

Design Document for

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# PNG Skills for Sub-National Growth Investment

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## Acronyms

ACIAR	Australian Centre for International Agricultural Research	MHTC	Mount Hagen Technical College
ADB	Asian Development Bank	NADP	National Agriculture Development Plan
ADF	Australian Defence Force	NARI	National Agriculture Research Institute
AHC	Australian High Commission	NEC	National Executive Committee
AIFFP	Australian Infrastructure Finance Facility for the Pacific	NGO	Non-Government Organisation
APTC	Australia Pacific Training Coalition	NHTEB	National Higher and Technical Education Board
AROB	Autonomous Region of Bougainville	NQF	National Qualifications Framework
BOOT	Build-own-operate-transfer	NSDA	National Skills Development Agency
CSR	Corporate Social Responsibility	PEA	Political economy analysis
DFAT	Department of Foreign Affairs and Trade	PHAMA	Pacific Horticultural & Agricultural Market Access Plus Program
DHERST	Department of Higher Education, Research, Science and Technology	PLF	Pacific Labour Facility
ELRTC	East Lorengau Regional Transit Centre	PLS	Pacific Labour Scheme
EOPO	End of Program Outcome	PLWD	People Living with Disability
FODE	Flexible Open and Distance Education	PMEL	Planning, Monitoring, Evaluation, and Learning
GBV	Gender Based Violence	PNG	Papua New Guinea
GEDSI	Gender Equity, Disability and Social Inclusion	PNGCA	PNG Counselling Association
GoPNG	Government of Papua New Guinea	POMTECH	Port Moresby Technical College
HAC	Highlands Agricultural College	PSEAH	Preventing Sexual Exploitation, Abuse and Harassment
HDI	Human Development Index	RHO	Regional Head Office
IFAD	International Fund for Agricultural Development	RTO	Registered Training Organisation
IFC	International Finance Corporation	SWP	Seasonal Worker Program
IST	International Skills Training course	ToC	Theory of Change
JSC	Joint Steering Committee	TQ	TAFE Queensland
KRA	Key Result Area	TSSP	TVET Systems Strengthening Platform
LLN	Language, Literacy and Numeracy	TVET	Technical and Vocational Education and Training
MDF	Market Development Facility	TWP	Thinking and Working Politically
MDM	Market Development Mechanism	VET	Vocational Education and Training
MDTP III	National Medium Term Development Plan 2018-2022	WB	World Bank

## 2 EXECUTIVE SUMMARY

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### Introduction

The purpose of this document is to provide the Department of Foreign Affairs and Trade (DFAT) with an evidence-based proposal for an increased Australian investment in tertiary level technical vocational education and training (TVET) in Papua New Guinea (PNG) that will further build on national TVET outcomes and deliver improved TVET outcomes at the sub-national level. The proposed PNG Skills for Sub-National Growth Investment draws upon the expertise and proven experience of the Australia Pacific Training Coalition (APTC) in PNG to meet the skills needs of the PNG economy and prepare Papua New Guinea citizens for employment in PNG and internationally, including through the Pacific Labour Scheme (PLS) and the Seasonal Workers Program (SWP).

### Proposal Outline

The proposal includes:

- a) Analysis of the PNG economy and drivers of TVET sector reform.
- b) Australia's support of PNG TVET and rationale for further investment.
- c) A draft proposal for the sub-national investment, that will be further developed and refined during the 6-month Scoping-Design Phase (January - June 2020), and includes three phases:
  - Start-Up Phase, July – December 2020
  - Phase One, January 2021 – June 2022
  - Phase Two, July 2022 – June 2026
- d) APTC's approach to Gender Equity, Disability and Social Inclusion (GEDSI) strategy; performance, monitoring, evaluation and learning (PMEL); risk analysis; program logic and ToC; and indicative program resourcing for three program phases: Start-Up Phase, Phase One and Phase Two.
- e) A comprehensive work program detailing activity to be undertaken during the initial 6-month Scoping-Design Phase.

Implementation of any and all activities under this proposal is subject to formal approvals by the Governments of PNG and Australia.

### Investment Background

The bilateral relationship between PNG and Australia is transitioning to a more contemporary economic and strategic partnership, rather than one dominated by aid. PNG and Australia have a long history of cooperation in education, and it forms a key aspect of the ongoing partnership. Australia's Foreign Policy White Paper 2017 recognises that a stable and prosperous PNG, with a growing economy, is one of Australia's highest foreign policy priorities. The case for Australia's continued engagement in skills development for PNG is articulated as a priority in the PNG-Australia Partnership on Education which provides the strategic context underpinning Australia's proposed continued investment in skills development in PNG.

TVET reform specifically has been identified as a key priority by the National Government in the third PNG Medium Term Development Plan (MTDP III) 2018-2022, a five-year plan that drives the development agenda of the PNG Government to secure the future through inclusive sustainable economic growth. This policy informs the national government's political support for TVET reform in PNG which is currently underway.

In 2019 the governments of Australia and PNG agreed to increase the PNG-Australia Partnership around TVET. The decision is in response to several strategic factors:

- PNG government decision that the Department of Higher Education, Research, Science and Technology (DHERST) will be responsible for services to all post-secondary students, and the facilitation of all post-school education and training institutions including technical, agricultural and teaching colleges.
- The establishment of the National Skills Development Agency (NSDA) to provide oversight, regulation, planning and development of national skills capacity and innovative skills sector reform.
- During a Guest of Government visit to Australia in July, Prime Ministers Marape and Morrison acknowledged the mutual benefits offered by the PLS and the SWP, and undertook to invigorate labour mobility opportunities for Australia and PNG workers and businesses, including by enhancing TVET learning opportunities to Australian Standards.
- The 27th PNG-Australian Ministerial Forum in August noted PNG's prioritisation of the skills agenda and welcomed Australia's commitment to expand its support for TVET, including through the APTC and early efforts on Manus.
- Prime Minister Marape committed to creating 30,000 new tertiary education places over the next 10 years facilitated in part by a new student loan scheme.
- PNG domestic demand for skilled labour is increasing, driven by PNG's economic growth potential and large investments planned in infrastructure and resources.
- The high number of foreign workers is presenting an economic drain on PNG due to loss of money through overseas remittances and potential tax revenue. Skills training for Papua New Guineans, particularly in the construction, infrastructure, agriculture and resource sectors has the potential to reduce the demand for foreign workers.

Subsequently, APTC received a request from the Australian High Commission in Port Moresby to investigate a scale up of program activity in the sub-national regions of PNG. Two scoping visits were conducted in October/November 2019 including travel to the Western Highlands, Southern Highlands, and East and West Sepik and Manus provinces to undertake stakeholder consultations and investigate options for possible partner TVET institutions. An Aide-Memoire was submitted in December 2019 outlining the key messages from stakeholder discussions, briefly summarising options for possible sub-national program locations, areas of industry and TVET sector support and associated risks. APTC was asked to prepare a costed proposal for submission in February 2020 including details of possible program activity over a six-year period, 2020 – 2026 and this document constitutes that proposal.

## Investment Goal, Purpose and Outcomes

The proposed goal and purpose of this investment are consistent with those of the overarching APTC regional program:

Goal	A more skilled, inclusive and productive workforce enhances Pacific prosperity.
Purpose	The skills and attributes available to employers from TVET systems align with labour market requirements.

The PNG Skills for Sub-National Growth Investment will have three specific End-of-Program Outcomes (EOPOs):

EOPO 1	Graduates have improved employment outcomes
EOPO 2	Co-investment in skills training increases
EOPO 3	Selected TVET partners demonstrate quality TVET provision

The APTC Theory of Change (ToC) assumes that a more skilled and work-ready mobile workforce can better compete for jobs in national, regional and international labour markets. The ToC therefore builds on the relationship between access to high quality skills development and its contribution to raising the economic and social standards in PNG. The investment is also premised on the logic that, by making quality skills training available to women and men, aligning courses with labour market demand and providing additional workplace training, graduates will become more sought after by employers. While the proposed investment aims to improve opportunities for Papua New Guineans to access paid employment at home and abroad, APTC is not accountable for actually placing people in employment because such outcomes are largely beyond the sphere of influence of the program.

## Investment Budget Estimate

The investment envelope outlined in the proposal is AUD\$45 million over six years to deliver an annual output of 400 – 600 new graduates in areas of labour market demand with a mix of PNG and Australian qualifications at Certificate I to IV levels in key sectors by 2023 from locations outside of the National Capital District. Specifically, graduate numbers are expected to start at 100 – 150 in years 1 and 2 before building to 200 – 300 in years 3 and 4, 400 graduates in year 5 and 600 in year 6. All graduates in years 5 and 6 are expected to be primarily qualified in PNG NQF-accredited qualifications that are developed to meet the needs of industry.

## Sub-National Program locations

Discussions and scoping work with the Australian and PNG Governments confirmed two sites in Western Highlands Province as a major population centre and identified Regional Centre of Excellence as outlined in DHERST's Strategic Plan, as highly suitable. Manus Province is a priority consideration for both Australia and PNG, but complexity of the political economy and the site may delay possible start-up. PNG and Australia are both also supportive of the Autonomous Region of Bougainville as an initial location, with

synergies across DFAT's investments and benefits for youth and economic development. This option will be further explored in the Scoping-Design phase.

### **Proposed Activity**

TVET system strengthening programs, driven by DHERST reforms, for sub-national TVET institutions will form a major part of the APTC PNG Skills for Sub-National Growth Investment. A range of activities designed to support quality in TVET colleges will be included in the work programs including:

- Strategic Improvement Plan development;
- Support for development of industry responsive quality curriculum and teaching excellence, including linkages to industry;
- National Industry Training Package development and accreditation;
- Support for DHERST policy implementation relating to training innovation and accreditation;
- Capability development in TVET leadership and governance and support for Governing Councils;
- Technical and strategic advice regarding asset and equipment upgrades;
- Support GEDSI mainstreaming approaches from enrolment to graduation; and
- Development and implementation of Industry Training Packages, contemporary curriculum, and teaching and learning resources.

These activities are intended to increase the number and quality of trained teachers; support

DHERST with the establishment of TVET centres of excellence; promote the PNG National Qualifications Framework (NQF); upgrade TVET infrastructure and facilities; improve the quality of learning and teaching; strengthen quality assurance mechanisms; address gender and PWLD disparity in the TVET sector; and improving sector governance, management, coordination and planning.

### **Priority sectors**

Skills training for Papua New Guineans, particularly in the construction, infrastructure, agriculture and resource extraction sectors has the potential to reduce the demand for foreign workers and these have been identified as priority sectors. Through mission stakeholder consultations hospitality and tourism and ICT also emerged with significant skills gaps, high numbers of foreign workers and subsequent training needs.

APTC will be conducting a consultative labour market assessment of PNG in Q2 2020 with partners including a review of industry needs in the Highlands, Bougainville and Manus. The resulting report plus additional PEA will confirm the training needs of PNG industry and identify any other industry sectors for consideration and possible inclusion in the Skills for Sub-National Growth Investment.

### **Risks and Mitigation**

The investment has been assessed as medium risk overall.



## 3 ISSUE ANALYSIS AND STRATEGIC CONTEXT

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### 3.1 BACKGROUND

PNG is Australia's nearest neighbour and an important strategic and economic partner. Rich in natural resources and with a strong agricultural industry, it is considered by the World Bank (WB) to be a lower middle-income country<sup>1</sup>. PNG aspires to achieve upper middle-income status by 2050 and to "be ranked in the top 50 countries in the United Nations Human Development Index (HDI) by 2050, creating opportunities for personal and national advancement through economic growth, smart innovative ideas, quality service and ensuring a fair and equitable distribution of benefits in a safe and secure environment for all citizens"<sup>2</sup>.

The PNG Government's Vision 2050 aspirations are considered ambitious in light of PNG's significant development challenges including poor law and order, weak public service, lack of infrastructure, complex governance arrangements, inequality and a rapidly growing population. 80 percent of people live in rural communities, and family and sexual violence rates are some of the highest in the world. PNG will not meet any of the Sustainable Development Goals as over three million people (or 40 per cent of the population) remain poor and/or face hardship.

Despite these development challenges, and a slowing of the economy following the resources boom of the 2000's, medium- and longer-term prospects are positive for PNG and focus is on investing in infrastructure, job skills, working with the private sector and improving service delivery at the local level. Sector priorities, as set out in the PNG Government's 2012 Alotau Accord, include education citing "TVET Programs will receive special attention". Recent analysis indicates that, to take full advantage of current and future investments, PNG needs to increase the pool of skilled workers in key industries such as construction, agriculture and resource extraction that are currently dominated by foreign workers, estimated to be 30,000 at any one time. This is a significant drain on the PNG economy due to the flow of money offshore, estimated to cost PNG kina 1,015,200,000<sup>3</sup> every 2 years.

TVET has been a neglected sector of education over several years, with the result that PNG has been unable to provide the skilled labour sought by major companies and burgeoning industries. The increasing use of foreign labour is the subject of much policy debate, political friction and community frustration. With a significant youth bulge, PNG should be well positioned to fill all labour needs from domestic sources, but this is not currently the case. Private sector stakeholders claim that PNG's TVET sector is 30-40 years behind the current requirements of employers.

Also, to be considered is the need to enable skilled Papua New Guineans to take advantage of growing labour mobility opportunities overseas and the accompanying foreign exchange remittances. A key such

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<sup>1</sup> The World Bank Group. Papua New Guinea. 2022

<sup>2</sup> The Independent State of Papua New Guinea. *Papua New Guinea Vision 2050*. 2011. Pg.31

<sup>3</sup> Average annual net income (K60000) X Foreign work permits issued per annum (30000) X estimated length of work permit (2 years) X estimated percentage of foreign work permits issued to foreign semi-skilled and skilled workers (47%) X estimated net income repatriated (60%)

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opportunity comes from PNG's entrance into the Pacific Labour Scheme (PLS), providing employment opportunities in Australia for low and semi-skilled labour.

PNG has the population numbers to meet labour demand domestically but too many are unskilled and are unable to access training due in part to the lack of TVET training places available<sup>4</sup>, the old and outdated infrastructure and training equipment, and the poor quality of training that fails to meet industry needs.

## 3.2 PNG TVET SECTOR REFORM

To meet demand, PNG needs a robust post-secondary education sector, capable of supplying industry with work-ready employees possessing up-to-date relevant technical skills and knowledge suited to the jobs in demand. However, the regulatory framework for the technical and higher education sector in PNG has, over several years, become fragmented by disparate and conflicting legislative frameworks; the spread of governance and policy responsibility across numerous departments and agencies; and declining funding, quality and teaching standards. The PNG Government has recognised and prioritised the need for higher education sector reform and a current reform agenda is in progress and being supported by Australia principally through the Education Capacity Development Facility and APTC. The reform package has strong backing and the eight bills are expected to see passage through parliament in the next sitting in May.

### **Medium Term Development Plan (MTDP III) 2018-2022**

TVET reform specifically has been identified as a key priority by the National Government in the third PNG Medium Term Development Plan (MTDP III) 2018-2022, a five-year plan that drives the development agenda of the PNG Government to secure the future through inclusive sustainable economic growth. This policy informs the national government's political support for TVET reform in PNG. One of five priorities in the plan is the improvement of the quality of education and skills development in order to increase training, capacity and employment opportunities for PNG citizens. Strategies for strengthening TVET include increasing the number of trained teachers; establishing TVET centres of excellence; promoting the PNG National Qualifications Framework (NQF); upgrading TVET infrastructure and facilities; improving the quality of learning and teaching; strengthening quality assurance mechanisms; and improving sector governance, management, coordination and planning. Consequently, TVET targets in the MTDP III aim to gradually reduce the number of non-citizen technical workers in PNG and increase the number of TVET graduates (to 8147 in 2022); number of certified trainers (to 2284 in 2022); enrolments in technical colleges; number of centres of excellence established (5 by 2022); number of polytechnics established (4 by 2022); to have 100% of the NQF curriculum developed and rolled out by 2022; and TVET infrastructure improved for 15 institutions by 2022.

### **Department of Higher Education, Research, Science and Technology (DHERST)**

To deliver on the MTDP III targets and address the reform needs of the higher education sector, the PNG National Executive Committee (NEC) has tasked DHERST with the responsibility of managing the higher

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<sup>4</sup> Each year an estimated 50,000 young people reach tertiary education age: while 25,000 of these are Year 12 graduates only 12,000 receive university or TVET places.

education sector in PNG and in so doing, to lead a reform process to strengthen the sector, including TVET. Following NEC decision NG25 2017, DHERST is now responsible for services to all post-secondary students, and the facilitation of all post-secondary higher education institutions including Technical, Agricultural and Teaching Colleges.

DHERST launched a National Higher and Technical Education Plan (2015-2024) that details nine strategic goals the sector is to achieve and subsequently developed the Higher and Technical Education Strategic Implementation Plan (2017-2038) that sets out how the strategic goals of the sector will be achieved over 21 years. The clear outcomes sought are to increase the number of enrolments and improve quality graduates in PNG training colleges that meet industry needs in skills, knowledge and values. The aim is to develop the ability of the middle classes to contribute to the economic development of the country to achieve a middle-income economy by 2030 and reach Vision 2050.

### **National Skills Development Agency**

The PNG Government recognises that partnership with the private sector at the institutional level is important as a high functioning TVET sector is reliant on strong relationships with industry. Accordingly, through the NEC Decision NG25/2017, it included the establishment of a National Skills Development Agency (NSDA) under DHERST's legislative framework. The NSDA, launched in July 2019 and currently still in the early stages of development, is a representative multi-stakeholder advisory body that acts as an engagement platform for Government, industry, the higher education institutes, and civil society to address national skills priorities. The Australian government is supporting DHERST to design, develop and establish the NSDA as a coordination mechanism for facilitating and informing the relationship between TVET institutions, industry and DHERST. Australia will likely have a formal role, alongside other donors on the NSDA.

It is intended that NSDA will act as a key mechanism for addressing the reform needs of the sector and ensuring TVET institutions are designing and delivering courses to meet market demands and graduates are work ready to assume those opportunities. The NSDA will report to the National Higher and Technical Education Board (NHTEB) and is supported by a Secretariat, embedded within the DHERST organisational structure. The NSDA Secretariat supports the Agency in the oversight, regulation, planning and development of national skills capacity and innovative skills sector reform. The NSDA can draw upon the full range of authority provided to DHERST under the *Higher Education (General Provisions) Act* (2014) and will, once fully operational, play a critical role in leading the national skills sector reform strategies providing:

- Advice, support and promotion of activity across the outcome enablers (labour market information, national training packages, linkages & engagement, co-investment & co-funding and national monitoring & evaluation).
- Advice to DHERST on national skills priorities and development of the National Training Plan.
- Alignment of skills training with recognition under the NQF.
- Endorsement and recommendations for National Training Package accreditation to the NHTEB.

- Support for innovative and creative solutions to systemic skills challenges and recommendations re partnering proposals and initiatives.
  - Oversight and guidance to Industry Skills Groups in the development of National Training Packages that meet industry standards.

The NSDA is a DHERST response to the failure by national TVET institutions to engage with industry and to design and deliver programs that respond to employer needs. Australian competency-based training, focused on what a person can do in the workplace as a result of completing a training program, is heavily influenced by employers and industry groups. APTC has significant experience supporting PNG industry engagement and input to training programs, and broadening this work to build capability for engagement between industry and national TVET institutions. Drawing upon the APTC experience in building relationships, partnerships and engagement between stakeholders will provide substantial support for DHERST-led reform of PNG TVET.

APTC is supportive of the NSDA establishment working with DHERST to build capacity of the Agency and is currently negotiating a Memorandum of Understanding with DHERST to formalise the basis of cooperation.<sup>5</sup>

### 3.3 ALIGNMENT OF INVESTMENT WITH AUSTRALIAN AID PRIORITIES

PNG's decade of economic expansion has led to a reduction in the comparative size of Australian aid. At independence in 1975, Australian aid represented 40 per cent of PNG's budget, but today it represents around 8 per cent, even as Australia remains PNG's largest bilateral aid donor. As such, Australia's aid investment has become increasingly focussed on assisting PNG to mobilise its own resources for equitable growth and human development.

The Australian aid program in PNG is currently implemented in accordance with the PNG-Australia Partnership for Development and the Joint Understanding between Australia and Papua New Guinea on further bilateral cooperation on health, education and law and order. Together, these set out the mutually agreed priorities and commitments for Australia and PNG to work together to improve development outcomes for all Papua New Guineans. A new Comprehensive Strategic Economic Partnership is being negotiated to further articulate priorities and skills development will be a key part of this partnership. The case for Australia's continued engagement in skills development for PNG is also articulated as a priority in the PNG-Australia Partnership on education where Skills for Growth is one of three strategic priorities identified. Australia commits to support TVET to address gaps in key technical skills identified by the private sector.

Accordingly, Australia has been proud to support TVET in PNG through a range of mechanisms that provide support to policy reform, research and pilot projects and partnerships. Australia's largest contribution to TVET in PNG has been through the APTC, which was established in 2007 as the Australia Pacific Technical College with campuses across the Pacific. The Port Moresby campus delivers internationally recognised

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<sup>5</sup> See also sections 3.2 and 3.3

Australian certificate III to IV and diploma qualifications in the automotive, manufacturing, construction, electrical, tourism, hospitality, health and community sectors. Since July 2018, APTC has also delivered lower certificate I and II level qualifications. The last 12 months has seen 343 students (84w, 259m) graduate from APTC in PNG. APTC also has a mandate to strengthen PNG institutions and promote sector reform. A key to APTC's success in PNG has been the partnership with Port Moresby Technical College (POMTECH). Australia has upgraded the technical capacities and qualifications of POMTECH's instructional staff and lifted the institution towards an international standard.

Australia is also supporting DHERST to take forward the locally led and wide-reaching reform of higher and technical education, including TVET, through the Education Capacity Development Facility and APTC programs which provide high quality technical assistance and support. In addition, several Australian funded studies have raised awareness of the challenges facing TVET in PNG and identified the need to revitalise PNG's national system to improve the quality, relevance and currency of skills and knowledge in ways that provide pathways to nationally recognised qualifications that lead to productive employment in a skilled and competitive workforce.

The proposed investment also aligns with priorities set out in the Strategy for Australia's aid investments in education 2015-2020, particularly on aligning education and skills with labour market needs, and other key Australian Government policies such as Development for All 2015-2020 and the Gender Equality and Women's Empowerment strategy.

The next investment phase will build on the strengths of the existing skills program and continue to grow targets for Papua New Guineans to achieve internationally recognised qualifications. Additional support for students, including people living with a disability (PLWD) and those with low educational attainment and opportunity, will be provided in language literacy, numeracy and employability skills to help improve completion rates and chances of employment. Offshore employment remains a strong focus and the next investment phase will include new initiatives that seek to increase the quality and relevance of training to meet local, regional and international labour market demand, and to strengthen pathways to employment through increased engagement with the private sector. The thematic focus on skills and employability provides a coherent basis for Australia to support achievement of its broader education and training objectives in PNG and there are many opportunities for APTC to leverage off, and partner with, other skills programs such as the PLS and SWP.

### **3.4 RATIONALE FOR FURTHER AUSTRALIAN INVESTMENT IN TVET IN PNG**

Australia's aid investment in PNG, as agreed between the two governments, has shifted to increasingly focus on private sector-led growth with increased support for infrastructure, business, agriculture, innovation and financial inclusion and ways to engage the private sector in new investments. Additionally, support for initiatives that empower women to take on greater leadership roles and participate in the economy are increasing. If greater involvement and funding is to come through the private sector, they must see value from their investment, and outcomes that drive business profitability, such as improved employee skills and locally sourced skilled labour. As a result, Australia has committed to continuing to work

with the GoPNG to build a better-educated and more skilled population, and to help increase labour mobility.

In recent months, Australia and Papua New Guinea have agreed to increase the PNG Australia Partnership around TVET. This proposal follows a Joint Statement made by Prime Ministers Morrison and Marape on 22 July 2019 that undertook to invigorate technical and vocational learning opportunities to Australian standards. The 27th PNG-Australian Ministerial Forum Joint Communique in August 2019 noted:

- Papua New Guinea's prioritisation of the skills agenda, creation of 30,000 new tertiary education places over the next ten years and Australia's commitment to expand its support for TVET, including through APTC and early efforts on Manus.
- Recognition of the mutual benefits offered by the PLS and the SWP, and the benefits to applicants of enhanced TVET training opportunities.
- Demand for skilled labour in the domestic market is increasing, driven by PNG's economic growth potential and large investments in infrastructure and resources, including the LNG sector. However, the high number of foreign workers is presenting an economic drain on PNG due to loss of money through overseas remittances and potential tax revenue. Skills training for Papua New Guineans, particularly in the construction, infrastructure, agriculture and resource sectors has the potential to reduce the demand for foreign workers.

In addition, the Governments of Papua New Guinea and Australia are currently in the process of agreeing a Joint Statement of Intent for TVET and Skills Growth in PNG. This statement shall confirm the shared commitment of the two governments to work together to improve outcomes from PNG's TVET sector and to grow the number of skilled workers to further enable economic growth in PNG. In demonstration of Australia's commitment under this statement, funding will be provided for a subnational skills for growth investment.

APTC is well placed to provide strategic technical advice and support as well as propose suitable delivery models and then to support the delivery to drive economic growth for PNG.

The tertiary sector is the responsibility of DHERST and is supported by the APTC. APTC has worked primarily in the capital, Port Moresby, in a productive partnership with the Port Moresby Technical College POMTECH that has seen the college develop towards international standards. However, to date this development hasn't extended to the TVET institutions at sub-national level which is where the bilateral investment is proposed to be directed in line with a new economic corridors and priority provinces agenda. Based on a strong history of working with local institutions to support TVET in PNG, APTC can move efficiently and effectively into supporting a sub-national level growth approach for Australia's commitment to systems strengthening for TVET in PNG.

Noting the PNG-Australian Ministerial Forum Joint Communique focus on labour mobility, supporting these efforts is also a key component of the proposal. PNG has so far benefited little from participation in

demand-driven labour mobility schemes offered by Australia<sup>6</sup>, that give participants the prospect of developing skills while earning income in Australia, but this is changing through GoPNG buy in and partnerships with the APTC and other local training institutions. There is significant potential on offer for the development of productive skills through increased exploitation of such opportunities by PNG and its people. Support for skills development in PNG now is also timely, because of Prime Minister Marape's priority on skills development. There is a need to look beyond government systems and enable industry and citizens to get involved and be partners in reforming the skills system in PNG.

The APTC, with its focus on TVET reform and co-investment, has a mandate suited to supporting TVET reform in PNG.

### 3.5 PROGRAM SYNERGIES

This investment has a clear focus on communicating with and identifying partnerships with other donor funded programs in PNG, in particular DFAT funded programs. In a resource strained environment, such collaboration is critical to ensure high quality investments and outcomes. During the Scoping-Design Phase it will be key to coordinate with different stakeholders to ensure high level and effective collaboration towards supporting the strengthening of the TVET sector in PNG.

An investment in skills for sub-national growth is an important complement to existing agricultural, market and skills development initiatives in PNG. Australia supports the Market Development Mechanism (MDM) working to connect PNG agricultural markets to international markets. The Pacific Horticultural and Agricultural Market Access Program (PHAMA) is exploring market access opportunities for horticultural and agricultural produce. The success of such initiatives depends on the supply of people with the skills to take up the opportunities they present. This investment will also complement Pacific Women Shaping Pacific Development which aims to improve economic opportunities for women in PNG and seek the support of this program in designing and delivering a quality GEDSI approach. The investment is also primed to contribute to labour mobility schemes such as the PLS and SWP.

The PNG and Australian Governments are also actively supporting the Asian Development Bank's (ADB) move into the PNG TVET sector with a planned DHERST-implemented USD 50 million loan for the *Improved TVET for Employment project, 2021-2027*<sup>7</sup>. The project is scheduled to:

- Strengthen TVET institutions' governance and management;
- Support quality TVET teacher training and development;
- Support TVET infrastructure/equipment for priority programs developed to industry requirements; and
- Develop national level mechanisms for employment partnerships.

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<sup>6</sup> The Seasonal Worker Program provides access to work opportunities in Australia's agriculture sector. In 2017-18, only 92 PNG workers went to Australia under this program (Curtain, 2018). PNG joined the Pacific Labour Scheme in March 2019, which provides access to non-seasonal work in rural and regional Australia for up to three years.

<sup>7</sup> Note - The current phase of APTC runs to 2026 with the first 4-year phase concluding June 2022.

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The total indicative cost for the ADB project is \$55 million, and it is expected that the GoPNG will allocate an estimated \$5 million of in-kind contribution to it. Potential co-financing from other development partners such as the Government of Australia is being explored<sup>8</sup>.

Scoping and design of the ADB project is currently underway. The ADB Terms of Reference<sup>8</sup> lists ten indicative priority TVET institutions:

Bougainville Technical College	PNG National Polytechnic Institute
Don Bosco Technical Institute	Port Moresby Technical College
Goroka Technical College	West New Britain Technical College
Mt Hagen Technical College	Western Province Technical College
Highlands Agricultural College	
Madang Technical College	

The ADB investment intends to support POMTECH, whom APTC has a partnership with, as well as three other institutions that APTC will potentially partner with under this investment - Mt Hagen Technical College, Highlands Agricultural College and Bougainville Technical College. It is planned that during the Scoping-Design Phase, through DHERST, APTC will work collaboratively with the ADB to contribute to the preparation of the Inception Report for the Improved TVET for Employment in PNG project so that clear synergies can be identified, designed and planned.

Further scoping and political economy analysis (PEA) will be required to ensure alignment of all development investments, including those listed in this proposal.

## 4 PNG SKILLS FOR SUB-NATIONAL GROWTH INVESTMENT

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Following several discussions and two separate missions in late 2019 an Aide Memoire prepared by DHERST, AHC and APTC outlined options for APTC to expand its work in PNG with DHERST and subnational partners. Consultations undertaken during the feasibility missions indicated strong support for an investment operating in harmony with DHERST's Higher Education Strategic Implementation Plan (2017-2038). Feasibility work recognised opportunities for investment to address the current varying levels of capacity in higher education institutions to deliver quality training in areas aligned with industry demand. APTC was identified as being well positioned to support TVET colleges across a range of activities to improve institutional capacity, including:

- Leading colleges through a customised Strategic Improvement Plan;
- Linking quality curriculum and teaching excellence to industry demands and linkages;

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<sup>8</sup> DFAT. *Preparing the Improved TVET for Employment Project* (TRTA PNG 53083-002), Terms of Reference, 2019.



- The development of Industry Training Packages;
- Implementation of DHERST policy relating to flexible delivery of programs including workplace training and subsequent recognised accreditation;
- Leadership and governance according to TVET draft constitution manuals;
- New Governing Council membership as per current transition and reform arrangements;
- The standardisation of i-PNG applications across all TVET management functions;
- Asset and equipment upgrades;
- Leadership and management training of college staff members; and
- Development and acquisition of contemporary curriculum, teaching and learning resources.

It was agreed a proposal for an investment in PNG Skills for Sub-National Growth, in line with the Aid Memoire, would be developed by APTC for approval of the Governments of PNG and Australia. The proposed Skills for Sub-National Growth Investment will have a value of AUD\$45 million and operate over a six-year period, July 2020 – June 2026, in line with the current design and phase of APTC.

Collaboration amongst all development partners to support the DHERST Plan is essential. Careful planning and implementation must feature in the proposed investment that should not operate as a parallel system but work within DHERST's Plan. Partnership models must be suited to each partner, location and context and this will require further feasibility work, PEA and stakeholder consultations during the Scoping-Design Phase (January-June 2020).

It will also be important to align the investment with existing and upcoming activities, including those proposed by DHERST, DFAT and ADB, particularly since the ADB investment has identified ten TVET institutions to partner with. Mapping these synergies will be a key activity during the Scoping Design Phase to ensure effectiveness of effort and value for money.

#### **4.1 PROGRAM GOAL, SUPPORTING PURPOSE AND OUTCOMES**

The expanded scope of work in the APTC contract for the bilateral investment must align to the existing program to deliver one efficient, streamlined program that achieves value for money. The APTC3 design specifies APTC's goal and purpose as follows:

Goal: A more skilled, inclusive and productive workforce enhances Pacific prosperity.

Supporting purpose: The skills and attributes available to employers from TVET systems align with labour market requirements.

The proposed Skills for Sub-National Growth Investment will pursue the same goal and purpose, while focusing on delivering additional services to meet the end-of-program outcomes within PNG. Based on consultations to date, the following will be the focus of further development with stakeholders in the initial Scoping-Design Phase.

The APTC3 design specifies APTC's end-of-program outcomes as follows:

- (1) Graduates have improved employment outcomes: It is proposed that APTC and APTC-supported PNG TVET providers will, over time, deliver an annual output of 600 new graduates in areas of labour market demand with a mix of PNG and Australian qualifications at Certificate I to IV levels in key sectors by 2023 from locations outside of the National Capital District. This will include support for women, PLWD and those seeking to access employment in Australia under the PLS and SWP. During the Scoping-Design Phase APTC will further develop the delivery model and refine graduate targets however graduate numbers are expected to start at 100– 150 in years 1 and 2 before building to 200 – 300 in years 3 and 4; 400 graduates in year 5; and 600 in year 6. All graduates in years 5 and 6 are expected to be primarily qualified in PNG NQF-accredited qualifications that are developed to meet the needs of industry.
- (2) Co-investment in skills training increases: It is proposed that APTC will broker private sector partnerships to support an increase in the value of investment from industry sectors and employers, as well as other development partners sub-nationally. APTC will also seek funding contribution from the GoPNG as co-investment as aligned with the NSDA outcome enabler “co-investment and co-funding by platform partners”.
- (3) Selected TVET partners demonstrate quality TVET provision: Under this design APTC will provide support to selected partners operating at the sub-national level to demonstrate quality TVET provision. APTC will also contribute to DHERST-led long-term systemic reforms and institutional strengthening necessary to facilitate the building of a credible demand-responsive TVET sector.

APTC will maximise the opportunity to demonstrate greater coherence and alignment in the delivery and monitoring of DFAT regional and bilateral skills development investments and results in PNG.

This adaptive, responsive and politically and technically informed programming approach draws from our extensive consultations and PEA.

In recognition of the complexity of the PNG TVET sector, the intention is to take a slow and careful approach, starting with a small number of key partners, steadily building confidence and competence through DHERST's TVET reform agenda. This flexible, evolving design and implementation process with decisions made via the annual planning process will provide DFAT and DHERST with opportunities for regular review and adaptation in response to stakeholder feedback and political imperatives.

## **4.2 INVESTMENT ALIGNMENT WITH PNG AND AUSTRALIAN GOVERNMENT PLANS AND APTC OUTCOMES**

This investment is guided by the Government of Australia's development policy and its activities are designed to position the program to address key constraints to sustainable economic growth and equitable development in PNG through stakeholder engagement to support development of the TVET sector.

The investment is also aligned with the objectives of GoPNG. Australia's partnership with the PNG education sector reflects GoPNG's policy priorities, including Vision 2050 and MTDP III. In facilitating

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economic growth and access to international markets, it is a key pillar of the growing economic partnership between Australia and PNG and responds directly to GoPNG’s economic growth agenda and the current clear focus on TVET reform being led by DHERST.

The PNG TVET sector is guided by the Higher and Technical Education Strategic Implementation Plan (2017-2038) which provides a road map for the sector to follow to realise the aims of the higher education sector in PNG.

The table below shows the correlation of the policies that sync and identify necessary changes that are required to improve the PNG TVET Sector and enable more Papua New Guinean skilled workers to participate in the country’s economy. It demonstrates the locally led nature of TVET reform in PNG and alignment with APTC EOPOs.

No.	PNG Government Policy		27 <sup>th</sup> PNG-Australian Ministerial Forum Joint Communique August 2019	APTC Design	PNG Government Agency
	TVET targets as defined in the MTDP III	DHERST Strategic Implementation Plan 2017-2038)		APTC EOPO	NSDA
1	Address decreasing non-citizen workers with work permits		Yes	EOPO 1	Yes
2	Increase number of PNG TVET graduates	Yes	Yes	EOPO 1	Yes
3	Increase number of certified PNG TVET trainers	Yes	Yes	EOPO 3	Yes
4	Increase enrolments in PNG technical and business colleges	Yes		EOPO 1 & 3	Yes
5	Increase number of centres of excellence established	Yes	Yes	EOPO 2 & 3	Yes
6	Increase number of polytechnics established	Yes	Yes	EOPO 2 & 3	Yes
7	TVET NQF curriculum program rolled out	Yes	Yes	EOPO 3	Yes
8	TVET infrastructure rehabilitated or improved	Yes	Yes	EOPO 2 & 3	Yes
9	Labour mobility		Yes	EOPO 1	Yes
10	Industries input into labour market needs to inform curriculum	Yes	Yes	EOPO 3	Yes

### 4.3 PROGRAM GOVERNANCE

As a regional aid program, there are multiple dimensions applicable to the internal governance and management arrangements for APTC that will need due consideration to develop a cohesive governance structure to successfully implement the sub-national program.

The governance and management arrangements shall be finalised during the start of the Start-up Phase July-December 2020 taking into account several considerations some of which are outlined here.

The sub-national program will operate in a complex, changing and reforming institutional environment and therefore will need to respond in innovative, highly responsive and sensitive ways to the Papua New Guinean context, the opportunities and the challenges that present themselves.

The SNGI program involves a range of stakeholders, and most will be involved to varying degrees in aspects of leadership, management, coordination, monitoring and evaluation. The growing profile of TVET in PNG and the complexity and dynamic nature of the context mean that there are some risks associated with governance and management.

At the program contractual level, DFAT will enter a contractual relationship with TAFE Queensland as the managing contractor of APTC. Until a new structure is approved, the APTC CEO will be responsible for overseeing the program implementation in an effective, timely and efficient matter. Reporting to the CEO and DFAT PNG, the PNG Country Director will work with DHERST and partners to provide strategic direction to the operations of the program.

One potential governance model will see the program managed by a high-level Joint Steering Committee (JSC) made up of senior representatives of DFAT, DHERST and partners, and informed by Joint Management Committees consisting of senior officials from each of the selected partner institutions. The JSC may be considered as a primary source of high-level advice to the program and will provide a forum to review progress and provide advice, where relevant, on new (or re-direction of) program activity and performance targets.

The PNG Country Director will require additional support for the sub-national program and recruitment will be required to engage a Program Adviser and additional operational staff as required, including for functions such as monitoring and evaluation, recruitment, communications, security, finance, project management and other regular program needs. A new organisational structure to manage the expanded program will be approved in the first quarter of FY 2020/2021 with full implementation by January 2021.

### 4.4 ALIGNMENT WITH DHERST AND NSDA

DHERST's leadership of the TVET sector is key to all activity and early establishment of appropriate rigorous governance and funding mechanisms is important to ensure the success of the sub-national investment. The NSDA will undertake an oversight, regulatory, planning and development role in building PNG national skills development capacity and the move to a demand driven system. On the suggestion of DHERST, the sub-national program will be positioned within the NSDA with DFAT (and other donors) having a formal

position on this body. Support for NSDA priorities delivered in a carefully structured and coordinated manner that optimise activity outcomes, will arise from clearly defined roles, responsibilities and communication and management arrangements.

Consideration and early agreement about effective engagement principles between APTC, DFAT, NSDA and DHERST that clearly define the parameters of both the PNG Australia Partnership, the DHERST reform activity and APTC work programs is critical and will be a key priority for APTC during the Scoping-Design Phase. Use of existing GoPNG structures, genuine partnerships to set strategic directions and make program decisions, empowering local actors to make decisions and drive processes, and a structure designed for effective and agile decision-making are key factors for consideration.

#### 4.5 TRAINER CAPABILITY DEVELOPMENT

Trainer capability is at the centre of TVET quality and professional trainers and assessors are the foundation of a modern industry relevant training system.

The DHERST Strategic Implementation Plan (2017-2038) cites a clear objective of enhancing the technical capacity of staff through the strategic actions of improving quality of teaching through the upgrading of TVET trainer trade skills and improving management and planning capacities of and for trainers.

APTC has been involved in delivering TVET Trainer training courses in the Pacific for over 12 years and, specifically the International Skills Training (IST) courses over the past 2 years and is in a position to support DHERST with the delivery of the strategy outlined above through this investment.

The IST courses in particular are a set of internationally relevant courses developed by the Australian Government, in partnership with industry, to help meet the global demand for skills trainers and assessors. The IST course consists of the TVET Trainer Course C001 and TVET Assessor Course C002. The two courses provide trainers with a vocational background the skills to train or assess learners in their industry of expertise.

Suitably skilled trainers have the confidence and capacity to make reasoned judgements when training, including adapting teaching materials and learning techniques to meet industry and learner needs. Competent assessors help to meet the needs of industry and enterprises through assessing learners' skills and knowledge for the workplace.

A further IST course, the Advanced IST, equips trainers with the skills, knowledge and capability to help shape professional practice in vocational education. It is suitable for training developers and instructional designers who are responsible for analysing training needs and designing training solutions and products to meet workplace capability requirements, and evaluating the effectiveness of training programs.

All three IST courses are relevant for delivery in PNG and will be incorporated into the Skills for Sub-National Growth Investment capability development program with early graduates expected in late 2020.

## 4.6 PRIORITY ECONOMIC SECTORS

Economically, the bulk of PNG's GDP and export earnings come from mining and energy extraction industries, while the bulk of the country's labour force is engaged in agriculture, forestry and fishing – mostly informally and mostly to sustain subsistence livelihoods<sup>9</sup>. Through mission stakeholder consultations, several industries also emerged with significant skills gaps, high numbers of foreign workers and subsequent training needs including construction and hospitality and tourism, in addition to resource extraction industries and agriculture.

APTC will be conducting a consultative labour market assessment of PNG in Q2 2020 with partners including a review of industry needs in the Highlands, Bougainville and Manus. The resulting report plus additional PEA will confirm the training needs of PNG industry and identify any other industry sectors for consideration and possible inclusion in the Skills for Sub-National Growth Investment.

### **Agriculture**

The National Agriculture Research Institute (NARI)<sup>10</sup> believes the agriculture sector has large untapped potential to assure food security, increase incomes and absorb much of the incoming labour force in gainful employment. Only about 5 percent of total population and 18 percent of economically active population have potential to be employed in the formal sector.<sup>11</sup> As such, agriculture is the most important driver of economic growth and social improvement in the country.<sup>13</sup>

About 4.3 million rural people depend on subsistence and semi-subsistence agriculture to produce food and cash crops and promoting smallholder agriculture is seen to be the key to growth of the sub-sector. Coffee, cocoa, copra, oil palm, rubber, fresh vegetables, and betel nut are grown by smallholders and provide income for 80 percent of the population. Smallholder production of tree crops comprise 70 percent of total output of the sub-sector.<sup>12</sup> Locally grown food provides 80 percent of calories consumed by rural people (Gibson, 2001)<sup>13</sup>.

The National Food Security Policy 2018-2027<sup>14</sup> identifies five priority strategy areas:

- Productivity and farm output growth of the main food staples, horticulture, small livestock and fish farming and increasing efficiencies along the entire food value chain.
- Building stability and resilience into food production and supply systems.
- Enhanced nutrient content and balance of food products consumed by nutritionally vulnerable households and individuals.

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<sup>10</sup> Foreign Policy White Paper, 2017

<sup>11</sup> National Agricultural Research Institute Strategy and Results Framework 2011-2020 (NARI 2011)

<sup>11</sup> National Agriculture Development Plan (NADP) 2007 – 2016 (National Department of Agriculture and Livestock, 2007)

<sup>13</sup> NARI (2011)

<sup>12</sup> NADP (2007)

<sup>13</sup> Gibson J. 2001. Food Demand in the Rural and Urban Sectors of PNG cited in NADP (2007)

<sup>14</sup> Papua New Guinea National Food Security Policy 2018-2027 (National Department of Agriculture and Livestock, 2018)

- Empowerment of women in agriculture.
- Strengthened governance, coordination, monitoring and communication.

The significant opportunities for skills development along the agriculture value chain include construction, manufacturing and business skills with the likely impact being improved employment outcomes for women and people living in rural and remote communities including self-employment and small business. Additional benefit will be achieved through possible alignment with other Australian investments such as the ACIAR and PHAMA.

### **Construction**

As reported in the WB PNG Economic Update January 2020, the construction sector is likely to experience boom conditions as a result of the Papua LNG Project which has potential to generate up to 10,000 jobs, presenting a positive driver to the economy. The construction industry is likely to feature in the priority economic sectors for skills development due to the links between multiple sectors including agriculture, mining and resource extraction and manufacturing.

### **Tourism and Hospitality**

Skills training focused on the hospitality and tourism fields are industry areas that continue to remain the core of APTC's program provision. In PNG tourism is an important economic sector that in 2019 brought PGK1.5 billion into the economy<sup>15</sup> and as a sector, continues to grow. Early scoping indicates that the tourism industry experiences high demand for qualified and skilled employees. There may also be additional opportunities through the tourism component of Australia's Seasonal Worker Program. Accordingly, hospitality and tourism has been highlighted as a priority economic sector for this proposal and opportunities to support workforce development in this sector will be a feature of the program.

### **Pre-vocational skills development**

Support for pre-vocational skills development in areas such as information and communications technology (ICT), digital literacy, problem solving, planning and workplace ethics was also received. The ICT sector in particular is worthy of further investigation due to the sector benefitting from the Coral Sea Cable System, due for completion in 2020, plus the entry of a third mobile network operator to the market.

## **4.7 PROGRAM LOCATIONS**

A slow and steady approach to investment is supportive of initial establishment in two sites, with provision for further locations to be added subject to suitability and availability of funding.

Discussions with the Australian and PNG Governments indicated a priority for alignment with two of the ten TVET institutions identified for inclusion in the proposed ADB Improved TVET for Employment – Mt

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<sup>15</sup> PNG Tourism Promotions Authority in January 2020 cited that more than 210,000 visitors arrived in PNG in 2019, "injecting about K1.5 billion into the economy".

Hagen Technical College and Highlands Agricultural College. The Bougainville Technical College is also in the ADB proposal.

Whilst not on this list, an announcement in October 2019 by Prime Minister Marape that the East Lorengau Refugee Transit Centre (ELRTC) on Manus would become a technical college, and a subsequent request that Education Minister Kuman and DHERST lead the development, means that Manus Province is a potential location and suitable for priority consideration. However, complicating factors, including an ongoing court case over the site, may delay implementation in Manus. Therefore, at this early stage and subject to further analysis, the two sites in Western Highlands Provinces are agreed as priorities. Bougainville will be further explored during the scoping-design phase and Manus will be monitored for future consideration.

It was clear that the approach taken in each location will need to be quite different, based on different starting points and contexts, and that further analysis will be required to confirm the rationale for inclusion of each province and institution in the program:

### **Western Highlands Province**

The Western Highlands Province in central mainland PNG covers an area of 4300km<sup>2</sup> and is the most densely populated province. The region is well regarded for its contribution to food production with large agricultural and horticultural industry sectors and has great capacity for value added economic development. In addition, Mt Hagen, the provincial capital, is a major hub for PNG, being central to other provinces and with easy access to the resource extraction sites operating in the region. Boasting a renovated and expanded airport and newly built road network providing improved linkages between agricultural producers and resource companies to ports and the capital, Port Moresby, TVET delivery in Mt Hagen is critical to the economic success of PNG.

Mt Hagen, the third largest provincial capital, has a large proportion of young people who are highly mobile and capable of contributing to the country's economic development and growth if given the opportunity to develop the skills and knowledge to participate in the private and public labour markets. APTC will capitalise on the improved infrastructure and youth bulge of Mt Hagen and anticipates engaging with two TVET colleges to build capability in skills training for industry sectors important to the Highlands economy. Our initial assessment of the two sites visited, the Mt Hagen Technical College (MHTC) and Highlands Agriculture College (HAC), indicates that the leadership of these institutions is strong and ready to investigate individual partnership opportunities that will build their capability in TVET delivery. Both institutions are also included on the list of ADB indicative priority institutes.

MHTC and HAC: Consultations in Western Highlands confirmed broad support for and feasibility of the APTC PNG Skills for Sub-National Growth Investment supporting both MHTC and HAC. However, it was also clear that these are very different institutions and are at different stages of maturity and viability, requiring different partnership models and that further discussion is required.

Although MHTC is small (337 enrolments 2019) it has considerable potential. Infrastructure is solid and includes the DFAT-funded welding and fabrication workshop and a new DHERST-funded tourism and



hospitality school that will be ready for operations in 2020. Staff and management are keen to collaborate with APTC to achieve their goals of growth, expansion and quality training. During the Scoping-Design Phase, MHTC and APTC will need to investigate further what type of mutually beneficial partnership will be suitable, but the model developed at POMTECH may prove a suitable starting point for discussions.

The HAC is very small (188 enrolments 2019) and has been steadily declining in the absence of funding from the central government, but its potential is extensive. To date, APTC has not offered training in agriculture, although TQ has deep expertise in delivering agricultural training, which include the tropics. The Scoping-Design Phase will include further consideration of a suitable partnership model between HAC and APTC that can deliver improved agricultural training programs, including training for activity along the agribusiness value chain such as biosecurity, logistics, storage and transportation. APTC intends to engage a specialist agriculture trainer to assist with scoping the existing programs and preparing a work program for development of updated PNG NQF-accredited training courses that deliver skills training to meet the needs of the PNG agriculture sector.

### **Bougainville**

The Autonomous Region of Bougainville (AROB) has an approximate population of 300,000 (2016) and a land area of just under 10,000 square kilometres. In 1988, a rebellion started in Bougainville, primarily around the economic, social and environmental costs of the Panguna copper mine. The conflict developed into a civil war around succession and independence for the region claiming around 15,000 – 20,000 lives.

Australia's partnership with PNG in the AROB supports peace, stability and economic growth. As a signatory witness to the 2001 Bougainville Peace Agreement, Australia has supported PNG and Autonomous Bougainville governments to strengthen governance and service delivery, increase economic growth and promote social cohesion through peace building activities.

Many young people's lives were severely disrupted by the Bougainville crisis and its aftermath. Access to education was severely disrupted resulting in a 'lost generation' where many young people have insufficient knowledge and capabilities to participate in community life, government affairs and social development, and face limited opportunities for employment. Australia has provided some support for the Bougainville Technical College in the past but there is potential for further targeted support of youth, economic development and education. The Autonomous Bougainville Government are likely to be strongly supportive of APTC working with the college.

A comprehensive study will be required to assess it as a viable option. There is a plan to conduct a scoping mission to AROB during the Scoping-Design Phase of this investment, the result of which shall inform future investment proposals and designs. There is also the chance of co-funding with the Bougainville team in the Australia High Commission to support the expansion to Bougainville which would expand the current envelope.

## Manus Province

A DHERST/AHC/APTC mission confirmed Manus Provincial support for a new training centre. As there is no existing registered tertiary-level TVET provider on Manus, a DHERST-AHC/APTC-TQ collaboration will be required to establish a new centre. The mission inspected the ELRTC, recently closed and in the process of internal government transfer from the Department of Immigration and Citizenship Authority to DHERST, and found the site to be suitable for refurbishment and conversion to a TVET institution delivering PNG NQF-accredited qualifications. There are several buildings suited for use as classrooms and administrative functions. There are also accommodation facilities for students although a new messing facility will be required – with potential use as a practical training facility. Workshops suitable for skills training will need to be developed and there is sufficient land to consider agriculture training.

Further consultations and PEA with stakeholders could contribute to an initial ‘master plan’ with information about the type of institution, the skills and industries that training will target, and the refurbishments required. This plan will also identify governance, management and financing arrangements by which APTC can progressively build local capacity and in time transfer the campus to DHERST with APTC as a partner. In this respect, the model has some similarities to a build-own-operate-transfer (BOOT) model of project financing. The plan will build capacity to facilitate GoPNG management in the long term to ensure sustainability.

Provided Manus received confirmation as an APTC-supported location and with a year’s lead-time, APTC would aim to commence delivering quality training at the ELRTC, through a mix of PNG and Australian qualifications in a limited number of sectors, particularly those with minimal infrastructure needs. However, this is dependent on finalisation of an ongoing court case over the contracting of management of the site, transfer arrangements being agreed between ICA and DHERST and an agreement between DHERST, AHC and APTC/TQ on the management arrangements for Manus.

Stakeholder consultations indicated that work and training opportunities may emerge from the Australian Defence Force (ADF) plans for early works at Lombrum Naval Base on Manus, which may be able to take place outside of the resolution of the ELRTC. Exploration of potential partnership opportunities such as a co-investment model where APTC delivers construction-focused prevocational training on-the-job will take place during the Scoping-Design Phase (early 2020). Such a partnership between the ADF and APTC would provide valuable employment opportunities for Manus Province residents. A key opportunity in working with the ADF at Lombrum is the potential to investigate synergies and incorporate training in construction. APTC intends to engage a specialist construction trainer in the initial 18-months to assist with scoping the existing programs and preparing a work program for the development of training courses that deliver skills training to meet the needs of the PNG construction sector.

## 4.8 TVET SYSTEM STRENGTHENING SUPPORT

TVET system strengthening programs, driven by DHERST reforms for sub-national TVET institutions, will form a major part of the APTC PNG Skills for Sub-National Growth Investment. A range of activities designed to support the strengthening of TVET colleges will be included in the work programs including:

- Strategic Improvement Plan development;
- Support for development of industry responsive quality curriculum and teaching excellence, including linkages to industry;
- National Industry Training Package development and accreditation;
- Support for DHERST policy implementation relating to training innovation and accreditation;
- Capability development in TVET leadership and governance and support for Governing Councils;
- Technical and strategic advice regarding asset and equipment upgrades; and
- Development and implementation of Industry Training Packages, contemporary curriculum, teaching and learning resources.

#### 4.9 GENDER EQUALITY AND SOCIAL INCLUSION

Gender equality is widely accepted as essential to sound development practice and key to economic and human resource development. Furthermore, development which addresses gender inequalities and the various forms of discrimination experienced by women assists in progressing women's human rights. In the first two phases of APTC, a lack of quality M&E data has impacted on reporting against gender and social inclusion initiatives. Under this proposal, improving M&E data will be a high priority, and this will support ongoing gender analysis throughout the life of the investment to inform programming. Gender inclusion will be more comprehensively addressed through the investment by implementing an evolutionary approach from one that meets targets (female representation) to an approach that emphasises gender and social inclusion as a core strategic development issue. APTC proposes to focus on developing gender equality initiatives that will bring a stronger emphasis on targeted activity for more equitable gender outcomes, as well as a defined approach to gender inclusion and assessment.

To date, implementation of the PNG national 2013 Gender Equity and Social Inclusion (GESI) policy has not been a priority in the education sector and there is acknowledgement that more must be done to mainstream implementation. Female enrolments and graduates at technical colleges are low with women making up only 24 percent of enrolments and 23 percent of graduates. DHERST's report entitled *The Financing of Higher Education in Papua New Guinea 2011 – 2019, Trends and Issues* outlines some opportunities including the introduction of targets, policies and quotas that align with GEDSI objectives<sup>16</sup> and these will be considered in the approach to this investment.

As a 'greenfield' site, early PEA indicates that provided the situational risks such as accommodation, safety and security are adequately addressed, there are opportunities to mainstream GEDSI policy and practices from the beginning of operations at the ELRTC in Manus Province. PEA for Mt Hagen will also be designed

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<sup>16</sup> Department of Higher Education Research Science and Technology, *The Financing of Higher Education in Papua New Guinea 2011 – 2019, Trends and Issues*, (Draft for Consultation), Boroko, DHERST, 2019.

to assess and support the plan to work closely with the management of MHTC and HAC to mainstream GEDSI, along with any work in Bougainville.

Further PEA will be undertaken specifically focusing on GEDSI to ensure relevant and effective strategy and processes are incorporated into every element of the Skills for Sub-National Growth Investment encouraging women, PLWD and all people from remote and disadvantaged communities to access TVET skills development.

APTC delivers a GEDSI-responsive program and works closely with associations representing women, people from remote and rural areas, PLWD and other marginalised or excluded groups. Further detail on APTC's approach to mainstreaming and targeted GEDSI actions is outlined in Section 7 of this proposal.

#### **4.10 PRIVATE SECTOR ENGAGEMENT**

APTC has spent many years engaging with the Pacific private sector developing relationships and trust in our ability to deliver work ready graduates with current industry relevant skills. These relationships require substantial co-investment of time and energy to listen and respond building the trust required for lasting relationships. APTC will work side-by-side with DHERST and the NSDA demonstrating the value of these mutually beneficial relationships in building a sustainable TVET sector.

Industry relationships will be leveraged to extend opportunities to sub-national partner institutes with potential for commercial and co-investment project opportunities in conjunction with APTC. Industries of particular focus include the extractive industries, agriculture, WASH and electrification and, where private-public training opportunities arise, APTC will act as broker for these.

#### **4.11 BILATERAL CO-INVESTMENT**

The Skills for Sub-National Growth Investment is a bilateral co-investment into the regional DFAT APTC program. We propose that governance and contract management protocols be treated in a similar manner to other bilateral co-investments. This will involve a contract amendment with an additional scope of services noting the cost per component and with central contract management via the Annual Planning and Reporting process. While approval of the overall APTC Annual Plan is provided by Canberra, approval of the PNG annex, including both regional and bilateral investments of the APTC The Skills for Sub-National Growth Investment is a bilateral co-investment into the regional DFAT APTC program. We propose that governance and contract management protocols be treated in a similar manner to other bilateral co-investments. This will involve a contract amendment with an additional scope of services noting the cost per component and with central contract management via the Annual Planning and Reporting process. While approval of the overall APTC Annual Plan is provided by Canberra, approval of the PNG annex, including both regional and bilateral investments of the APTC Annual Plan will be through the PNG post and all reporting devolved to country level. Financial reporting will clearly demonstrate funding of both regional and bilateral programs.

## 5 AUSTRALIA PACIFIC TRAINING COALITION

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APTC is an Australian Government initiative funded through DFAT and managed by TAFE Queensland (RTO 0275). APTC is a centre of training excellence and collaboration that assists Pacific Island citizens to gain internationally recognised (Australian) skills and qualifications for a wide range of vocational careers in demand throughout the region and overseas and works with a wide range of partners to support locally driven TVET reform contributing to a more prosperous region driven by a skilled, competitive and productive workforce. The end-of-program outcomes are:

- Graduates have improved employment outcomes
- Co-investment in skills training increases
- Selected TVET partners demonstrate quality TVET provision

APTC's approach to achieving End-of-Program Outcomes is guided by engagement principles that harmonise well with DFAT investments and DHERST's Plan. These principles are:

- a) APTC's operations are increasingly 'embedded' in Pacific TVET systems, including:
  - i. movement away from enclave delivery;
  - ii. greater alignment with Pacific governments' priorities for national development
  - iii. greater responsiveness and delegation to country level APTC offices;
  - iv. avoidance of competition with national TVET public and private providers; and
  - v. emphasis on working collaboratively with Pacific governments, Pacific TVET systems and institutions, and industries/enterprises to facilitate TVET reform.
- b) An emphasis on quality TVET through ensuring the delivery of Australian qualifications to more than 1,200 Pacific graduates per annum;
- c) APTC programming trials, tests, learns and adapts to changing contexts, based on a thinking and working politically (TWP) approach;
- d) APTC's graduate supply ensures a net skill gain for Pacific Island Countries;
- e) APTC is responsive to the needs of women, people living with disabilities and to other social equality priorities;
- f) Australia's regional and bilateral skills development efforts are harmonised; and
- g) APTC's brand for quality is continued.

### 5.1 CAPABILITY TO SUPPORT NATIONAL TVET SECTORS

APTC has extensive professional and corporate resources in place to support locally led TVET reform, facilitation and coordination of stakeholders in the skills sector, delivery of internationally recognised Australian qualifications, TVET system strengthening activities and labour mobility programs.

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This robust structure allows APTC to incorporate additional resources as required to support new activities or expand existing programs, assuming appropriate funding.

APTC has strong links with industry, and a history of delivering capability development programs tailored to individual employer needs such as leadership and management and vocational skills teacher training. This expertise will be important to the sub-national program as it drives the wider partner engagement in PNG's TVET sector.

APTC focus is also on labour mobility, with the goal of a net skills gain for the Pacific. In alignment with priorities set by GoPNG, APTC is delivering training in sectors in demand in the Australian labour market and customised work skills training for labour mobility candidates, including non-APTC graduates. Key to this is our partnership with the Pacific Labour Facility (PLF) and APTC is working closely with the PLF to address the geographic challenges of accessing PNG's remote regions where demand for labour mobility opportunities is prevalent.

APTC delivers a GEDSI-responsive program and works closely with associations representing women, people from remote and rural areas, PLWD and other marginalised or excluded groups. Further detail on APTC's approach to mainstreaming and targeted GEDSI actions is outlined in Section 7 of this proposal.

## 5.2 PNG THEORY OF CHANGE

The PNG country team commenced work with stakeholders in early 2019 through national level ToC workshops where a series of facilitated exercises assisted the development of a rich picture of how change will come about in the local TVET context. Specifically, the workshop and subsequent research reviewed the current TVET context in PNG, considered the demand for TVET, the key drivers of change in PNG, and reflected on the barriers to change and identified current opportunities within the sector. Following this work, strategies were identified to leverage change and take advantage of opportunities to model the potential and promote the TVET sector in PNG.

The PNG ToC is summarised in Annex A and the core strategies identified include:

- APTC will work with partners and in coalition with others, drawing on the respective and different strengths of partners and coalition members to achieve shared interests and outcomes. It will work particularly to promote the value of PNG-led TVET.
- APTC will work to support government policy, especially those reforms outlined in the Higher and Technical Education Strategic Implementation Plan, and in particular, the recently launched NSDA in order to support a strong, high performing TVET sector. It will look for champions and leaders who can be supported to work for sustained sector development.
- APTC will demonstrate effective co-delivery with POMTECH and other institutions, in order to promote the quality of PNG TVET institutions.
- APTC will seek to model effective industry engagement, through the development of curricula and training which responds directly to industry needs.
- APTC will work to make training opportunities more inclusive particularly for women and vulnerable groups such as PLWD.
- APTC will model and demonstrate ways of working that build the visibility and viability of TVET. This includes the direct provision of ongoing good quality and relevant training. It will also likely include

training which builds upon existing PNG community and cultural strengths, demonstrating TVET relevance for PNG.

- APTC will contribute to the collection of quality data for TVET in PNG in order to support information about graduate pathways and outcomes across the sector.

In PNG APTC is in partnership with POMTECH, delivers internationally recognised Australian qualifications to students from PNG and countries within the Pacific Region and works with POMTECH to build capability in the TVET sector. Our vocational training courses meet industry and labour market needs and we have recently delivered a range of bespoke co-investment programs including:

- Certificate I and II Construction programs at EDAI Town;
- Diploma of Counselling for the PNG Counselling Association (PNGCA);
- Development and national accreditation of the PNG National Certificate IV in Counselling.
- The National Certificate IV Program is now with the International Education Agency TAFE (Port Moresby) to deliver in partnership with the PNGCA;
- Certificate III in Commercial Cookery delivery in the workplace for the iPi Group at the Porgera / Barrick Joint Venture Gold Mine, Enga Province;
- Pre-vocational training such as the Certificate II in Skills for Work and Vocational Pathways, tailored to hospitality workers for the Motu Koitabu Assembly. Another pre-vocational program tailored for workers in engineering mechanical trades is scheduled for delivery at the Kiunga LBL Holdings mine, Western Province commencing in February 2020; and
- Certificate IV in Leadership and Management for the Brian Bell Group.

The delivery model proving successful with industry in PNG is one of co-investment, where industry provide resources, venues and workshop facilities for training delivery in the workplace and APTC provides a qualified trainer and learning materials. APTC will be extending this delivery model further into industries with high levels of foreign workers such as the resource extraction, construction and hospitality industries.

APTC PNG is active in the GEDSI space, supporting the formation of the PNG Meri Tradies Association in 2019, an association established to promote women working in trades. The PNG office is the headquarters for the association, headed by Doris Meliwane, the APTC automotive trainer. We are also currently collaborating with Cheshire Disability Services and Callan Disability Services to develop a pre-vocational program for their clientele. This will be carried forward into 2020 and will include a general information meeting with their clientele to establish skill needs and opportunities.

APTC PNG works closely with DHERST as the PNG NQF Authority. The APTC Country Director is a member of the PNG National Apprenticeship and Trade Testing Board and provides TVET institutional re-accreditation mentoring and assistance with the implementation of the PNG NQF.

Capability development and training undertaken with POMTECH has included:

- Quality reviews of POMTECH hospitality; automotive; metal fabrication and welding; maintenance fitting and machining; refrigeration and air-conditioning; and electrical courses against the Australian Qualifications Framework and recommendations for improvements;
- Trainer mentoring and capability development in vocational skills in electrical, automotive and metal fabrication trades;
- Certificate IV in Training and Assessment for POMTECH trainers (12 participants);
- Certificate IV in Leadership and Management for POMTECH staff (11 participants);
- Construction of a new PNG National Automotive Training Centre; and
- Current delivery of the International Skills Training (IST) course for POMTECH trainers (25 participants).

APTC has demonstrated capacity to expand this work to multiple stakeholders providing technical support and mentoring to enhance the skills of management and trainers in the PNG TVET system.

## 6 PROGRAM PHASES AND WORK PLANS

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In working to achieve the above outcomes, APTC is proposing a four-stage sub-national investment aligned to the APTC contract timelines, consisting of:

- Scoping-Design Phase, January – June 2020
- Start-up Phase, July – December 2020
- Phase 1, January 2021 – June 2022
- Phase 2, July 2022 – June 2026 (to be developed as part of the second 4-year phase of APTC3)

### 6.1 SCOPING-DESIGN PHASE, JANUARY – JUNE 2020

The six-month Scoping-Design Phase will allow time to plan and establish a strong, well-defined program structure with DHERST and partners. This will include contracts and resource allocations, governance and management processes and partnership frameworks, prior to implementation. The Scoping-Design Phase will undertake further PEA to confirm and update early consultations and analysis, and establish the sub-national program structure to ensure the appropriate contracts and investments are in place for a July 2020 program start.

Existing APTC resources will fund the six-month Scoping-Design Phase.

### 6.2 START-UP PHASE, JULY - DECEMBER 2020

APTC considers a gradual build up in activity the most appropriate strategy to ensure that outcomes are sustainable over time. The start-up phase will incorporate activity necessary to scale up the in-country capacity of APTC operations to enable delivery of a gradually increasing number of female and male TVET graduates with industry-responsive, accredited PNG and Australian qualifications in priority industry sectors.



## 7 INVESTMENT ESTIMATE AND RESOURCING

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The proposed DFAT funding envelope is AU\$7.5m per year over six years. The PNG Skills for Sub-National Growth Investment is costed on the activity required to deliver EOPO articulated in the proposed PNG ToC model. The program outcomes correlate to the APTC3 EOPO and importantly are specific to the PNG Skills for Sub-National Growth and include:

1. Graduates have both the formal and informal skills that support improved employment outcomes.
2. There is increased stakeholder willingness to contribute to and co-invest in TVET, based on identified training needs.
3. Quality sub-national TVET provision provides enhanced industry informed curriculum development and competency-based training options.

The consultation process considered whether the Skills for Sub-National Growth Investment should have APTC deliver only internationally recognised Australian qualifications or a mixture of Australian and PNG qualifications. Due to a number of considerations, in particular around cost implications and the ambition of building the capacity of PNG institutions, we are proposing that a mix of both qualifications should be delivered. This approach would ensure that:

- the funding window would cover multiple sites rather than only having sufficient resources to focus on one location (given the costs associated with registering and delivering Australian qualifications in PNG are on par with qualifications delivered in Australia);
- that the partnerships strengthen GoPNG institutions, moving from a dependence model and building the sustainability of PNG's TVET sector (noting also that PNG's recently developed National Qualifications Framework and mapped to Australian standards and Pacific Labour Mobility opportunities accept PNG qualifications). In this area we anticipate further consultations exploring a co-funding contribution from the GoPNG;
- the proposal fits within APTC's regional contract objectives and outcomes (including the change in mandate from being a deliverer of services, to an enabling organisation embedded within the PNG TVET system);
- APTC has enough partner institutions to ensure progress towards the target of 400-600 new TVET graduates (Australia or PNG qualifications) each year; and
- Value for money is demonstrated.

The detailed costing will be structured under the categories of TVET Strengthening Support, Infrastructure, Direct Training Delivery, Operation and Personnel Costs. The invoicing of the program will be in-line with these components and will align to other DFAT regional and bilateral programs invoiced to DFAT by APTC.

The delivery and management of programmed activities through APTC provides significant value for money (VFM) as a result of efficient and economic use of APTC resourcing and technical expertise. This includes

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cost effective service delivery across program management, academic management and administration activities enabling APTC to maximise DFAT’s investment into program outcomes.

APTC will utilise DFAT funding in the most efficient manner to deliver an incrementally gradated program within budget. APTC also proposes to work with stakeholders to investigate GoPNG co-investment opportunities to provide further funding for the program that will enable more activity to be implemented in a faster timeframe, thereby increasing the graduate outcomes earlier.

## 7.1 PROPOSED OUTPUTS BY EOPO

### **EOPO 1 – Graduates have improved employment outcomes**

This relates to employment outcomes for graduates, both female and male, whether intending to remain working in their home country or to engage in labour mobility to work overseas. By ‘graduates’ it is meant those who have successfully completed a qualification or skill set of international standard.

Those graduates intending to remain working at home will have confidence in the fact that APTC and the TVET college they have enrolled in, have taken steps to ensure that their training is aligned with employer needs as well as current and likely future job outcomes or self-employment opportunities. While APTC has focused on existing workers in the past, this may be broadened where training is associated with a structured employment pathway.

It is intended that graduates will be highly valued and sought after by employers because TVET training is matched to their needs.

A key consideration to support employment outcomes is a strong focus on equitable access for women, people from remote and rural areas, PLWD and other marginalised or isolated groups to all programs including those designed to support labour mobility. The following activities are recommended for the period 1 July 2020 to 30 June 2026:

- Students trained and graduated with in-demand skills.
- TVET learning environments meet required standards.
- Program content and delivery is customized to meet employer needs.
- Eligible graduates access additional training to support labour mobility.

### **EOPO 2: Co-investment in skills training increases**

Co-investment is evidence of demand by the beneficiaries of skills training: individuals, individual enterprises, industries and national governments. It can take the form of both monetary and/or in-kind contributions in different ways and to different levels. Employers and other industry parties are more likely to invest if they can be assured of work-ready graduates with high-level technical and soft skills who add value to their enterprises. Individuals are more likely to pay for or contribute to the cost of their tuition if they can be confident of a good job/career outcome or of acquiring the skills to become successfully self-employed. National governments are more likely to invest where there is commitment to TVET and evidence of its potential to contribute to economic prosperity. Increased co-investment will see reduced reliance on

Australian aid and a greater spread of the benefits of TVET reform. Ultimately, it is intended that the principle of co-investment be understood as primarily investment in Pacific TVET, not as investment in APTC. The following activities are recommended for the period 1 July 2020 to 30 June 2026:

- Improved labour market information and analysis.
- Skills demand and training needs informed by data and analysis on labour market.
- TVET partners use internal and external quality assurance mechanisms.
- Employment pathways determine APTC and partner institutions training priorities.

### **EOPO 3: Selected TVET partners demonstrate quality TVET provision**

The outcome of partner institutions progressively meeting international TVET standards is a key measure of APTC's impact on Pacific TVET and its contribution to Australia's aid policy objectives. Meeting international standards has multiple aspects. Of central importance is the quality and relevance of teaching and learning as demonstrated by fit-for-purpose learning environments, appropriately qualified and experienced TVET teachers, an ongoing and systematic approach to internal and external quality assurance, and effective employer/industry engagement. These characteristics mean that more qualifications will meet international standards and there will be an increased pool of graduates who can participate in labour mobility pathways. Institutional governance and management will improve because TVET institutions are operating within clearly articulated policy and planning priorities that determine the allocation of resources and have institutional leaders capable of driving ongoing improvement and reform. Among these reforms will be increased equity in access to skills development by gender and other equity groups through appropriate policies and resource allocation. Embedding APTC in Pacific TVET systems is critical to achieving this outcome so that skills, knowledge and expertise are shared with partners and enterprises have improved and sustained access to the skills they need.<sup>17</sup>

The following activities are recommended for the period 1 July 2020 to 30 June 2026:

- TVET partners invest in infrastructure, equipment and learning materials.
- TVET partners recruit and support suitably qualified and experienced teachers and support them with on-going teacher training.
- Institutional leaders actively drive TVET reform.
- Incentives developed and deployed to strengthen TVET systems and reform.

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<sup>17</sup> Embedding is exemplified by the following features: training facilities are co-located with a training provider or an enterprise; facilities are jointly funded; equipment is jointly funded; equipment is jointly used by a training provider or an enterprise; training is jointly delivered; and, students can be issued dual (national/PNG and Australian) qualifications

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## 8 CROSS CUTTING THEMES

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### 8.1 PLANNING, MONITORING, EVALUATION AND LEARNING

APTC has developed a robust approach to Planning, Monitoring, Evaluation, and Learning (PMEL) that provides ongoing learning to inform changes to strategy and allows an iterative approach to TVET system reform and achievement of EOPOs.

APTC's PMEL seeks to understand how change happens in each of the locations we operate in. Through engagement with a broad range of TVET stakeholders including government, training providers, industry representatives and disabled person's organisations we jointly identify drivers and barriers to TVET change, and opportunities and strategies that will enable our stakeholders and APTC to realise change. These engagements have been invaluable in helping us develop our country specific strategies and our strategy testing approach has already inspired us to review the regional level ToC strategy, broadening it to focus on delivery of qualifications benchmarked to Australian standards or to national/other standards as appropriate to TVET partners and labour markets rather than to Australian standards alone.

APTC will ensure effective PMEL through the approved Monitoring, Evaluation and Learning Framework (MELF).

- APTC has articulated a clear regional program level ToC and has worked with GoPNG stakeholders to develop a country level ToC. All three APTC End of Programme Outcomes: *EOPO1 – Graduates have improved employment outcomes; EOPO2 – Co-investment in skills training increases; and EOPO3 – Selected TVET partners demonstrate quality TVET provision*, align with the PNG APTC Sub-National Investment. Country level unpacking of how change works will further strengthen these synergies while at the same time producing PNG-specific indicators of success. There will be a review of the PNG country level ToC in the latter half of 2020 that shall provide an opportunity to reconsider the ToC in light of this program as a significant investment in the TVET sector.
- Preventing sexual exploitation, abuse and harassment (PSEAH) elements are incorporated into all APTC policies and procedures, including human resource and academic policies. APTC monitors safeguard risks through the MELF, and this will be extended to incorporate the PNG sub-national program.
- APTC employs proven processes and systems for monitoring and evaluation activities such as student surveys, graduate tracer surveys and employer surveys. Tracking graduates on an annual basis and again every three years provides robust data to confirm the employment outcomes of APTC activity and this will be extended to the sub-national program. Clear reporting lines ensure that lessons are learned, and improvements implemented for future programs and activities. These systems and processes and the reflective practice that underpins them will provide a range of data to support the continuous improvement of subnational program activities. APTC will explore which approaches are most effective for learning and sharing and disseminating learning with GoPNG and key stakeholders. This will require an approach that learns from working with partners and industry. Proposals include

sharing back with the government through the program governance mechanisms; through the development of learning products and through facilitated review and reflection sessions.

- APTC expects that clarity will be provided for PNG partners and stakeholders about the value of a TVET model that includes robust quality assurance standards built into daily operations.
- APTC will work with the GoPNG, the PLF and TVET providers to align reporting of labour market information to better inform training investments.
- APTC commits to monitoring and evaluating the benefits and learnings obtained in the process of embedding a bilateral program in a regional program. We will ensure that we monitor, evaluate and learn from the PNG experience to better inform further investment into APTC from 2026.

## 8.2 GENDER EQUITY, DISABILITY AND SOCIAL INCLUSION

The APTC Gender Equity, Disability and Social Inclusion Strategic Framework aims to generate responsive and transformative actions that can tackle existing barriers, gaps and forms of exclusions whilst also taking into consideration the context within which APTC operates and its success to date. The Strategic Framework is grounded on six key GEDSI operating principles: building on APTC's existing success and good practice; twin track approach; integrating intersectionality; flexible model for diverse Pacific Island contexts; partnerships for embedding GEDSI within Pacific TVET systems and the principle of 'nothing about us without us'.

Through consultations and process review, APTC has identified 3 key areas of intervention that will inform APTC's GEDSI commitments 2020 - 2022:

- Address gendered and exclusionary norms and relations within Pacific TVET Systems.
- Eliminate institutional GEDSI barriers within APTC.
- Empower socially excluded and marginalised groups within Pacific TVET systems.

Four major commitments have been adopted by APTC:

1. We will mainstream Gender Equality and Social Inclusion within APTC's operations
2. We will collaborate with reform minded partners and champions to promote inclusive enabling environment for excluded and marginalised groups within Pacific TVET systems
3. We will target equitable educational outcomes for women, persons living with disabilities and students from rural, remote, maritime and small island states.
4. We will target equitable employment outcomes for women, persons living with disabilities and students from rural, remote, maritime and small island states.

An annual action implementation pathway for GEDSI commitments is embedded in APTC's organisational planning, implementation, monitoring, evaluation, reflection and reporting cycle and will also be embedded in this program. The GEDSI mapping identifies the key networks for APTC to work with and further work will be required to identify joint actions for the sub-national program. As a leading TVET provider in the Pacific region APTC will continue to confirm the value of commitment to GEDSI principles and influence the PNG TVET community to support DHERST in shaping sector-wide actions to achieve national GEDSI objectives. This work will be coordinated by the PNG GEDSI Adviser.

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APTC has a positive track record in promoting and providing TVET opportunities for women and PLWD, including within our institutional structure. Our application process now incorporates the Washington Group questions and we consult with Disabled Peoples Organisations on a regular basis to raise awareness of APTC courses and accessibility. Women make up 40 percent of APTC graduates including 38 percent in commercial cookery, 30 percent in painting and decorating and 25 percent in wall and floor tiling, all non-traditional occupations. In addition, 236 students have completed training in disability support and 92 PLWD have successfully completed APTC training. APTC provides reasonable adjustment in training and assessment to support the learning experience for PLWD and prioritises access and support for rural and remote area applicants. Internally, 55 percent of APTC employees are women and 84 percent are Pacific Islanders.

The UN National Human Development Report 2014, noted that gender equality is a significant challenge in PNG, with the country ranking 134<sup>th</sup> of 148 countries in the Gender Inequality Index. This ranking has since slipped further to 159<sup>th</sup> of 160 countries in the 2017 index<sup>18</sup>. The 2011-12 Country Gender Assessment by the WB noted that disparity occurs in three key areas: Access to resources through education, health and entrepreneurship; Access to rights through legal and social empowerment (including power to address gender-based family and sexual violence); and Access to voice through participation in decision-making<sup>19</sup>.

Acknowledging the need to improve women's participation in the PNG economy, gender is a key strategic focus area of the PNG Vision 2050, particularly in improving access to education. By 2050, PNG aspires to rank 50<sup>th</sup> of the 182 countries listed in the Human Development Index<sup>22</sup>, rising from 153<sup>rd</sup> place of 189 countries in 2017<sup>20</sup>.

The PNG National Policy on Disability 2015 – 2025<sup>21</sup> acknowledges and seeks to address the barriers PLWD face in accessing economic and social opportunities. APTC has a history of engagement with disability advocacy and service organisations including Cheshire Disability Services, Red Cross and Callan Services and will continue working within the community-based rehabilitation guidelines to help deliver on Policy Strategy 2: improve access to quality services and support programs for PLWD, particularly access to education at the sub-national level.

Consideration of GEDSI will be at the forefront of the PNG Skills for Sub-National Growth planning and implementation stages. Based on the twin track approach APTC will pursue both a mainstreaming and a targeted approach:

- Mainstreaming GEDSI within APTC operations and embedding GEDSI within our partnerships and coalitions.
- Targeting educational and employment outcomes for women, PLWD and students from rural, remote, maritime and small island stages; and collaborating with stakeholders to contribute towards

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<sup>18</sup> UNDP, Human Development Report 2020, *The Next Frontier: Human Development and the Anthropocene*

<sup>19</sup> UNDP, *2014 PNG National Human Development Report*, 2014.

<sup>20</sup> UNDP, Human Development Report 2020, *The Next Frontier: Human Development and Anthropocene*, 2020.

<sup>21</sup> Department for Community Development and Religion, *PNG National Disability Policy*, 2015.

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building inclusive and enabling environments for excluded and marginalised groups within Pacific TVET systems.

Initially APTC proposes to incorporate GEDSI considerations into the PEA conducted in Mt Hagen Bougainville and Manus to clarify the main barriers to GEDSI mainstreaming and implementation (social and physical) and determine the kind of support our partner institutions may require. Early PEA will also identify what GEDSI policies are available, and implemented and mainstreamed in PNG technical schools. Results from the PEA will contribute to our MEL and be used to inform the program baseline and enable introduced changes to be measured.

Following on from the PEA, APTC will focus on appropriate adaptable and measurable actions that will aim to increase the numbers of women and PLWD enrolling in training courses and contribute to a workforce where GEDSI is mainstreamed. Such actions may include targeted marketing campaigns, support for application processing, assessments of physical environments to ensure safety of vulnerable students, and provision of in-class support where applicable and appropriate.

Particular assistance will be given to partner institutions to build capability of TVET trainers to incorporate GEDSI principles into their teaching practice. APTC is currently working with the WB International Finance Corporation (IFC) to train trainers to incorporate Workplace Responses to GBV in their teaching practice. A pilot program is being rolled out in several Pacific countries in 2020 and will be assessed for broader implementation later in the year. APTC will be planning delivery of several International Skills Training Courses to our sub-national partner institute trainers to build their capability in TVET and competency-based training methodology through the Skills for Sub-National Growth. There is potential for the Workplace Responses to GBV to form part of this program.

APTC is aware of the successful approach taken through the ACIAR Family Farm Teams project in rural PNG which demonstrated that a whole of family approach to farmer learning enabled farming families (women, men and children) to work more equitably and effectively and improved their livelihoods. Program activities aimed to improve business and financial literacy and assist with the adoption of a planned approach to agricultural activities. The project also developed trainers accredited in delivering the Family Farm training program, of whom 13 are located in the Western Highland province, and a range of learning materials and resources. APTC intends to investigate linkages with the Family Farm Teams project and methods of incorporating GEDSI learnings to the development and delivery of agriculture courses in demand in Mt Hagen.

### **8.3 COMMUNICATIONS**

Clear communication will be required across APTC and all partners to ensure concise and coordinated messaging, particularly as considerable change is required around co-investing in training, improving female participations rates and revitalising the economically disadvantaged regions. A Communications Strategy will be developed to prioritise, plan and support the communications needs of the program.

A key focus of the program will be to conduct strategic stakeholder engagement and to influence through providing high-level technical assistance that actively supports our partners in developing capability through mentoring, demonstration and practical support. In particular our work will involve supporting DHERST-led reform and the NSDA and engagement with the PNG private sector to build relationships and strengthen confidence in the national TVET system. APTC is currently developing a Strategic Engagement Framework that will feed into the APTC Communications Strategy to support the direction of this approach.

## 9 NEXT STEPS

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Should DHERST and DFAT determine that the APTC PNG Skills for Sub-National Growth Investment will provide support and advances for the DHERST Higher Education Strategic Implementation Plan and the PNG-Australia Partnership on Education, further planning and development work will be required commencing with:

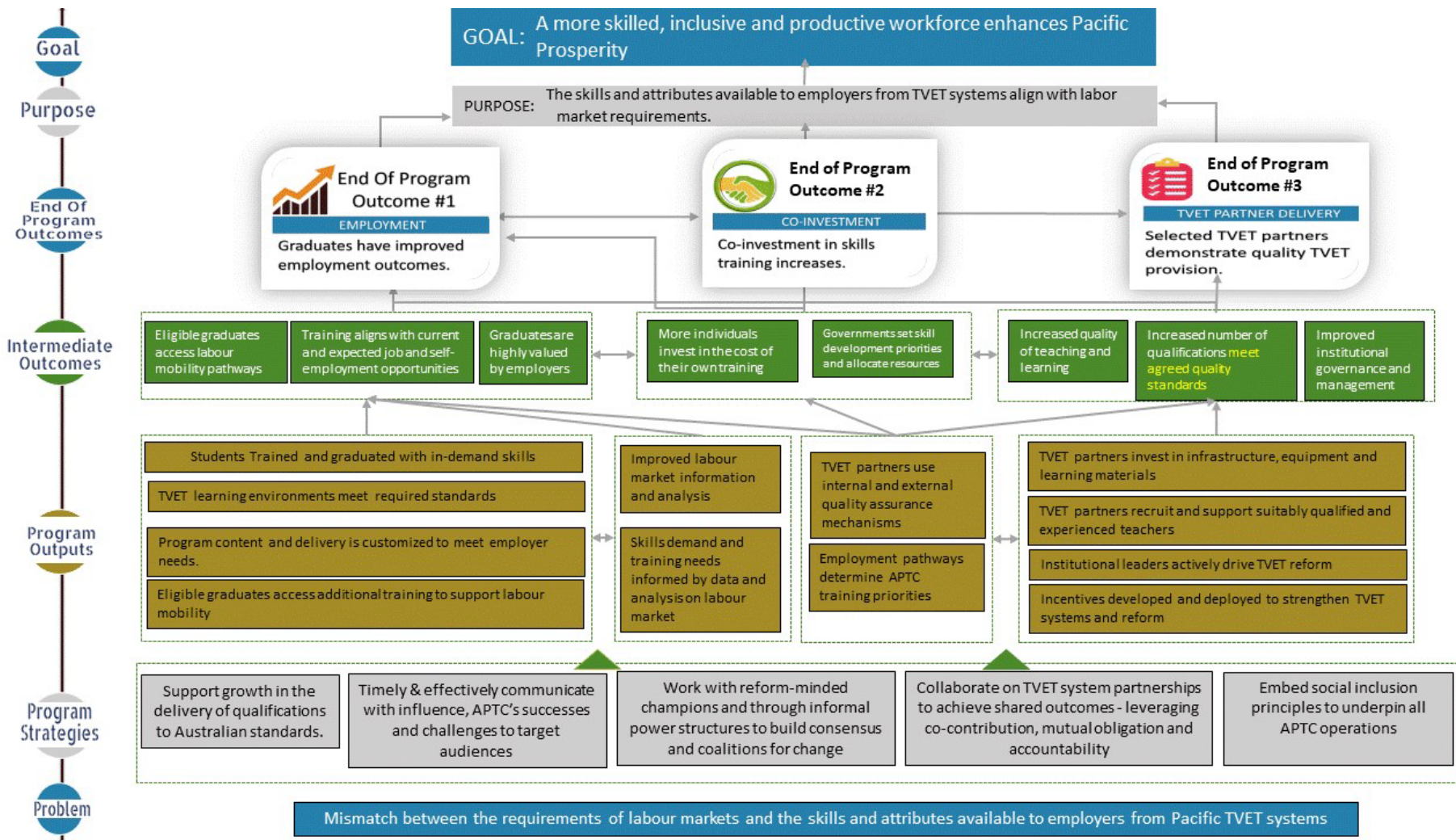
- Initial APTC proposal submitted to DFAT and DHERST 27 February 2020;
- Initial feedback from DFAT and GoPNG, early March 2020;
- APTC to revise proposal and re-submit for formal peer review by 19 March 2020;
- Approval of APTC-funded Scoping-Design Phase; and
- Final proposal approval by 30 May 2020.



## ANNEX A: APTC PROGRAM LOGIC AND PNG THEORY OF CHANGE

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The initial program logic for APTC3 (figure 2) established the program goal, objectives and end-of-investment outcomes to be achieved within the investment timeframe 2019 - 2023. We have now progressed to considering the ToC at a country level, holding workshops in PNG in 2019 that developed the PNG ToC (Figure 3) highlighting local drivers, opportunities and barriers to success, and strategies and assumptions that may impact potential outcomes. It is intended that the PNG ToC will be reviewed and updated to incorporate the investment in sub-national skills growth in PNG.



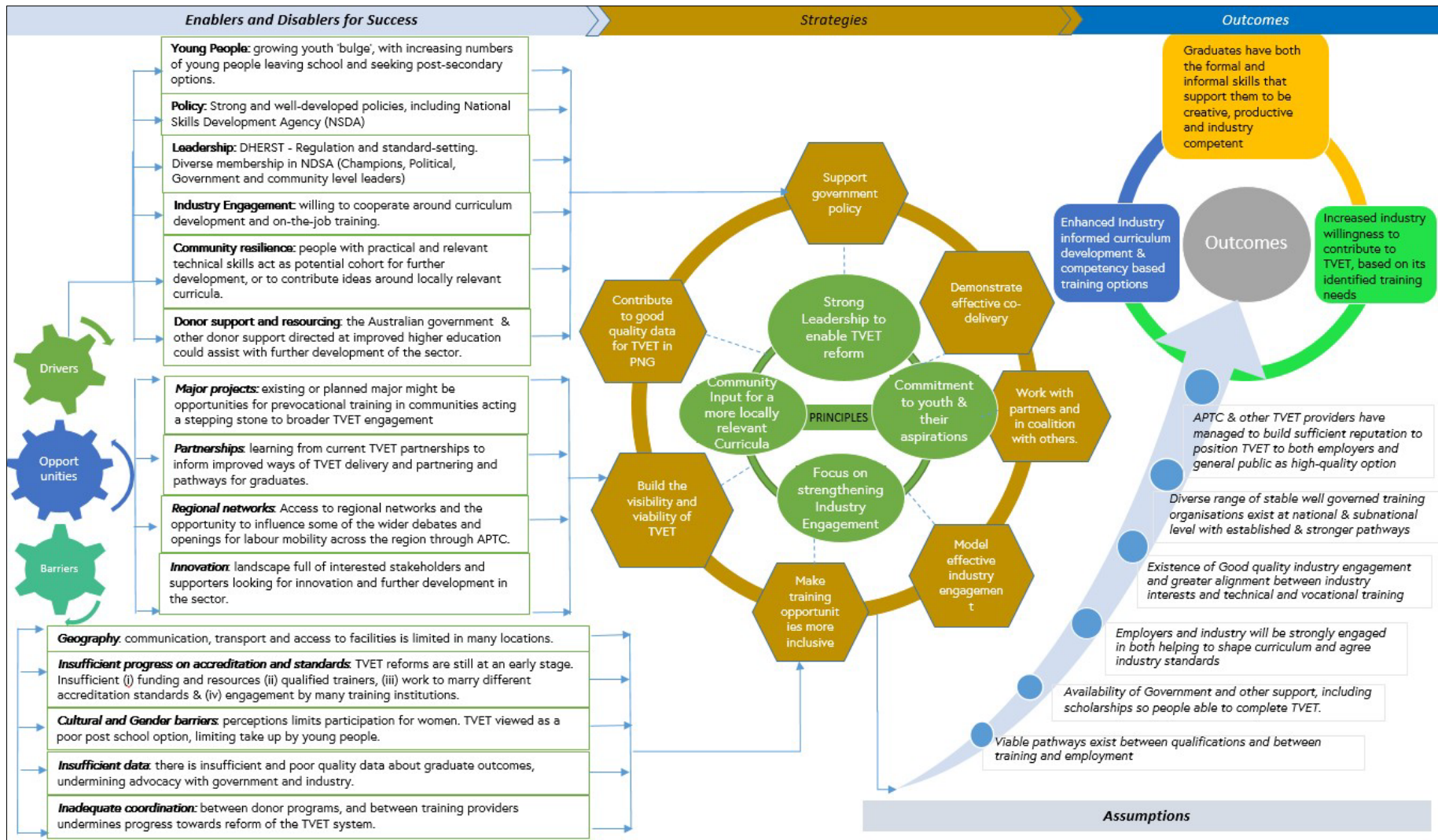


Figure 2 APTC PNG Theory of Change

## ANNEX B: WORK PROGRAMS

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### B.1 SCOPING – DESIGN PHASE WORK PLAN

Work Program	Timeline
Proposal and Contract	
<ul style="list-style-type: none"> <li>Submit initial APTC Proposal to DFAT &amp; GoPNG.</li> </ul>	27 February 2020
<ul style="list-style-type: none"> <li>Initial feedback from DFAT and GoPNG</li> </ul>	Early March 2020
<ul style="list-style-type: none"> <li>Work with DFAT and TQ to finalise proposal, including governance and management arrangements for the integrated APTC Program in PNG. Submit proposal for formal peer review.</li> </ul>	19 March 2020
<ul style="list-style-type: none"> <li>Agree final proposal.</li> </ul>	30 May 2020
<ul style="list-style-type: none"> <li>Review final APTC GEDSI Strategy and incorporate commitments and interventions into TOR for additional staffing and program work plan.</li> </ul>	30 May 2020
<ul style="list-style-type: none"> <li>Design the organisational structure for an integrated APTC PNG Program (regional and bilateral funds).</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>Finalise MOU with DHERST, AHC and APTC/TQ, ensuring alignment with the DFAT – DHERST Statement of Intent, the Comprehensive Strategic and Economic Partnership between Australia and PNG and the DHERST TVET reform agenda.</li> </ul>	30 April 2020
<ul style="list-style-type: none"> <li>APTC/TQ contract amendment finalised with DFAT.</li> </ul>	30 April 2020
<ul style="list-style-type: none"> <li>Recruitment of additional staff required for Start-Up Phase.</li> </ul>	30 June 2020
Program Synergies	

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<ul style="list-style-type: none"> <li>Through DHERST, work collaboratively with the ADB to contribute to the preparation of the Inception Report for the <i>Improved TVET for Employment in PNG</i> project.</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>Map potential synergies between the APTC PNG TVET Sub-National Program and other Australian funded programs such as the <i>Bougainville Peace Building Program</i>, the <i>Australian Infrastructure Financing Facility for the Pacific (AIFFP)</i>, <i>Pacific Women</i>, and the <i>Australian Centre for International Agricultural Research (ACIAR)</i> in Mount Hagen.</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>Map potential synergies between the PNG APTC TVET Sub-National Program and other development programs such as the <i>WB</i>, <i>International Finance Corporation (IFC)</i>, <i>International Fund for Agricultural Development (IFAD)</i>, <i>Pacific Horticultural and Agricultural Market Access Program (PHAMA)</i>, and the <i>Market Development Facility (MDF)</i>.</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>Map potential synergies with Corporate Social Responsibility (CSR) programs run by resource extraction companies such as Exxon Mobil, Total, Newcrest, RH Group PNG.</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>Identify 2-3 key public-private partnerships for development</li> </ul>	10 April 2020
<ul style="list-style-type: none"> <li>Commence partnership brokering activities with identified public-private organisations.</li> </ul>	29 May 2020
<ul style="list-style-type: none"> <li>In consultation with DHERST and TQ, explore potential institutional connections and implementation strategies.</li> </ul>	30 June 2020
Program partnerships	
<ul style="list-style-type: none"> <li>In conjunction with DHERST, develop partnership and delivery models for Manus and Highland Provinces.</li> </ul>	31 March 2020
<ul style="list-style-type: none"> <li>In conjunction with DHERST and AHC, conduct scoping mission to AROB.</li> </ul>	30 April 2020
<ul style="list-style-type: none"> <li>PEA conducted to inform design and brokering activities, ensuring a GEDSI-responsive approach and targets where appropriate.</li> </ul>	30 April 2020
<ul style="list-style-type: none"> <li>Undertake further confidence building and fact-finding visits by DHERST &amp; APTC/TQ to Manus and Mt Hagen to progress relationships and the Sub-National Program agenda.</li> </ul>	30 April 2020
<ul style="list-style-type: none"> <li>Commence partnership brokering activities with identified sub-national TVET institutions.</li> </ul>	29 May 2020

<ul style="list-style-type: none"> <li>In conjunction with DHERST, develop the Work Plan for the Start-Up Phase and Phase 1 that confirms the End of Program Outcomes and contributing activity, including alignment with DHERST reform agenda, sub-national course profile, graduate targets and co-investment strategies.</li> </ul>	29 May 2020
Labour Markets	
<ul style="list-style-type: none"> <li>Expand the PNG Labour Market Assessment to include detailed analysis of labour markets in Manus and Highland Provinces.</li> </ul>	15 April 2020
<ul style="list-style-type: none"> <li>Continue support of labour mobility through targeted training short courses and courses delivered through the APTC Labour Mobility track.</li> </ul>	June 2020

## B.2 START-UP PHASE, JULY - DECEMBER 2020

APTC considers a gradual build up in activity the most appropriate strategy to ensure that outcomes are sustainable over time. The start-up phase will incorporate activity necessary to scale up the in-country capacity of APTC operations to enable delivery of a gradually increasing number of female and male TVET graduates with industry-responsive, accredited PNG and Australian qualifications in priority industry sectors.

Whilst a work plan can only be draft at this early stage, indicative activity includes:

Improved employment outcomes:

- APTC expects to be working with DHERST and the ADB contributing to the scope and design of the *Improved TVET for Employment in PNG* project and potentially the ADF and Manus preparing for delivery of the Australian CPC10111 Certificate I in Construction in early phase one.
- Recognising the importance of agriculture to the Western Highlands, APTC will engage an Australian agricultural training specialist to work with HAC to scope a suite of courses suitable to the needs of the agricultural industry, including the support services agribusinesses require to deliver products to market such as logistics, storage, transport and biosecurity. This activity will include all necessary preparations to enable delivery of agriculture courses commencing in 2021.

- APTC will continue to collaborate with the PLF in support of labour mobility and delivering training in sectors relevant to the Australian labour market. Training for Papua New Guineans seeking labour mobility opportunities will include bespoke pre-vocational short courses tailored to specific Australian industries as identified by the PLF (i.e. meat processing sector) and extended work ready skills training in communication, problem solving, financial and digital literacy and workplace attitudes and ethics to APTC students through the APTC Labour Mobility track.
- All activity will include consideration of the cross-cutting themes important to APTC, including a gender inclusive approach, mitigation of the risks posed to women participation through gender based violence, and increasing participation of women in male dominated industry sectors. For example:
  - Consideration will be given to incorporating elements of the PNG Family Farm Teams approach into the agricultural training course delivery as suggested by the AHC Gender Team in feedback following the presentation of the Aide Memoire. If appropriate this approach will also be considered for other programs.
  - Establishment of participant targets to support women entering male dominated industry sectors.
  - Support for GEDSI advocacy work through the Meri Tradies Association.

Quality TVET provision:

- Finalisation of the partnership agreements and governance arrangements with sub-national TVET institutions to enable implementation to start in the later months of 2020.
- Training activity will include an initial Capability Development Program for our sub-national TVET institution partners in 2 locations that will deliver additional 60 - 80 graduates with TVET sector strengthening skills:
  - 40 managers and leaders who meet the course prerequisites undertaking the BSB42015 Certificate IV in Leadership and Management, and
  - 40 trainers who meet the course prerequisites undertaking the Australian International Skills Training Course.
- The final activity of the start-up phase will be finalisation of the joint APTC-DHERST Work Plan for Phase 1 of the sub-national investment that specifies activity designed to achieve end-of-program outcomes. The first annual plan for the sub-national investment will be presented in October 2020. Subsequent annual plans will align with the APTC Annual Plan scheduled for submission on December 15 each year.

### B.3 PHASE 1, JANUARY 2021 – JUNE 2022

Improved employment outcomes:

- APTC, through flexible partnership models in Manus and Western Highlands (as agreed with DHERST) will deliver an additional 100-150 TVET graduates annually with Certificate I to IV qualifications in trades and skills aligned with employment opportunities in priority sectors. These will be a mix of APTC-supported PNG national qualifications and Australian qualifications as supported by the budget and agreed with DFAT and GoPNG.
- Broker partnerships to support an increase in the value of investment from industry sectors and employers, as well as other development partners.
- Provide additional support for labour mobility, delivering training in sectors relevant to the Australian labour market and a range of bespoke courses to Papua New Guineans in the 'work-ready' pool as well as offering extended work ready skills training through the APTC Labour Mobility track.

Quality TVET provision:

- Support selected sub-national partners demonstrate quality TVET provision and contribute to DHERST-led long-term systemic reforms and institutional strengthening necessary to facilitate the building of a credible demand-responsive TVET sector. Focus areas will include:
  - TVET course and curriculum design that meets industry needs;
  - TVET trainer capability development, including development of an accredited PNG National Certificate course in TVET teacher training similar to the Australian Certificate IV in Training and Assessment;
  - Quality improvements in teaching and learning environments at APTC-partner sub-national TVET institutions; and
  - Technical assistance to support this aspect of our agenda with national and sub-national partners.



## B.4 PHASE 2, JULY 2022 – DECEMBER 2026

A comprehensive work plan for Phase 2 of the Skills for Sub-National Growth Investment will focus on the strategic directions identified by DHERST and the APTC PNG ToC during Phase 1 further building on partnerships established during the years 2020 - 2022. The evolved phase 2 work plan will be finalised by the APTC Managing Contractor<sup>22</sup> and presented through the Annual Planning process and will include activities such as:

Improved employment outcomes:

- APTC, through flexible partnership models in Manus and Western Highlands as well as other priority provinces (as agreed with DHERST), will deliver an additional 200-400 TVET graduates annually with Certificate I to IV qualifications in trades and skills aligned with employment opportunities in priority sectors. These will be a majority of APTC-supported PNG national qualifications and fewer Australian qualifications.
- Provide support for labour mobility, delivering a range of bespoke courses to Papua New Guineans in the 'work-ready' pool and sectors relevant to the Australian labour market as well as offering extended work ready skills training through the APTC Labour Mobility track.
- Broker private sector partnerships to deliver additional graduates and reduce reliance on foreign workers in key economic sectors.

Quality TVET provision:

- Support selected sub-national partners demonstrate quality TVET provision as well as contribute to DHERST- led long-term systemic reforms and institutional strengthening necessary to facilitate the building of a credible demand-responsive TVET sector. Focus areas to include:
  - TVET course and curriculum design that meets industry needs.
  - TVET trainer capability development, including development of a PNG TVET teacher training nationally-recognised qualification that is PNG National Certificate course in TVET training similar to the Australian Certificate IV in Training and Assessment.
  - Quality improvements in teaching and learning environments at APTC-partner sub-national TVET institutions.
  - Technical assistance to support this aspect of our agenda with national and sub-national partners.

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<sup>22</sup> The initial term of TAFE Queensland's management of the APTC3 contract is due for review in June 2022.

## ANNEX C: COVID-19 SAFETY, SECURITY AND CONTINGENCY PLANNING

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The Australia Pacific Training Coalition (APTC) is committed to implementing systems and managing risks that have the potential to impact on the organisation's ability to provide services. This annex is intended to provide DFAT with assurance that internal and external safety and security control systems are appropriate, robust and provide identification and management of COVID-19 pandemic risks to ensure the safety and well-being of all APTC employees and visitors across APTC operations in PNG. It will also outline the contingency plan for Skills for Sub-National Growth Investment Program (SNGI) operations if activities are considerably disrupted by the COVID-19 pandemic.

### C.1 PREAMBLE

It is essential for APTC to provide a safe and secure work environment for all employees, students<sup>23</sup> and other stakeholders associated with APTC activities. Activity locations include the APTC Campus at POMTECH in Port Moresby and provincial activity that includes and not limited to Mt Hagen Technical College, Highlands Agricultural College and the Bougainville Technical College as these colleges are APTC partner TVET institutions (the latter three falling under SNGI program funded activities).

APTC maintains a PNG Safety and Security Plan that ensures adequate procedures and controls are in place to mitigate security and safety risks that respond effectively to emergency events such as COVID-19. This plan covers all APTC activities and staff and student movements.

It should be noted that all APTC delivery and activity sites are shared with a TVET institutional or commercial partner and these partners have their own security protocols. Where required, APTC will align its security processes and plans to each of its partners TVET institution's security protocols.

### C.2 SAFETY AND SECURITY CULTURE

APTC has embedded a positive safety and security risk culture across all business activity with employees at all levels required to appropriately manage risk as an intrinsic component of their day-to-day work and this has been adapted to include specific approaches and messaging for COVID-19.

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<sup>23</sup> In this Annex, the term 'student' refers to any students APTC is directly providing training to, not the students of TVET institutional partners in PNG.

Such a culture places a high level of importance on safety and security beliefs, values and attitudes and encourages staff and students to report or express any concerns or improvements related to the safety and security of APTC activity.

The APTC safety and security culture provides an important working environment and displays behaviours that role model safety and security to positively influence others across PNG. This is important where personal safety and security may be influenced by a variety of factors that include the local physical and social environment, the intent of others in that environment and one's own behaviour.

### **C.3 SAFETY AND SECURITY RISK ASSESSMENT**

APTC will provide a safe and secure work environment in PNG wherever possible through the implementation of a robust Safety and Security Plan. This is supported by a Safety and Security risk assessment that is reviewed regularly and will be completed prior to undertaking activity in new work locations under SNGI.

The PNG Safety and Security Plan is supported by APTC head office activity that includes and not limited to:

- a) Audit and Risk Management Committee
- b) Business Continuity Framework
- c) Disaster Recovery Plan
- d) Critical Incident Management Policy and Work Instructions
- e) WHS Framework
- f) Fraud and Corruption Control Plan
- g) Prevention of Sexual Exploitation Abuse and Harassment Policy and Work Instructions

### **C.4 EMERGENCY PROCEDURES**

The following procedure is a summary of the required response in the event of a COVID-19 related event or a natural disaster such as an earthquake or civil unrest, or another event that either has impacted, or has potential to impact, employees and students of APTC.

These procedures may also apply in the event of the death or serious injury of a staff member or student and vary dependent on the circumstances of the emergency.

- a) APTC CEO or PNG Country Director notified of an Emergency, Alert, Warning or Evacuation by the Australian High Commission (AHC) or through other means such as the PNG Emergency National Control Centre or Pacific Tsunami Warning Centre.
- b) APTC CEO and PNG Country Director (or delegates) to confirm information and develop an agreed emergency response plan. If required an APTC Emergency Management Team will be convened and the APTC emergency telephone tree activated.
- c) APTC CEO assumes responsibility for contact and ongoing communication with AHC Canberra with the PNG Country Director responsible for communication with the AHC in PNG.
- d) APTC emergency response plan to be implemented and include a communication strategy to brief employees, students and key stakeholders.
- e) Critical incident report prepared.

## C.5 PANDEMIC OR EPIDEMIC

In the event of a pandemic or epidemic, such as COVID-19, APTC will liaise with DFAT to take appropriate measures that may include restricting or closing operations to reduce risk.

APTC will implement a dedicated emergency response plan to mitigate risk, ensure business continuity and recovery of operations if required. The response plan will include a communication strategy and talking points for employees, students and key stakeholders.

To reduce risk to employees, students and the community APTC will undertake the following:

- a) Ensure adequate work health and safety measures are implemented to reduce health risk. This may include and not limited to implementing hygiene and social distancing strategies for all staff and students across all campus locations.
  - b) In the event of an escalating health or safety risk APTC will liaise with DFAT to restrict or close operations with considerations to demobilising international staff and students.
  - c) In the event of a campus closure APTC will implement flexible and responsive working from home arrangements and work plans to ensure the provision of essential services and meaningful work for all employees.
  - d) For mobilisation into PNG all international employees are to be medically cleared prior to entry and undertake required Government isolation measures on arrival.
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- e) APTC has in place appropriate health insurance policies for national and international employees with the inclusion of cover in the event of a pandemic or epidemic. International employee medical insurance is to include medical evacuation cover in the event of a pandemic or epidemic.

## C.6 SNGI PANDEMIC CONTINGENCY PLANNING

C.6.1 Key COVID-19 risk: The COVID-19 pandemic causes significant disruption and/or delay in the activities required to implement the SNGI program

### C.6.2 APTC Risk Mitigation Approach:

APTC Internal Risk Management - APTC in alignment with TAFE Queensland, will utilise a structured and consistent approach to COVID-19 risk management. APTC has a comprehensive Risk Management Plan utilising the Australian and New Zealand ISO 31000:2009 Risk Management Principles and Guidelines. The model includes seven key steps: 1. Establishing the context; 2. Risk identification; 3. Risk evaluation; 4. Risk rating; 5. Risk treatment; 6. Monitoring and review, and 7. Communication and consultation.

Our existing approach to risk management is based on:

- Designing a flexible program of activities under SNGI so that the team and the program can be nimble and adaptive as required.
- A thorough and ongoing analysis of contexts, drawn from stakeholder knowledge and networks and past implementation experience. This enables us to analyse contextual constraints and develop appropriate mitigation strategies.
- An open and honest 'no surprises' relationship with DFAT, whereby challenges are discussed early, and solutions devised through collaboration and shared responsibility.
- A focus on management of impact on 6 core areas of managing people; product service and delivery; performance/financial; administrative systems; infrastructure/asset management; and managing the environment.
- A culture based on continuous learning, and adjustment where problems are acknowledged openly and learned from – both formally and informally.

Risk management is embedded in all APTC activities through the Risk Management Policy so that risk management principles and processes are integrated into strategic and operational planning, reporting performance measurement and day-to-day operations. This practice will be expanded

to incorporate SNGI. Specifically, the APTC PNG Safety and Security Plan will be the risk management plan under which SNGI risks and contingency planning shall be managed.

Specific mitigation approaches include:

- Dedicated response plan, policies and work instructions for impact and recovery. These include communication plans and talking points for employees and key stakeholders.
- APTC to implement safe workplace strategies that include and not limited to increased hygiene, social distancing and other appropriate initiatives.
- Any employee, student or visitor displaying signs of illness as those of the pandemic are not to attend the workplace, are to undertake medical examination and isolate.
- International employees to be medically cleared prior to departure and undertake required isolation measures on arrival.
- Ensure appropriate health insurance policies are in place for national and international employees with the inclusion of cover of a pandemic or epidemic. International employee insurance to include medical evaluation cover.
- Flexible and responsive working from home arrangements to be implemented in the event of campus closure ensuring the provision of essential services and meaningful work for all employees.

In the event of significant program activity disruption due to COVID-19, the strategy and objective is to recover critical business functions. The resources and time required to achieve this will be dependent on the severity and nature of the disruption. The APTC planned approach to recovery from disruption is also outlined in our internal business continuity management strategy where the leading principle is to provide effective decisions within appropriate timeframes to resume services as quickly as possible. The strategy is actioned into four stages as follows: 1. Preparation; 2. Response in dealing with the onset of a disruption event; 3. Maintenance of the organisation's services; and 4. Recovery to normal operations.

DFAT Policies: APTC will maintain adherence to the DFAT COVID-19 Safeguard Guidance Note and DFAT Environmental and Social Safeguard Policy and Operational Procedures.

GoPNG Policies: APTC will continue to adapt operations in accordance with GoPNG advice and travel restrictions.

### C.6.3 Program Impacts & Contingencies:

The SNGI work plan was developed during the COVID-19 Pandemic, and has adapted planned activities to be delivered remotely and by local consultations. We will closely monitor travel restrictions that will affect early operations, and planning is based on assumption that international

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travel can resume in early 2021 and that from January 2021, domestic travel and procurement pipelines will be unimpeded by COVID-19. If these plans are further disrupted by COVID-19, APTC has developed the following contingency plans in summary.

	<b>PROJECT IMPACT</b>	<b>CONTINGENCY PLAN</b>
1.	<p>COVID-19 PANDEMIC PREVENTS APTC AND OR PARTNER INSTITUTIONS FROM RE-OPENING AND OPERATING SAFELY.</p> <p>The spread of COVID-19 affects staff and students and the GoPNG closes all TVET institutions campuses and/or the partner TVET institutions are not able to ensure a safe space for staff and students.</p>	<p>In the event of escalation to a high level risk or at the direction of DFAT, international employees demobilised, national employees to work from home and students undertaking remote delivery where possible.</p> <p>Flexible and responsive working from home arrangements to be implemented in the event of campus closure ensuring the provision of essential services and meaningful work for all employees.</p> <p>APTC through the SNGI program will invest and support the ICT capacity and capability of TVET partners to enable remote work. APTC has demonstrated the ability to continue capability development activity with TVET partners across the current COVID-19 period.</p> <p>In the event of partner TVET institution campuses closing, a suite of online ICT-based micro-credential courses can be offered to their management and training staff. Further, other professional development programs can be offered such as video-conference-based sessions on best practice training delivery in specific fields.</p> <p>APTC will also work with the partner TVET institutions to further enhance their PPE and COVID-19 safety measures and this can still progress during any closure plans. Finally, procurement activities will continue to progress even if campuses are closed.</p>
2..	<p>CHANGE IN POLITICAL PRIORITIES</p> <p>There is a risk that COVID-19 causes a change in political priorities, due to the economic consequences of the pandemic causing a redirection</p>	<p>APTC will work to ensure ownership and engagement of the bilateral investment, will use governance mechanisms and communicate the positives of the program showcasing early results and demonstrating effectiveness and value for money.</p>

	PROJECT IMPACT	CONTINGENCY PLAN
	<p>of the proposed activity. The COVID-19 pandemic could negatively affect the GoPNG and GoA budget allocations to TVET. TVET and skills development will be an important factor in economic recovery and therefore needs to remain an allocation within budgets.</p>	<p>APTC will follow GoPNG advice on safe operations of higher education institutions to continue delivering program activity and end of program outcomes.</p>
3.	<p><b>SNGI PROGRAM DELIVERY DISRUPTIONS</b></p> <p>COVID-19 pandemic prevents effective international and/or domestic travel.</p>	<p>Where risk that international and/or domestic travel is suspended beyond 1 January 2021 and the following areas of program activity shall be impacted:</p> <p>a) <b>LTA ROLES BASED AT PARTNER TVET INSTITUTIONS</b>  RISK: SNGI cannot recruit international staff to work in PNG.</p> <p>CONTINGENCY: engage in a detailed local recruitment program and hire the best candidates possible to fill roles, adjust roles and responsibilities to fit capacity with the key focus to engage staff that can work and live on site in order to support relationships and program implementation.</p> <p>APTC is implementing a formal mentorship program to support the skilling up of local staff by international staff that is intended to be conducted either in person or can be delivered remotely to support this flexible approach.</p> <p>b) <b>STA ROLES PROVIDING TECHNICAL ADVICE ACROSS THE PROGRAM</b>  RISK: Engaged international STA technical advisers cannot travel to and within PNG.</p> <p>CONTINGENCY: STAs to work from home via internet platforms (Zoom, MS Teams etc.) and to be facilitated by POM based staff and LTAs based in partner TVET institutions.</p> <p>APTC continues to deliver remote capability development activities to TVET partners across the Pacific.</p>



	PROJECT IMPACT	CONTINGENCY PLAN
		<p>c) TRAINING APTC IS PROVIDING TO PARTNERS</p> <p>RISK: Currently all accredited training is planned as face-to face training at partner TVET institution locations utilising a majority of expatriate trainers.</p> <p>CONTINGENCY: Most of the courses planned for delivery can be moved to online modalities for implementation if required. (Leadership and Management and TAE Upgrade can be delivered remotely with IST in development for remote delivery).</p> <p>d) PROGRAM BUDGET EXPENDITURE</p> <p>RISK: Delays and/or disruptions to activities cause significant underspend risk.</p> <p>CONTINGENCY: APTC is developing a pipeline of activities/options to absorb any possible underspend. These will be based around increasing procurement for partner TVET institutions and the development of a grants program for TVET partner institutions. These activities can be brought forward and scaled up in value as required.</p>
4.	<p>PROGRAM CONTINUITY</p> <p>It is possible that collaboration between APTC, stakeholders and partners will be effected, especially if travel restrictions are not lifted and online consultations are ineffective. This could mean that implementation is delayed</p>	<p>APTC will continue to collaborate and communicate with stakeholders and partners remotely, following GoPNG guidance and travel advice.</p> <p>APTC has demonstrated ability to effectively work with TVET partners and key stakeholders remotely across the region</p>