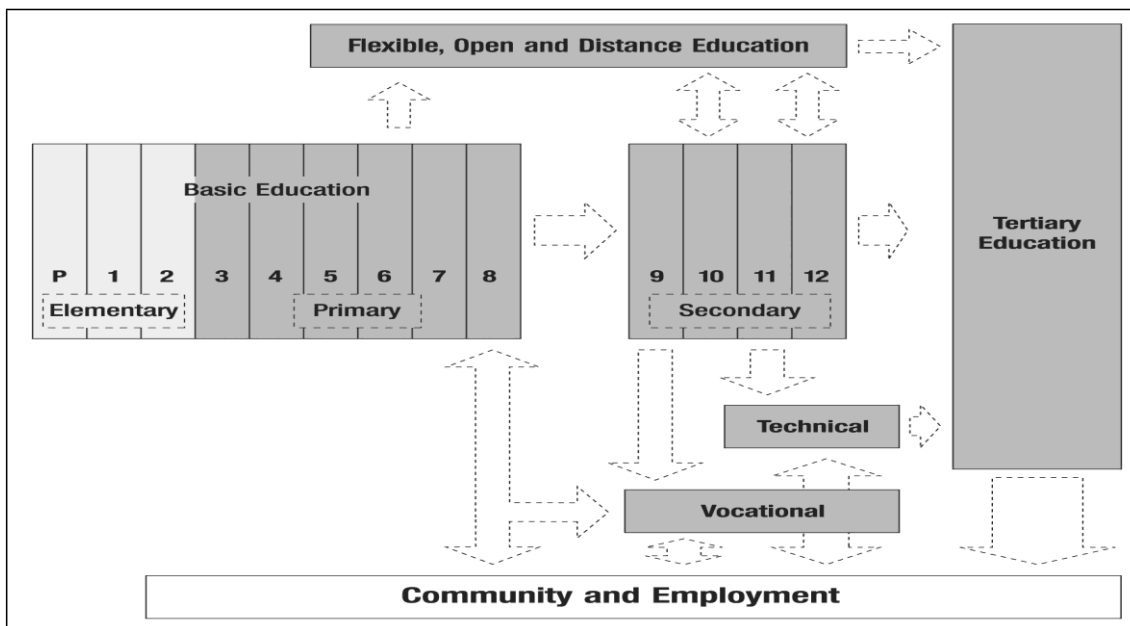
This Partnership commits the Government of Papua New Guinea and Government of Australia to successfully implement existing education plans, guided by an expenditure framework covering the total resource envelope of the education sector (with the exception of tertiary education). This Schedule will be revised following finalisation of a National Higher Education Plan IV (2011-15).

Under this Partnership, the Government of Papua New Guinea and the Government of Australia will pursue universal basic education in partnership with other development partners (including the European Commission, New Zealand, Japan, World Bank Group and the United Nations) and other education non-state actors including church education agencies, communities and NGOs. The Government of Australia will also support the Government of Papua New Guinea to improve the quality of education (towards the target of participation in an international quality assessment and joint development of an action plan to implement its recommendations by 2015) and increase access to education for girls and women (towards a gender parity index of 0.97 by 2015). The Government of Papua New Guinea and the Government of Australia will also support the rehabilitation of National High Schools. Australia's support will focus on delivering equitable services at the school level.

In technical and tertiary education, the Government of Papua New Guinea and the Government of Australia will increase the number of graduates (targeting of 52,000 graduates between 2010 by 2015) and significantly improve the quality of technical and tertiary education (all accredited higher education institutions will have had an institutional

quality assessment by 2015, and the Government of PNG will have committed to improving the quality of universities by allocating a budget towards the kina-for-kina mechanism) to better meet workforce demands. Australian assistance to technical education will be in consultation with the Department of Education, Office of Higher Education, National Training Council and the National Apprentice and Trade Testing Board. Australian support in tertiary education will be coordinated by the Office of Higher Education and reflect the findings of institutional quality assessments (conducted in line with the Government of Papua New Guinea's Guidelines for Institutional Accreditation). The Government of Papua New Guinea and the Government of Australia will also increase women's access to technical and tertiary education (targeting a gender parity index of 0.97 by 2015).

Papua New Guinea education system (Source: Labour market supply data report, Office of Higher Education 2010).



The opportunities available for Papua New Guineans who complete Grade 10 and Grade 12 are increasing and are offered by Government, by churches and also by private providers. These are summarised in the table below which is by no means exhaustive.

Opportunities for Papua New Guinea youth beyond Grades 10 and 12.

| Sector | Secondary Education | Post Secondary (Tertiary) |
|---------------|---|--|
| Structure | | |
| Opportunities | Post Gr10 opportunities | Post Gr12 opportunities |
| Government | <ul style="list-style-type: none"> Gr 11 and 12 in formal education system Grade 11 and 12 through Flexible and Open Distance Education Certain courses offered by Technical Colleges Vocational institutions | <ul style="list-style-type: none"> Universities x 4 Distance education providers Technical colleges x 4 Business Colleges x 3 Teachers Colleges Agriculture Colleges Nursing Collages Other Government training colleges |
| Churches | <ul style="list-style-type: none"> Bible Training Schools/Colleges Nursing schools Vocational Institutions | <ul style="list-style-type: none"> Universities (DWU, PAU) Teachers Colleges x6 Technical Institutions (Don Bosco) |
| Private | <ul style="list-style-type: none"> Private education providers | <ul style="list-style-type: none"> TAFE courses provided through the IEA Overseas degree courses offered in distance mode Private education providers approved by the National Training Council |

(ii) Costing and Timeframe

Table 3 contains a costing of the National Education System 2011-15. This excludes tertiary education because there are currently no accurate cost estimates for this sub-sector. The costing is based on the Department of Education's Medium Term Expenditure Framework (MTEF) for the national education system (which excludes tertiary education). The indicative funding level is based on estimates by the Department of Treasury and the Department of National Planning and Monitoring. The indicative funding level includes both recurrent and development budget funding (Government of Papua New Guinea direct financing) but does not include potential funding towards the Partnership through supplementary budgets, Government of Papua New Guinea loan financing and financing of the tertiary education sub-sector.

The funding gap represents the resource requirements needed to achieve the goals and targets of the Papua New Guinea Government's plans. Under the Partnership, negotiations between the Governments of Papua New Guinea and Australia for the funding of education will take place from a whole of government perspective, involving the Government of Papua New Guinea's central agencies such as the Departments of Treasury and National Planning and Monitoring, and sub-national governments, districts and communities. A more detailed presentation of these figures is at Annex 3.

████████ National Education System (basic, secondary and technical) costing 2011-15 (PGK million, AUD1= PGK2.2) ³

| | 2011 (Actual) | 2012 (Appro.) | 2013 (Appro.) | 2014 | 2015 | Total |
|--------------------------------|------------------|------------------|------------------|--------------|--------------|---------------|
| Total Cost | 2,000 | 2,143 | 2,473 | 2,675 | 3,099 | 12,390 |
| Funding | | | | | | |
| Government of PNG ⁴ | 1,309 | 1,594 | 1,985 | 1,985 | 1,985 | 9,803 |
| - Recurrent | 1,147 | 1,511 | 1,658 | - | - | - |
| - Development | 162 | 83 | 29 | - | - | - |
| - Sub-national grant | | | 298 | | | |
| Other source | - | - | - | - | - | - |
| Australia (indicative) | 127 | 167 | 183 | 210 | 250 | 937 |
| Other Donors (indicative) | 141 | 35 | 115 | 115 | 115 | 521 |
| Total Funding | 1,577 | 1,796 | 2,283 | 2,310 | 2,350 | 10,316 |
| Funding Gap | 423 | 347 | 190 | 365 | 749 | 2,074 |

The Governments of Papua New Guinea and Australia acknowledge the importance of sustainably increasing funding to Partnership priorities over the period to 2015. Funding will be determined as part of each country's annual budget processes and consider progress in implementing mutually agreed commitments in the Partnership. Multi-year funding projections will be included in the Partnership, reviewed annually, and adjusted as appropriate.

The funding requirement for achieving the objectives in the Partnership will be derived primarily from:

- Redirection of the Government of Papua New Guinea's recurrent and development

³ The basis of this table is the 2008 enrolment and staffing figures and the Department of Education MTEF.

⁴ Figures are indicative and subject to Government of Papua New Guinea budgetary processes.

expenditures towards the Partnership priority outcomes and away from lower priority and/or ineffective programs, including allocations from funds held in trusts, and improved cost effective implementation across all programs. Filling the funding gap is the responsibility of the Government of Papua New Guinea. Where necessary, the Government of Papua New Guinea will seek technical assistance to strengthen capacity in the relevant implementing agencies

- Increased levels of development assistance from the Government of Australia, consistent with the Partnership commitment, and a reprogramming of overall assistance towards the Partnership priority outcomes. Indicative funding to be provided by the Government of Australia by education sub-sector is presented in Table 4
- Increased funding from other development partners, through increased aggregate development assistance and/or a reprogramming of existing activities.

Indicative Australian funding 2011-15 (PGK millions, AUD1= PGK2.4)

| Education Sub-Sectors | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-------------|-------------|-------------|-------------|-------------|
| Basic (elementary and primary) | 126 | 165 | 165 | 165 | 165 |
| Secondary (inc National High Schools, FODE) | 22 | 28 | 28 | 28 | 28 |
| Technical (inc. Vocational) | 9 | 14 | 14 | 14 | 14 |
| Universities and Research Institutions | 25 | 48 | 48 | 48 | 48 |
| Scholarships | 46 | 51 | 51 | 51 | 51 |
| Total Australian Funding (indicative) | 228 | 306 | 306 | 306 | 306 |

The funding requirement for achieving the objectives in the Partnership will also be derived from:

- Contributions from sub-national government revenue, school fees, local community fees and in-kind contributions
- Real growth in the Government of Papua New Guinea's aggregate expenditure program, consistent with the MTDP.

(iii) Measurement

The core indicators to measure progress towards achieving universal basic education are contained in a Performance Assessment Framework jointly agreed by the Government of Papua New Guinea and Government of Australia and other development partners. The indicators and targets are in line with the MTDP, NEP and UBE Plan. The Government of Papua New Guinea will collect sufficient data, largely through the National School Census, to assess performance of the sector against these indicators. Most of this data will be part of a fully functioning Education Management Information System.

For technical and higher education, progress will be measured at an institutional level through regular assessments conducted as part of the Office of Higher Education's Quality Audit Process. Progress will be assessed against the deliverables specified in the MTDP, and following completion of the National Higher Education Plan (IV), this Schedule will be updated with a Performance Assessment Framework for tertiary education.

All indicators will be disaggregated by gender and sub-national levels where applicable. Indicators of quality will be developed, which will include learning achievement. This will involve carrying out national assessments for a specific grade comparable with international standards.

The primary sources of data for reporting will be existing Government of Papua New Guinea systems. These will include the school census, population data, government budget and expenditure reports, annual reports and Quality Assurance Framework assessments. The data from these sources will be collected and analysed on an annual basis.

Education indicators will follow nationally and internationally accepted standards including the definition, purpose and calculation method. Definitions conform to the international standards with the education indicators adopting the standards of the UNESCO Institute for Statistics or other international organisations.

(iv) Technical Advisers

Following an announcement by the Government of Australia in May 2010, a review of the use of technical advisers was undertaken by AusAID and the Government of Papua New Guinea. The objective of the review was to ensure that the use of technical advisers represents an effective and value for money response to meeting both Governments' needs and priorities.

Following the review, the Governments of Papua New Guinea and Australia established an Adviser Review Group (ARG) to maintain executive level scrutiny on the use of technical advisers in the aid program. The ARG met for the first time in April 2011. The Group includes AusAID's Head of Aid, Chief of Operations, and the Secretaries of the Department of National Planning and Monitoring and the Department of Personnel Management. The ARG has agreed to meet quarterly to discuss the quality of advisory assistance; the impact they are having in assisting the Government of PNG meet the country's development goals; and the allocation of adviser resources.

Under this Schedule the Governments of Papua New Guinea and Australia will work together to implement the recommendations of the review and monitor the use and level of technical advisers in the aid program.

Support from the Government of Australia will include technical assistance to strengthen education administration in planning, financial and project management and procurement, and support research and policy analysis at select research institutions. The funding for capacity development will be capped at 15 per cent.

(v) Implementation Strategy

In basic and secondary education the Partnership will be integrated into the Government of Papua New Guinea's implementation plans. These plans form a basis for a fully costed roadmap for Papua New Guinea to achieve substantial progress towards universal basic education by 2016, with the support of the Government of Australia and other development partners. The Government of Papua New Guinea will support implementation of the NEP and UBE Plan at national and sub-national levels by funding recurrent and development costs as set out in table 2, including: teacher education; education materials; institutional infrastructure; education standards; institutional funding (grants and subsidies); management and administration; and personal emoluments.

Guiding frameworks

In 2011 the Government of Papua New Guinea will develop a National Higher Education Plan IV (2011-15). This will take into account the findings of the Garnaut-Namaliu review of Papua

New Guinea's Universities, the Government of Papua New Guinea's overarching national development plans, and the Government of Papua New Guinea's Workforce Development Plan. The Government of Australia will support the Office of Higher Education in the preparation of the NHEP IV. In line with NHEP IV, support provided by the Government of Australia in technical and tertiary education will be in response to the findings of assessments undertaken as part of the Office of Higher Education's institutional quality audits.

The Government of Papua New Guinea will ensure that the financing and development of the education sector is considered in its entirety, balancing the need to invest appropriately in basic, secondary, technical and tertiary education.

The Government of Papua New Guinea will endeavour to ensure that education agencies at all administrative levels are appropriately resourced and operational and capable of implementing the NEP, UBE Plan and NHEP IV. The Government of Papua New Guinea has started implementation of its policy to eliminate school fees for basic and secondary levels by 2014. A MTEF has been developed by the Department of Education, and will be used to develop the department's Annual Operational and Financial Plan (AOF) which includes all donor funding. In support of NHEP IV, a MTEF will be developed summarising the resourcing of technical and tertiary education. The Government of Papua New Guinea will thus provide comprehensive information on education budgets and expenditure by sub-sectors and administrative levels (national, provincial, etc.) to stakeholders.

Consistent with the *Papua New Guinea Commitment on Aid Effectiveness*, activities and expenditure commitments under the Partnership will be considered within the Government of Papua New Guinea's budget process and financial framework.

Joint commitment of principles

A Joint Commitment of Principles between the Government of Papua New Guinea and donors, including the Government of Australia, will support an agreed management structure to jointly plan, implement and monitor external support to the national education system. Improvement in accountability and administrative systems and processes will be ensured through regular financial procurement assessments, public expenditure reviews and tracking surveys, such as the National Economic and Fiscal Commission provincial government review. The Government of Papua New Guinea and the Government of Australia will also work with development partners to ensure more harmonised funding modalities that strengthen the use of the Government of Papua New Guinea's systems. The support will be delivered through the Government of Papua New Guinea's systems subject to independent assessment of their suitability and reliability.

Annual review of performance

The Department of Education and donors will hold Joint Annual Reviews of the performance of the national education system including progress against the core indicators from the Performance Assessment Framework. In addition, the review will discuss new strategies and priorities for the upcoming year. Similarly, the Office of Higher Education and the Government of Australia will hold joint reviews annually to consider the performance of the higher education sector and review priorities for the upcoming year.

Financial and technical support from the Government of Australia will be channelled into seven components : teacher education; education materials; institutional infrastructure;

education standards; institutional funding (grants and subsidies); management and administration; and, personal emoluments (technical assistance costs).

Commitment of support

The Government of Australia commits to provide a minimum of 60 per cent of its total funding for education over the next five years to support progress towards universal basic education with an emphasis on delivering equitable and quality services at the school level. The Government of Australia will contribute funds for education subsidies, infrastructure and materials as identified in the Government of Papua New Guinea's national budget. This could include up to PGK160 million in education subsidies to elementary and primary schools by 2015 and the provision of up to 2.7 million textbooks and 1100 classrooms and 450 teachers' houses.

A minimum of 15 per cent of available funding provided by the Government of Australia for education will be for secondary education, including National High Schools. This could include provision of PGK30 million in school grants to National High Schools and other secondary schools and up to 1.3 million textbooks over 5 years.

Fifteen per cent of funding from the Government of Australia will be used to support technical and vocational education and training (TVET) and tertiary education, including teachers colleges and research institutions, and institutional capacity building of the Government of Papua New Guinea at all levels. Specific activities will be identified in operational plans. These will include promoting the attendance and retention of girls and women in education, the participation of women in management and teaching, and reforms to improve the financing and management of the higher education sector. The Government of Australia will provide significant support for post-graduate development and research through the Scholarships program.

The support across the components and the sub-sectors of the national education system will be decided annually between the two governments and will reflect consultations with schools, communities, church education agencies, NGOs, development partners, education officials at all levels of government and central government agencies in Papua New Guinea.

Achieving results

Achieving results in the education sector is dependent on strong central government agencies such as Treasury, Finance, National Planning, Personnel Management, Internal Revenue Commission and Central Supply and Tenders Board – they provide the funds, define human resource management rules and procedures, operate financial management systems, and they coordinate policy making and allocate and deliver funds through established budget and planning systems. They enable line agencies and sub-national administrations to deliver services and create an environment where quality of life can be improved. The Government of Papua New Guinea will work to ensure central agencies are adequately resourced in order that they are efficient, effective and accountable. Assistance from the Government of Australia will support this through three programs: the Economic and Public Sector Program (EPSP), Strongim Gavman Program (SGP) and Sub-National Program (SNP). The EPSP and SGP principally support central agencies as key institutions in Papua New Guinea. The SNP supports provincial governments and their districts, primarily through the Government of Papua New Guinea's Provincial Performance Improvement Initiative (PPII).

In addition, churches and NGOs are important service providers in Papua New Guinea, particularly in education. Assistance provided by the Government of Australia to churches and NGOs will be provided through the Strongim Pipol Strongim Nesen (SPSN) program in support of Papua New Guinea's education sector and service delivery more broadly.

ANNEX 1 – Australia’s contribution to Partnership outcomes through other programs

The immediate development results articulated under this Schedule will require a **stable macro-economic environment, capable officials, and appropriate allocation of funds to service delivery priorities**. In the medium to long-term, development results will be more achievable through **increasingly effective and sustainable service delivery mechanisms**, whether through government, the private sector or civil society. As well as the activities directly supported through this Schedule, the following programs will support our mutual objectives.

| Program | 2011 Funding AUD'm | 2012 Funding AUD'm | Total Initiative Funding AUD'm (years) |
|---|--------------------|--------------------|--|
| Strongim Gavman Program | 28.2 | 29.3 | 138.0 (2009-13) |
| Economic and Public Sector Program | 25.3 | 20.0 | 100.0 (2010-14) |
| Sub-National Program | 18.4 | 13.4 | 110.0 (2007-12) |
| Papua New Guinea-Australia Incentive Fund | 17.8 | 22.2 | 60.0 (2010-14) |
| Scholarships | 20.1 | 21.7 | 110.0 (2011-16) |
| Strongim Pipol Strongim Nesen | 7.5 | 18.4 | 105.0 (2010-14) |
| Church Partnership Program | 7.0 | 6.5 | 50.0 (2010-15) |
| TOTAL | 121.7 | 123.6 | 689.0 |

Note: In 2011 approximately 85 per cent of Australian aid to Papua New Guinea was provided under the Partnership for Development.

These programs will support broader objectives of the Government of Papua New Guinea and underpin other Government of Australia programs at the **national and sub-national levels to:**

- encourage macro-economic stability through a sustainable budget process; encourage funding allocations through national and provincial budgets to better target service delivery priorities; and improve public sector efficiency and sustainability through:
 - training public servants
 - reform of public financial management systems
 - promoting a culture of accountability and performance through improved auditing and monitoring of performance.
- support civil society, NGOs, churches and the private sector to effectively deliver basic services to Papua New Guinea communities and build demand for improved government, private sector and NGO accountability to communities, together with the Papua New Guinea government.

Equally important to achieving the development results in this schedule is a **zero tolerance approach to fraud and corruption** in the Australian aid program. Both Governments acknowledge the negative effect that fraud and corruption have on the effective delivery of services to the people of PNG. Both Governments will ensure that Australian aid program is transparently programmed, managed and effectively delivered. The Government of Australia agrees to use PNG Government systems and procedures where these processes are suitably robust to minimise the risk of Australian aid funding being lost to fraud or corruption; and where there is demonstrated development benefit for PNG. The aid program, through governance initiatives listed below, will help improve PNG's anti-corruption measures. These measures include implementing the National Anti-Corruption Strategy, strengthening the capacity of PNG law enforcement agencies to tackle corruption, and improving PNG procurement and financial systems.

At each Annual Partnership Dialogue, both governments can review achievements under these programs taking into account the annual assessments of the Provincial and Local Level Service Monitoring Authority, the National Economic and Fiscal Commission reviews, periodic World Bank Institute Government Effectiveness Score assessments and Public Expenditure and Financial Accountability assessments, targets for which are articulated under the MTDP, and other independent review mechanisms. The Governments of Australia and PNG will work closely together during 2013 and 2014 to ensure that future support for improved governance and public sector reform is increasingly aligned with the agreed Partnership priority outcomes and the focus on helping people overcome poverty.

The **Strongim Gavman Program (SGP)** assists the Government of Papua New Guinea to strengthen public sector performance in key agencies in the sectors of economic and public sector management, law and justice, border management and transport security. Senior officials from the Australian public service are placed in Papua New Guinea agencies to provide strategic advice and support for capacity development. SGP officials are accountable to the Papua New Guinea agency head as well as the Government of Australia. Increasing focus is given to those central government functions that enable delivery of Government of Papua New Guinea policies related to service delivery in the health, education and the law and justice sectors.

The **Economic and Public Sector Program (EPSP)** will strengthen central and core agencies in their role as key enabling government institutions to enable service delivery. The program will be managed by a Program Management Group (PMG), comprising senior level representatives from the Departments of Prime Minister and National Executive Council (PM&NEC), Personnel Management (DPM), National Planning and Monitoring (DNPM), Treasury (DoT), Finance (DoF), Provincial and Local Government Affairs (DPLGA), Office for the Development of Women, AusAID, and the Managing Contractor, and work directly through PM&NEC, to the Central Agencies Coordinating Committee (CACC). Funding flows will be guided by an Annual Strategic Framework developed by the PMG and agreed by AusAID and the CACC.

Scholarships PNG (SPNG) is a joint collaboration between the Governments of Australia and New Zealand to provide post-secondary education and training opportunities to Papua New Guineans. This contributes to Papua New Guinea's human capital development in areas identified by the Government of Papua New Guinea as national training priorities. The Government of Papua New Guinea chairs the processes of selecting awardees.

The **Sub-National Program (SNP)** partners with the Government of Papua New Guinea to

help improve vital aspects of its decentralised service delivery system. This includes: supporting reforms that increase funding to provinces for service delivery; supporting the operation of the Government of Papua New Guinea's mechanisms to monitor and coordinate service delivery; assistance to the Government of Papua New Guinea's Provincial Performance Improvement Initiative to strengthen sub-national performance and support for improved service delivery capacity of the Autonomous Bougainville Government.

The **Incentive Fund** encourages Papua New Guinea organisations to improve their overall performance and contribution to development. Grants of between PGK0.5 million to PGK10 million are provided to good performing organisations in Papua New Guinea to enable them to expand their services in mainly the health and education sectors. Over the life of the program, the Australian Government will provide approximately AUD60 million to successful organisations across PNG.

The **Church Partnership Program (CPP)** assists Papua New Guinea churches enhance their capacity to deliver health and education services to disadvantaged and often remote communities, as well as contribute more broadly to development in Papua New Guinea. CPP is based upon partnerships between the seven Papua New Guinea churches, their seven counterpart Australian faith based NGOs, AusAID and the Government of Papua New Guinea.

Strongim Pipol Strongim Nesen (SPSN) aims to assist government, civil society and the private sector to work together to meet Papua New Guinea communities' health, education and other needs by providing grants and capacity building support to organisations throughout Papua New Guinea. The program will also build demand for improved government, private sector and NGO accountability to communities. The SPSN Joint Governing Council, currently comprised of DNPM, DPLGA, Department of Community Development (DfCD) and AusAID, sets the program's strategic direction. SPSN will directly target poverty by delivering many tangible benefits from community generated projects in rural and remote areas.

ANNEX 2 – Roles and responsibilities⁵ of decentralised Government in Papua New Guinea’s basic education sector

| Service delivery functions and responsibilities | | |
|--|---|--|
| National Government | Provincial governments | Urban LLG and Rural LLG |
| Governance <ul style="list-style-type: none"> ○ National Education Board ○ Teaching Services Commission | Governance <ul style="list-style-type: none"> ○ Provide secretariat, technical and logistical support to the Provincial Education Board. ○ Establish and provide logistical support to Provincial education committees, such as the Provincial In-service Committee and the Provincial Curriculum Committee. ○ Approve members of Boards of Management and Boards of Governors to Provincial education | Governance <ul style="list-style-type: none"> ○ Recommend to Provincial Government membership of Boards of Management of elementary and primary schools. |
| Policy and Planning <ul style="list-style-type: none"> ○ Develop Curriculum for elementary and primary | Policy and Planning <ul style="list-style-type: none"> ○ Develop and implement the Provincial Education Plan. ○ Develop and implement other plans such as a Provincial Education In-service Plan. ○ Develop and implement Provincial education policies. ○ Provide enrolment data to the NDOE. ○ Register of member and permitted schools in Province. ○ Collect, record, analyse information and data on education in Province, such as enrolment data, number of teachers, number of open and closed schools. ○ Monitor education indicators for each District. | Policy and Planning <ul style="list-style-type: none"> ○ Advise the Provincial Education Board of local education priorities. |
| New Schools <ul style="list-style-type: none"> ○ Approve new schools | New Schools <ul style="list-style-type: none"> ○ Approve at Provincial level and subsequently seek approval at National level (through NDOE): new schools; amalgamations of existing schools; school re-openings; change of school names; closure of schools; transfer of schools and changes in status. | New Schools <ul style="list-style-type: none"> ○ Draw up plans for the establishment and development of new schools. |
| Infrastructure <ul style="list-style-type: none"> ○ Funds/expertise to expand infrastructure should be responsibility of LLG and Districts | Infrastructure <ul style="list-style-type: none"> ○ Prepare an annual maintenance plan ○ Inspect the condition and maintain <ul style="list-style-type: none"> – Provincial Secondary schools – Vocation and Trade Training Schools – Teacher / education worker housing; and – ancillary facilities. | Infrastructure <ul style="list-style-type: none"> ○ Inspect condition of and maintain elementary and primary schools, teacher housing, ancillary facilities. |

⁵ These roles and responsibilities are subject to capacity and budgets.

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| Service delivery functions and responsibilities | | |
|--|--|--|
| National Government | Provincial governments | Urban LLG and Rural LLG |
| Teachers <ul style="list-style-type: none"> ○ Pre-service teacher training and registration ○ In-service training ○ Inspect schools | Teachers <ul style="list-style-type: none"> ○ Appoint, deploy and redeploy teachers to their posting in Provincial education institutions. ○ Procure and arrange teacher leave fares. ○ Repatriate and remove teacher personal effects. ○ Administer the teachers payroll, including school resumption visits, leave applications. ○ Coordinate in-service training at the Provincial level. ○ Deliver in-service training (short presentations and/or workshops at school in-service meetings or during in-service week but not fund further study or courses) as required. ○ Distribute in-service materials (provided by NDOE) to schools. ○ Recommend candidates (through the Provincial Education Board) to NDOE for further study and National in-service training. | Teachers <ul style="list-style-type: none"> ○ No assigned function or responsibility. |
| School Operations <ul style="list-style-type: none"> ○ Set school fee limits ○ Pay school fees subsidy in 1st &* 3rd quarter ○ Deliver new curriculum materials to Provincial Government HQ ○ Provide Grade 8 exams to Provincial Government: collate results across Papua New Guinea | School Operations <ul style="list-style-type: none"> ○ Purchase and distribute materials and supplies for Provincial schools where the school does not have sufficient capacity to make own purchases or source these from other donors. ○ Fund and distribute (2nd and 4th quarter fees) school subsidies. ○ Set school fees within the limits imposed by the NEB. ○ Distribute curriculum materials, National examination papers, Certificates, Diplomas and awards to schools. ○ Select students for grade 9 classes. ○ Organise venues, and fund supervisors for National Grade 8, 10 and 12 examinations. ○ Organise venues, and fund markers for marking for National Grade 8, 10 and 12 examinations. | School Operations <ul style="list-style-type: none"> ○ No assigned function or responsibility. |

ANNEX 3 – Performance Assessment Framework

| | Baseline | | | | | | Target |
|---|----------|---------------|-------|-------|--------|--------|--------|
| | 2007 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Increasing access to education | | | | | | | |
| Basic (Prep - Gr.8) | 52.9% | 60.9% | 63.6% | 66.3% | 69.0% | 71.6% | 74.3% |
| Technical and Tertiary Graduate Numbers ⁶ | 6,496 | N/A | 8,500 | 9,200 | 10,000 | 11,200 | 13,100 |
| Improving the quality of education | | | | | | | |
| Total number of participations in international quality testing regimes | 0 | | 1 | | 2 | | |
| Total number of institutional quality assessments | 0 | 8 | 12 | 16 | 21 | 26 | 31 |
| Access of girls and women to education | | | | | | | |
| Gender parity index in basic and higher education | 91% | 92% | 93% | 94% | 95% | 96% | 97% |
| Public expenditure on education | | | | | | | |
| Total recurrent education expenditure as a percentage of total national recurrent expenditure | 21.6% | est. 25.8% | >20% | >20% | >20% | >20% | >20% |

⁶ Baseline 2008.