

Background

A new ten-year 2007–2017 Cook Islands Country Strategy is being developed to guide the level and focus of New Zealand's and Australia's assistance, in alignment with the Cook Islands Government's (CIGov) agenda and priorities as set out under the draft Cook Islands National Sustainable Development Plan (NSDP). New Zealand is the largest donor to Cook Islands (approximately NZ\$7 million per year). Australia contributes approximately AUD 1.5 million (NZ\$1.7 to 1.8 million). Under the Tripartite Cook Island, New Zealand and Australia Agreement (2004), development assistance from both donor countries is provided within a single coordinated programme, in partnership with the CIGov. New Zealand Agency for International Development (NZAID), manages the joint programme on behalf of Australian Agency for International Development (AusAID).

In order to develop a new Joint Country Strategy (JCS) to guide New Zealand's and Australia's support to the Cook Islands, it is necessary to obtain a thorough understanding of the current and expected future situation, and of the impact of recent and current aid inputs to the Cook Islands. Six activity reviews, reflecting the three themes of the current country strategy (strengthening governance and civil society; basic services - education and health; and sustainable economic development) are completed or in-progress. The new JCS will be agreed between the three parties early in 2007 and implemented from 1 July 2007.

Purpose and Objectives

The purpose of the review was to identify the factors to be considered when developing a new tripartite JCS. The objective was to identify successes and limitations in the implementation of the current country strategy at both the strategic and operational/activity level, and lessons that can inform the new JCS.

Main Findings

The strategic objectives of the 2001-2006 Cook Islands Country Strategy were to:

1. provide direct and tangible developmental benefits to the Cook Islands population consistent with the priorities of the CIGov and NZAID's policy framework through appropriately targeted interventions
2. have a well-managed programme and achieve full programme expenditure
3. be clear and predictable so as to facilitate sound planning and investment by the CIGov, other donors and programme beneficiaries.

The Strategy identifies three themes for engagement, reflecting priorities of CIGov:

1. strengthen governance
2. improve basic social services
3. build prospects for sustainable economic growth.

The following changes in the programme management were to be made:

- a greater focus on managing and delivering the programme in partnership with all levels of CIGov as well as local community groups and the private sector

- a reduction in the complexity of the programme and the corresponding management burden for CIGov and New Zealand
- a shift in funding towards the outer islands
- new sector funding programmes for education, human resources development and marine resources; expanded funding for outer islands development and a new Community Initiatives Scheme (CIS).

In 2001, there were 33 activities under 10 areas. By 2006 this had been reduced to 21 activities in three priority areas. During the period 2001 to 2006, the governance and civil society area decreased from 20 to 12 percent of the budget, while education, (including human resource development (HRD)) and health increased from 37 to 56.6 percent and sustainable economic development decreased from 38 to 28.5 percent. Education (32 percent) and HRD (22 percent) represented the two largest sector expenditures by 2006. The total expenditure during the 2001-2006 period was almost NZ\$30 million.

Governance, civil society and gender: there has been modest progress towards achieving programme objectives. A 2006 review of the Public Sector Technical Assistance Fund (PSTAF) concluded that fund management has been effective and efficient, with the Fund being successfully run by the Public Service Commission, including offering support to applicant agencies, meeting expenditure targets and applicant agencies' needs. PSTAF has had a positive impact in delivering public sector capacity-building; however, this is limited to central agencies in Rarotonga. The high costs involved in developing outer island projects could not be accommodated within the resources Public Service Commission had to manage the PSTAF and no specific provision was made within guidelines to support outer islands' proposals.

With respect to civil society, the lack of performance information made it difficult to identify achievements. However an overview of 12 CIS-funded projects showed that seven were for Rarotonga-based organisations and five were for outer-islands groups; a reasonable balance provided it reflects the distribution of overall funding. Project summaries indicated positive impacts.

Performance information is not yet available for any of the funding arrangements with Non-Governmental Organisations that were all concluded towards the end of the Country Strategy's timeframe. The new Memorandum of Understanding establishes timing and responsibilities for regular progress reports.

A monitoring visit in 2002 found that phase two of the Gender and Development (GAD) project had achieved progress on the implementation and reporting of the Convention on the Elimination of all Forms of Discrimination Against Women; delivery of gender analysis training to CIGov agencies and Non-Governmental Organisations; and community outreach through media. The GAD's Gender Analysis Training project was designed to train community leaders and public service policy-makers to provide strong leadership for the mainstreaming of gender perspectives. The Review found that attendees reported shifts in their attitudes and practices at work. The GAD workshops were considered effective by participants; however, many priority government target groups did not attend. A review of the GAD identified a lack of commitment on the part of CIGov to mainstreaming gender analysis in policies and encouraging its key decision-makers to participate.

The project was not successful in achieving changes to government systems or integrating gender analysis principles into government policy development and processes. Project design was only partly followed and there was a lack of capacity in the Ministry of Internal Affairs and its Gender and Development Division to implement the project. The limited resources available within the Ministry of Internal Affairs for the GAD activities has been a consistent finding in GAD reviews, raising questions about CIGov commitments. This suggests that the JCS process needs to include GAD priority discussions.

In summary, the performance on governance, civil society and gender activities against the range of the objectives in the Country Strategy was mixed but is headed in the right direction. Improvements are required, particularly to ensure outer islands' access and to develop a more strategic approach. There was limited information available to draw conclusions about work on civil society and the reports raised questions about CIGov GAD commitment.

Education and health: good progress has been made in the education sector, building on long-term New Zealand involvement in Cook Islands basic education. The Review emphasised the lack of evidence available for the sector and identified a number of preparatory activities necessary if a Sector-Wide Approach to education was to be successfully launched. A tracer study carried out during the Review period identified concerns about the return rate of completing scholarship recipients. Short-term training mechanisms were found to be operating effectively during the review period, although one of the schemes (Short-Term Training Awards) had had limited impact in reaching outer island participants. A more strategic approach to the training sector has been recommended based on needs analysis work.

Little information was available on health sector activities, raising questions about the administrative burden of health activities given the level of funding.

Sustainable economic development: the two key mechanisms in this sector, the Small Business Enterprise Centre and Outer Islands Development Grant Fund, were reviewed in 2005-2006. Both were found to have operational and performance issues. The Review recommended support to restore both institutions to their original functions and performance levels. A Tripartite Arrangement for Outer Islands Infrastructure Development was formalised in 2005.

Conclusions: harmonisation of the New Zealand and Australian programmes was a critical achievement. A strong degree of alignment between the New Zealand and Australian programmes and the Cook Islands policy has also been developed. A start has been made to reducing programme complexity, although there remains potential for further reduction.

Programme strengths during the 2001-2006 period include delivery of public sector capacity building through PSTAF; establishment of the CIS scheme enabling direct support to community organisations including outer islands groups; conclusions of funding arrangements enabling direct support to key Non-Governmental Organisations; good progress under the Education Support Programme; and achievement of a harmonised approach to outer islands infrastructure development. Good support for HRD was also a feature of the programme, via In-country Training, Short-Term Training Awards and sectoral training schemes.

Key Issues and Learning for NZAID

Poverty: the Review suggested limitations in the current programme's ability to reach the outer islands, where poverty of opportunity and vulnerability is most acute. Poverty analysis will be an important aspect of development of the new strategy.

Gender equality: evidence from reviews suggest that efforts by donors to encourage the integration of gender analysis principles into government policy development and processes have not been successful. The resources invested may not yet be matched by partner government commitments. This suggests that gender equity prioritisation needs to be discussed as part of the JCS process.

Monitoring and evaluation: limited performance information hindered an assessment of the JCS programme's impact during 2001-2006 suggesting that greater emphasis is required on resourcing and implementing monitoring and evaluation. This should include a systematic approach to activity-level monitoring and evaluation with linkages to a Strategy performance framework.

At the operational level, review material recommends further work on the efficiency and effectiveness of a number of activities, particularly PSTAF, the Partnerships Programme, ICT, Short-Term Training Awards, Small Business Enterprise Centre and the Outer Islands Development Grant Fund. Transition to Fewer, Bigger, Longer Modalities: the need for a quality focus, jointly agreed strategic objectives and clearer intended results for the new JCS was a key learning. Identifying the timeframe and resources required to effect major programme changes should form part of the Strategy's development.

Follow-up

Over 30 recommendations were put-forward by this Review. NZAID agrees with the central messages on a transition to fewer, bigger, longer modalities, a focused set of objectives and performance indicators and placing greater emphasis on resourcing and carrying out monitoring and evaluation work. In terms of the recommendation to align the new JCS to NZAID's central focus on poverty elimination, NZAID is mindful of the existence of its constitutional links with the Cook Islands. As the JCS is to be guided by CIGov priorities, poverty elimination may not be the most appropriate focus.

To request a copy of the full report email aidevaluation@mfat.govt.nz and quote the reference number - Eva0705.