



# Fiji Development Cooperation Report 2010

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## Summary

This report summarises the aid program's progress in 2010 towards mitigating the social and economic hardships of the people of Fiji following the coup in 2006 and the global financial crisis in 2009.

## Context

The political, economic and social context in Fiji post-2006 coup continued to deteriorate in 2010, exacerbated by a spate of natural disasters in 2009 and 2010. Public Emergency Regulations and media censorship remained in force, as well as tight, short-term fiscal measures on the civil service. Political instability has resulted in widespread migration overseas, especially among the educated and professional groups responsible for generating investment and delivering essential services in Fiji. Fiji's economy grew by just 0.1 per cent in 2010<sup>1</sup> and, in an uncertain regulatory environment, local and foreign investors held back, reducing opportunities to create employment. In the absence of significant structural reforms to address long-term challenges in state owned enterprises and the public service, Fiji's economy remains at risk.

Political events in 2009, which resulted in the abrogation of the Constitution and the deferral of elections to 2014, led the aid program to shift to a stronger focus on improving service delivery. 2010 was a year of transition for the Australian aid program to Fiji, marked by a strong commitment to humanitarian response. This included the major response to Cyclone Tomas in March 2010. The 2010 Pacific Regional Millennium Development Goal (MDG) Tracking Report<sup>2</sup> recorded that Fiji's progress against the health and education MDGs had regressed and that Fiji was unlikely to meet the 2015 targets in these areas. Poverty analyses<sup>3</sup> estimated that 26 per cent of urban households and 43 per cent of rural households in Fiji are living below the international poverty line. Noting that MDGs were now off track and that poverty in rural areas had increased, the aid program refocused its support towards Fiji's vulnerable communities.

Australia retained its position as the largest bilateral donor to Fiji—\$17.89 million in 2009–10, and maintained continuous support in the areas that matter the most to the people of Fiji—basic health and education. The Fiji bilateral program stayed on track in 2010 through the provision of good quality assistance at the activity level. At the same time, flexible, long-term programs were being designed and tendered.

## Program objectives

The Fiji bilateral program is structured around three objectives and four cross-cutting priorities that characterise Australia's approach for the foreseeable future to achieving the central aim of the program, which remains *to mitigate the social and economic hardships of the people of Fiji following the coup in 2006 and the global financial crisis in 2009*:

Objective 1: Improving access to quality education

Objective 2: Strengthening primary health services

Objective 3: Building resilience and economic opportunities in disadvantaged communities.

<sup>1</sup> International Monetary Fund Article IV, Public Information Notice No 11/35, 14 March 2011.

<sup>2</sup> Report prepared by the Pacific Islands Forum Secretariat, July 2010.

<sup>3</sup> Fiji Bureau of Statistics: 2008–09 Household Income and Expenditure Survey.





**Table 1: Ratings of the program's progress in 2010**

Objective	Rating in 2010	Relative to previous rating
Objective 1: Improving access to quality education	■	Improved
Objective 2: Strengthening primary health services	■	Improved
Objective 3: Building resilience and economic opportunities in disadvantaged communities	■	Improved

Ratings key:

- The objective will be fully achieved within the timeframe of the strategy.
- The objective will be partly achieved within the timeframe of the strategy.
- The objective is unlikely to be achieved within the timeframe of the strategy.

### Objective 1: Improving access to quality education

Australia's education program in Fiji achieved positive results in 2010 despite operating in a difficult political and economic environment. The program increased access to education services through the implementation of recovery and reconstruction of school services after the 2009 floods and Cyclone Tomas in 2010. Assistance to 31 schools was provided. The quality of education was also aided with the start of innovative work in the Ministry of Education to include financial literacy education and management, in curriculums for all levels of primary and secondary school in Fiji.

Interim programs increased education access and improved the quality of learning environments for children with disability, through assistance to three of the 17 special schools in Fiji, Gospel High School for the Deaf, Hilton Special School and the Society for the Blind.<sup>4</sup> Results include:

#### Hilton Special School

- Improved access and learning environments for 144 students at Hilton Special School. The new school bus provided by the Australian Agency for International Development (AusAID) has improved the timeliness and regularity of school attendance. The 20-year old bus used previously regularly broke down, which meant students could miss up to two weeks of school while the bus was being repaired.

#### Fiji Society for the Blind

- Increased access and opportunities for 59 visually impaired children to complete their education and increase their employment prospects.
- Continuation of the community-based rehabilitation outreach program to approximately 15 village communities, benefitting up to 400 individuals.
- Improved physical learning environments for children.

The previous Fiji Education Sector Program concluded at the end of 2009. The next phase of Australia's support, the new Access to Quality Education Program, was planned to start mid-2011, so there was no large-scale bilateral education program in place in 2010. Instead, interim packages of assistance were put in place. Despite this change, Australia remained the major donor to the Fiji education sector, as overall development resources reduced.

<sup>4</sup> These interim activities are small in value. For example, in 2010, the agreement with the Crippled Children's Society (for Hilton Special School and Gospel School for the Deaf) was \$146 000 and the agreement with the Fiji Society for the Blind agreement was \$79 000.



## New Access to Quality Education Program

Education remains a key priority of the bilateral aid program, particularly as Fiji is now off-track to meet MDG2, achieving universal primary education. The objective moving forward is to arrest this decline as far as possible. This new program design focuses on practical, direct support to families and schools, 98 per cent of which are managed by community boards. The new design enables development assistance to be directed straight to schools across the country. It also provides opportunities to highlight the presence and work of the Australian aid program, through local public diplomacy. As past experience shows, the reconstruction work rebuilding schools directly affected by natural disasters will be highly appreciated by schools and their communities, and highlight Australia's visible commitment to Fiji.

## Objective 2: Strengthening primary health services

Cuts to the national health budget, policy commitments focused on the development of specialist surgical capacity (such as cardiac surgery), rising medical costs and fewer staff to respond to growing health needs in peri-urban areas have all impacted on Fiji's ability to meet the maternal and child health MDGs. Staff cuts and attrition due to the regime's retirement policy at 55 years have resulted in a high turnover of staff (approximately 1000 since 2009, many consultants and nurses), poor staff motivation and employment insecurity. In response to the need to address critical staffing issues, the health sector transition program supported front line management training, triage training for nurses in subdivisional hospitals, and the documentation of clinical practice guidelines and a nursing procedures manual. These important contributions supported the maintenance of quality clinical services in Fiji, at a time when the Ministry of Health was under increasing pressure.

The strategic intentions of the transition phase were to:

- a) maintain gains in the health sector made with Australian support over the last decade
- b) support the delivery of essential health service, for example immunisation services
- c) strengthen Ministry of Health ownership and program management role.

The assistance on immunisation, medical boats and rural health infrastructure strengthened basic health service delivery through increased skills for staff, and practical assistance to improve operations in front-line health facilities.

The major achievement for the year was the typhoid vaccination campaign implemented in response to the declaration of a public health emergency in Keyasi, Navosa District, in the highlands of Viti Levu. This saw 69 000 doses of typhoid vaccine administered in typhoid hotspots across the country, both large urban settlements in Suva, remote rural areas and the entire island population on Taveuni. Typhoid had been endemic in Fiji. Village water and sanitation awareness campaigns were also implemented, with strong support from community leaders and a national media campaign.

Despite the difficult Fiji context, the typhoid campaign demonstrated the effectiveness of the program's aid engagement model at the activity level. This assistance is delivered through AusAID-funded private contractors, but based on close and long-term working relationships with the Ministry of Health.

## New health program

The design for a new health program, Fiji Health Sector Support Program 2011–15, was finalised in 2010 and will start in the second half of 2011. The prevailing political environment



was a key consideration in the development of the new program. This new bilateral health program will focus on basic services for maternal and child health, diabetes and primary health care. This will provide the Australian aid program with the opportunity to have an impact at grassroots level. The new program seeks to add value at the service delivery point, encourage and support engagement at the divisional level, assist with infrastructure development and increase the rate and efficiency of responses to emergencies.

### Objective 3: Building resilience and economic opportunities in disadvantaged communities

Almost half of Fiji's population live in rural areas and 70 per cent of them are Fiji's poorest. Even though most of Fiji's exports are rural based—agriculture, tourism, forestry and fisheries—the Preliminary Report on Poverty and Household Incomes in Fiji in 2008–09 shows a dramatic drop in available income and increasing poverty in rural Fiji.

In 2010 Australia's approach was to explore activities that could be implemented in cooperation with non-government organisations, with regional partners and other donors outside of government systems. The results achieved against this objective are therefore less coherent than for education and health, as they covered a broad range of activities supporting rural enterprise development, financial inclusion, social protection, partnering with civil society organisations, eliminating violence against women (VAW), and disaster risk reduction. Some of these activities could be considered suitable for more extensive support brought to scale at a national level; others not so.

Key results included:

- Significant Australian support has influenced the introduction of Mobile-Money technology to ensure mobile phone subscribers in rural areas have access to banking services. In a first for the Pacific region, Vodafone and Digicel in Fiji allow users to send, receive and save money on their mobile phones. A total of 360 000 people have subscribed to this service since June 2010, of which 42 000 were previously unbanked clients.<sup>5</sup>
- The Fiji Textile Clothing and Footwear Training and Productivity Support Program provided excellent outcomes for the 12 participating garment factories to the point where, in early 2011, implementation of the Make it in Fiji fair trade campaign saw wage increases for workers in the sector of between FJD 5–20 cents per hour. The 12 factories increased production, quality and market reach as well as improved human resources management. Unintended benefits were improvements in the working conditions and salaries of the 3500 factory workers, 78 per cent of whom are women, impacting on the livelihoods of around 8000 people.
- As a result of Australian interventions in rural enterprise development, the Sariswati Bee Keeping Project has grown from 65 farmers in 2008 to more than 800 farmers (67 per cent female farmers) on Viti Levu in 2011. Through this project beneficiaries have

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<sup>5</sup> Australia is funding almost 50 per cent of the investment in the rural agent network by the mobile operators in Fiji. This bilateral program contribution builds on the earlier regional contribution to the Pacific Financial Inclusion Program for the development of the Mobile-Money service in Fiji launched by Vodafone and Digicel in 2010. AusAID grant support of \$455 000 (\$227 500 to each company) under the Mobile-Money for Rural Development Initiative is being used to catalyse investment by the mobile operators of \$570 000 to set up 150 new M-Money rural agents to service more than 100 000 rural subscribers in Fiji who do not have access to banking services.



produced honey to supplement their wage and farm income by an additional FJ\$35–\$65/per week.

- Support to the Tutu Rural Training Centre on Taveuni Island provided 48 young farmers with the skills to be commercially successful in their own rural settings. Each will be able to build their own homes and have individual savings of between FJ\$8000 to FJ\$20 000.

### Other key results: Crosscutting priorities

The crosscutting priorities (poverty analysis and mapping, support to civil society, people-to-people-links and disaster risk reduction) reinforce the focus of the aid program on poverty, vulnerability and deeper engagement with the Fijian people and communities. Several activities in 2010 demonstrated the considerable value to be gained from integrating these crosscutting priorities into the design of major programs and highlighted that more work needs to be done to maximise effectiveness, particularly to ensure program coherence and monitoring and evaluation.

#### Poverty analysis and mapping

Targeting poverty without reducing vulnerability (for example, to floods and cyclones, to economic shocks and political instability, to social and economic exclusion and exploitation) has reduced aid effectiveness in Fiji. Vulnerability of women and girls is particularly acute and in need of attention. Through partnerships with the World Bank, United Nations Development Programme, University of the South Pacific, Fiji's Department of Social Welfare and Fiji's Bureau of Statistics, Australia has supported additional poverty analysis and mapping to University of the South Pacific and Fiji's Bureau of Statistics. This support also helped the World Bank to complete the 2008–09 Household Income and Expenditure Survey, which guides policy makers on targeting poverty assistance. This work will strengthen the evidence base for poverty focused work and allow for increased efficiencies in Fiji's Department of Social Welfare programs and operational procedures.

#### Gender and disability

The interim activities in 2010 have had a strong gender equality focus, with an emphasis on women and children and people with disability. Further analysis is required for developing a gender and disability action plan across the program. The new programs have these components built in to their designs as well as reporting indicators on impacts.

An ongoing program has been support to the Fiji Women's Crisis Centre to steadily advance the elimination of VAW in Fiji. The centre works with men and boys to address the root causes and challenges of VAW and is the first to pilot a training program for men as advocates. The program has also supported the poorest and most vulnerable women in urban and rural island communities by providing direct assistance; lobbying and training to women seeking help to address VAW; and reducing women's vulnerability to poverty by working to eliminate violence. In 2010 the Fiji Women's Crisis Centre provided counselling and support services to 3784 women who had been subjected to violence.



## Support to civil society organisations

Civil society organisations are operating in a difficult environment and performing below their potential due to the limited geographical reach of the sector, variable capacities, lack of sectoral leadership, weak governance<sup>6</sup> and poor coordination. Within the current political climate, civil society overwhelmingly focuses on charitable acts and the delivery of welfare and basic services. There is little room for them to engage in advocacy and governance processes.

Australia was the largest donor to civil society in 2010. This support was mainly in the form of grants for projects and core funding under the Australia Civil Society Support Program in Fiji, which completed in 2010. In July a design process started on a new community development program in Fiji. Activities supported under the Australia Civil Society Support Program have made important contributions to local communities. For example, 638 families now have access to additional income as a result of Australia's support to civil society organisations and rural training institutions. Income-generating activities have included food production, crafts, paintings and other finished goods (average income generation to beneficiaries of between FJ\$70–FJ\$200 a week).

Other key results include:

- Provision of refuges/shelters for victims of domestic violence in Suva, Labasa and Lautoka, as a major support service to provide an enabling environment for the elimination of VAW (Salvation Army).
- Continued decline in reoffending rates of ex-prisoners. Through effective rehabilitation and community reintegration programs run by Pacific Counselling and Social Services, 316 male inmates in Natabua and Ba prisons joined the rehabilitation plan. This is important given concerns over increased crime rates as a result of the poor economic situation in Fiji.

## People-to-people links

In the context of the current political situation in Fiji, the value of building people-to-people links cannot be underestimated or understated. The aid program, through its scholarships and volunteers, has played a crucial role in bringing together the Australian and Fijian people through shared learning opportunities. Scholarships and volunteers build the capacity and skills of the Fijian people and promote longer-term benefits when these skills are transferred to the workplace. Among the goals of Australia's aid program is to develop a cadre of leaders and champions who can initiate, lead and support change and development.

In 2010 the number of Australian Development Scholarships for the 2011 intake increased from 10 to 40. The number of Australian Regional Development Scholarship awards was reduced. This was a re-allocation based in large part on an assessment of opportunities available to students in Fiji, as well as the benefit of stronger people-to-people links generated through opportunities to study in Australia. Candidates from Fiji are academically strong and have good professional experience. On return, graduates are in high demand and tracer studies<sup>7</sup> show they experience significant personal and professional benefit from their

<sup>6</sup> Broadly speaking civil society organisation governance is affected by high staff turnover, weak human resource management and overlapping memberships of boards and committees and by board members often unaware of their governance responsibilities. This results in a default abrogation of responsibility to executive staff.

<sup>7</sup> A tracer study was undertaken in 2008 on graduates from Australian Development Scholarships and Australian Regional Development Scholarships who completed their studies between 2005 and 2007. Valuable results were obtained, however, due to the small sample size; a further impact study is planned for 2011 for an expanded sample size covering 2000–09.



scholarship. A Fiji – Australia Scholarships Alumni Association was successfully launched in Fiji in 2010, bringing together scholars spanning 30 years.

The volunteers program is another way to build capacity through in-country transfer of knowledge, particularly to people in organisations not otherwise able to study overseas or learn from international experience. In 2010, a total of 58 volunteers worked primarily with civil society organisations in health, education, livelihoods, vocational training, social services, counselling, sports with a focus on gender equality (for example, Fiji women's cricket) and disability. The volunteer program is cost effective and guarantees direct support at the grassroots level where volunteers can build community links and advocate for better health and education services and human rights.

### Disaster risk reduction

Fiji is prone to natural disasters, and experienced several natural disasters in 2009 and 2010. The spate of disasters triggered a more proactive approach in 2010 to allocate funds before each cyclone season towards local disaster preparedness, awareness, and pre-positioned supplies, for more prompt action and deployment of assistance without the need to locate funds from already allocated programming. It also triggered the integration of disaster response and risk reduction in both health and education designs.

In 2010 Australia responded by providing more than \$2 million to disaster relief efforts in Fiji, including:

- a recovery package when Cyclone Tomas hit Fiji in March 2010, including a Royal Australian Air Force flight with basic humanitarian supplies, buckets, water purification tablets, blankets and tarpaulins
- repairs to four heavily damaged schools in remote areas in the far north of Vanua Levu and Taveuni in the Northern Division, and minor repairs and reconstruction of health facilities
- rebuilding the LomaLoma Sub-Divisional Hospital, Mualevu Health Centre and Ono-I-Lau Health Clinic.

### Public diplomacy

Public diplomacy efforts increased significantly in 2010 with the appointment of a regional communications officer at the Australian High Commission. You-tube videos, regular media events and media mentions in the local press increased exposure to information on the impact of Australian aid on the people of Fiji.

## Program quality

The cornerstone programs of the existing strategy in health, education, civil society, private sector and rural enterprise development were all completed in 2009 or early 2010. Plans to have seamless transitions from the health and education programs to the next phases were not realised. This gap in the program, and the possibility of losing momentum in the sectors where the aid program had achieved good outcomes and developed good relations, was a major concern in 2010. To address this concern, interim or transition programs were developed across all key sectors in parallel with new design and tender processes for larger, long-term programs.

After the abrogation of the Constitution in April 2009, the program's approach for assistance to Fiji in these circumstances was to maintain a significance presence in-country. This was



achieved by developing flexible, long-term programs, assessing the effectiveness of previous assistance, investing in analysis required for targeting assistance and establishing interim or transition activities. This assessment of program quality therefore needs to note risks to coherence of the program from the many interim activities implemented, in terms of their ability to contribute to higher-level strategic objectives, coherence within and between the three objectives, and the four crosscutting themes.

The interim activities chosen for 2010 were aligned to national development priorities and well targeted to address increasing poverty and progress towards achievement of the MDGs. The interim activities also provided an opportunity to trial potential approaches, especially in the area of disability. Looking forward, the main challenge will be to build coherence in the program and focus on longer-term objectives. At the level of program management, a big challenge is to implement active monitoring, and actively address the potential proliferation of individual activities.

With the absence of a full country strategy, there was also no whole-of-program quality framework in place to measure the performance of the aid program in 2010. Many activities were small in scale and low budget. The majority of this work is still in progress; however there is sufficient early evidence to suggest that the value gained, in proportion to the funding, is high. The interim activities have also presented numerous opportunities to proactively promote the aid program in the media.

The strongest performing programs were the Australian Scholarships and Fiji Women's Crisis Centre initiatives.



## Next steps

It is critical that the Fiji bilateral program is prepared to respond quickly to changes in the political and economic environment. Key to this will be the need to make the program more coherent by reducing the proliferation of activities, designing flexible programs that can be increased quickly or decreased as required, putting in place a robust monitoring and evaluation system and strengthening cooperation with other donors.

In 2011 the program will invest in, and undertake analysis on, poverty trends and VAW. A gender stocktake will be undertaken to ensure new programs are positioned effectively to report on their work promoting gender equality, and the impact of the deteriorating social, economic and political climate on vulnerable groups.

Managing public diplomacy in 2011 will be a priority. This requires good planning and careful management of relationships with the local media within the confines of the interim government's 2010 Media Decree, the Public Emergency Regulations and the active censorship of local media. Work within the program is required to increase public diplomacy opportunities, to look for other communication tools and to track media coverage of the Australian aid program to demonstrate both the reach and effectiveness of communications outreach activities.

To implement changes to the program in 2011 and beyond, including the start of large scale, long-term initiatives, AusAID will invest in building its systems and the capacity of its staff, and ensure that adequate resources are applied.