



AUSTRALIA PACIFIC
TRAINING COALITION

Creating Skills For Life

APTC SIX-MONTHLY

PROGRESS AND PERFORMANCE REPORT

1 July - 31 December 2018



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Supported by the Australian Government and managed by TAFE Queensland (RTO 0275)

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LIST OF ACRONYMS

APTC	Australia Pacific Training Coalition
APTC2e	APTC II extension
CAO	Chief Academic Officer
CD	Country Director
CEO	Chief Executive Officer
COO	Chief Operating Officer
DCEO	Deputy Chief Executive Officer
DFAT	Department of Foreign Affairs and Trade
EOPOs	End of Program Outcomes
EMT	Executive Management Team
IST	International Skills Training
LLN	Language, Literacy and Numeracy
MELF	Monitoring, Evaluation and Learning Framework
PEA	Political Economy Analysis
PICs	Pacific Island Countries
PLWD	People Living With Disability
PNG	Papua New Guinea
SIS	Small Island States
TAE	Training and Assessment
TQ	TAFE Queensland

1a. EXECUTIVE SUMMARY

The Australia Pacific Training Coalition (APTC) is Australia's flagship program for training excellence, helping Pacific Island citizens to gain Australian skills and qualifications for a wide range of vocational careers. APTC is managed by TAFE Queensland (RTO 0275) and commenced its third phase of operations on July 1, 2018. This report covers the first six months to December, 2018 and is the major report provided to the Department of Foreign Affairs and Trade (DFAT) for the Australia-Pacific Technical College (APTC) project, in accordance with DFAT–Goods and Services Contract between the Commonwealth of Australia represented by DFAT and TQ for APTC3.

Six months into implementation of APTC Stage 3 (APTC3) and its strategic shifts – embedding in Pacific systems, gradual introduction of co-investment, and renewed emphasis on labour mobility we have re-established a new position for the organisation in the regional development landscape. We have made significant progress to achieve the End of Program Outcomes (EOPOs):

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

At the start of APTC3 we agreed an interim annual plan with 21 key result areas. By December 2018, we had completed or on track against 86% of these areas, with the remaining 14% assessed as being in progress. There were no results areas for which progress was assessed as red (requiring action). We worked cohesively through a busy period of change to graduate 736 Pacific Island students in over 24 different qualifications. We achieved a 99% satisfaction rate from both our employers and our students – with women making up 45% of graduates for the interim period June-Dec. Other additional areas of progress include:

- Completing and submitting to DFAT APTC's Communications Strategy including the Public Diplomacy Plan.
- Commencing our engagement with PLF. This will be further strengthened through a brokered Partnership agreement in early 2019.
- Completing a review of the Alumni Charter and Guidelines to improve governance of this aspect of our work.
- Engaging with at least 69 private sector organisations across the countries we work in including in Australia and New Zealand.
- Re-establishing our position as a Pacific partner through engagement with regional governance mechanism (PIF Leaders' Mtg; PacREF; RRDG) and CROP agencies (PIFS; USP; SPC).
- Close discussions with DFAT and bilateral skills programs in PNG, Kiribati, Solomon Is, Tonga, Vanuatu, Fiji, Tuvalu and Samoa.
- Completed the draft design for the TVET System Strengthening Platform (TSSP) as it is now known.
- Delivering Partnership Brokering Training to 20 APTC staff.
- Increased our women/men ratio in our training programmes to 45% and achieved a similar ratio for the graduating class of 2018.
- Saw an increase of 13% in national/international staff.

During this phase of APTC, we want to ' build coalitions with like-minded reform champions including peak industry bodies, the private sector and training institutions to advance locally led TVET reform'. To this end we engaged heavily with the private sector players in PICs, Australia and New Zealand on a number of topics including discussing opportunities for collaborative training, exploring areas for training delivery improvement, approaches to advance locally-led TVET reform opportunities for collaborative training, co-investment, skills demand and labour mobility opportunities.

Over the reporting period, we enrolled 387 women, of which 329 (81%) graduated at the end of their course. Our women to men ratio increased from 41% to 45%. However it still falls short, albeit marginally of our target to increase the gender balance to 50% women entering and graduating from our programs. We also saw the graduation of 32 women from non-traditional course such as Construction, Air conditioning and Refrigeration, Plumbing and Light Vehicle Mechanical technology. For APTC staff, our female to male ration stood at 55%:45%, with our women staff numbers up by 20% from the end of APTC 2e.

On the value for money front, we made some early progress thinking through some robust measures for our costing metrics. These will be articulated further in the Monitoring, Evaluation and Learning Framework (MELF). Ahead of the more robust measures kicking in, we continue to demonstrate value for money using among other things, a cost per graduate metric. Based on this metric we managed to achieve a cost of A\$19,708 at the end of December 2018. This achievement is lower than both the of Stage II ext. and benchmark contract value of A\$26,800.

Our reflection of APTC's progress during the first 6 months of operation gives us confidence that it's continued to be aligned with Australia's objectives relating to foreign policy, economic diplomacy and trade. Given that investing in human capital development is a key determinant of socio-economic growth and development, channeling the Australian Government's largest investment in TVET in the Pacific region through APTC makes this program the most relevant approach to realising the white paper commitments.

We graduated 736 Pacific Island students with an internationally recognised qualification. Such qualifications open doors for increased earning and labor mobility opportunities. We polled employers to gauge the value they place on APTC graduates. 99% of the respondents were highly satisfied with the trainees and noted the technical skillsets, personal and professional development, impact on production and performance to be very high. These results demonstrate our progress toward achieving EOPO 1: Graduates have improved employment outcomes.

We completed a desk study to inform a co-investment framework for APTC3. Co-investment is one of the strategic shifts and an EOPO under APTC and therefore having a clear framework is vital. Our early framing from data collected suggests to start with a narrower focus of engagement to prioritise, demonstrate, monitor and manage increased co-investment in skills training offered by (i) APTC and (ii) selected TVET partners. In parallel to developing our co-investment framework, we engaged with TVET providers, employers and industry on a number of activities. We ran 19 commercial programs and 9 DFAT-subsidised programs which resulted in 243 Pacific Island citizens with an Australian qualification and a further 46 Fijian citizens with a Fijian National Certificate in TVET Teaching. We managed to generate A\$1.3m in revenue as well as many in-kind contributions.

The Pacific's own training institutions remain critical partners in our efforts to see more quality training aligned to labour market needs. To drive the quality of TVET training, we ran 6 programs specifically targeted at training Pacific TVET trainers in competency-based training. These programs included the International Skills Training (IST), and TVET Trainer and Assessor (TAE) courses; Recognition of Prior Learning program development; the Fiji Higher Education National Certificate 4 in TVET Teaching and the Certificate IV in Training and Assessment.

All of our work is geared towards effective coalition building that becomes a springboard in transitioning APTC to a localised TVET model. In the last six months, all consultations have been driven by an agenda that puts local ownership and co-investment at the center of dialogue with partners and stakeholders. This has involved discussing and taking advantage of opportunities to move towards national qualifications, human capital building through ensuring local trainers are given priority to engage in commercialised TVET delivery. APTC continues to make good progress in terms of nationalisation of the APTC workforce. At present 83.5% of our overall staff are Pacific Islanders, up 13% from APTC2. All of which bodes well for the sustainability of results from APTC's work.

1b. INTRODUCTION

In accordance with DFAT–Goods and Services Contract between the Commonwealth of Australia represented by DFAT and TQ for APTC3, agreement number 74315, clause 22.1 (f) requires submission of six-monthly progress and performance reports by 15 July and 15 January each year to 2022. The January report serves as the program's annual report. This is the first APTC six-monthly progress and performance report produced under this contract. This document and its associated annexes constitute TQ's submission to DFAT in compliance with this requirement.

This report covers the period of the Interim Annual Plan: 1 July 2018 to 31 December 2018. It sets out the range of activities that APTC has undertaken and achievement of results during the period, as endorsed by APTC management. The report provides information and assessment of APTC's progress and performance toward implementing the strategic shifts – embedding in Pacific systems, gradual introduction of co-investment, and renewed emphasis on labour mobility—required to achieve the End of Program Outcomes (EOPOs):

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

2. UPDATE TO THE ANNUAL PLAN

The first APTC Interim Annual Plan was submitted to DFAT on 15 August, 2018. The contract states that APTC is required to report any amendments or updates that have been made to the Annual Plan resulting from required six-monthly review and reflection process that APTC is to undertake throughout the contract period. The six-monthly reflection processes at regional level, which will incorporate learning from initial processes undertaken at country and team levels, have been scheduled as part of the six-monthly face-to-face Leadership Team meetings. The first six-monthly reflection process will take place during the meeting scheduled for May 2019. Reporting on the outcomes of this process and any subsequent amendments or updates to the APTC Annual Plan 2019 will be provided in the second Six-monthly Progress and Performance Report due to DFAT on 15 July 2019. There are no amendments or updates to the Annual Plan to report at this stage.

3. ASSESSMENT OF PROGRESS TOWARDS ACHIEVEMENT OF EOPOS

APTC has made significant progress in achieving results against the End of Program Outcomes (EOPOs). Of 21 result areas identified for action in the Interim Annual Plan, there have been progress achieved against all of them. Progress was assessed at green (completed or on track) for 86% of the result areas and assessed as yellow (in progress) for 14%. There were no results areas for which progress was assessed as red (requiring action). Figures 1 and 2 below provide a breakdown of achievement by EOPO and level achieved, while table 1 provides a detailed narrative against each of the areas assessed.

Figure 1: Achievement against EOPOs

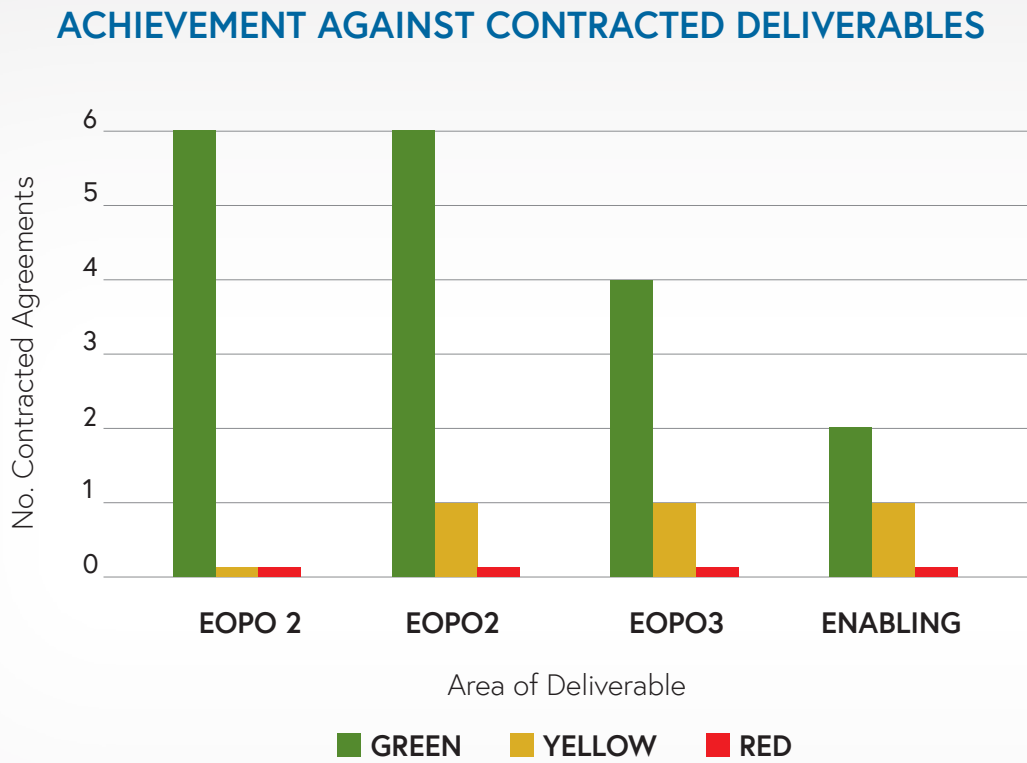


Figure 2: Level of Progress Against EOPOs

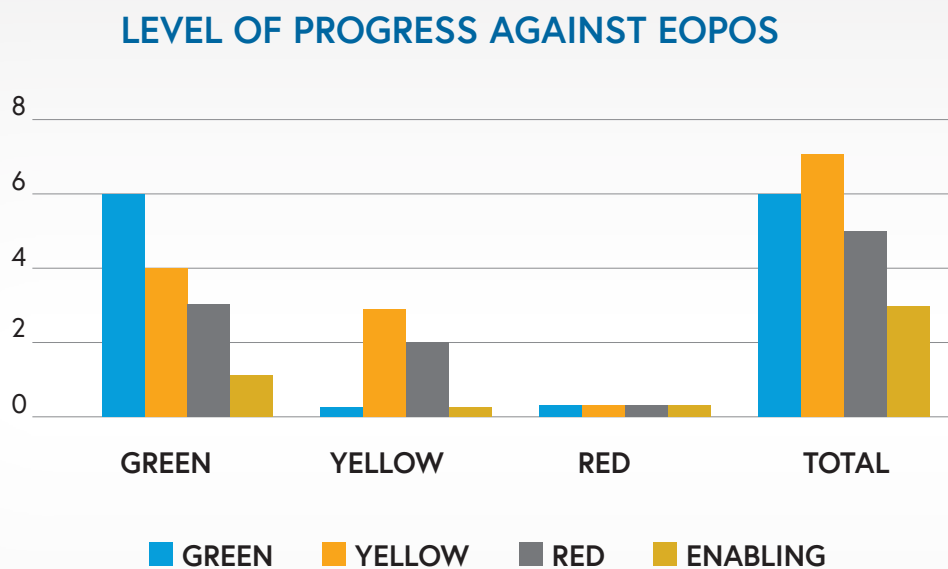











Table 1: Achievements against Contracted Results (July 2018 - December 2018)

EOPO	ACTIVITY	INDICATIVE TIMING	STATUS	COMMENT
Supporting and cross-cutting activity	Review of the APTC Planning Process • Labour market analysis • E-Scan process	30/11/2018		The Review of the APTC planning process is ongoing. • Rapid Labour Market Analysis was completed. • Early E-Scan process has begun with initial • Political Economy data collected.
	Communication Strategy • Public Diplomacy Plan	31/12/18		The Communications Strategy including the Public Diplomacy Plan is completed.
	Development of GESI Plan	15/02/19		The GESI plan will commence development early 2019.
EOPO1: Graduates have improved employment outcomes	ECEC Students Australia work placement	30/09/18		The placement was completed successfully and an evaluation to capture key learnings and recommendations was completed.
	Development of 2019 training profile	30/10/18		The 2019 Training Profile is completed (S2 to be finalised March 2019).
	Engagement with PLF	101/11/18		Engagement with PLF has commenced and will be further strengthened through a brokered Partnership agreement in early 2019.
	S2 2018 training delivery	15/12/18		Semester 2 2018 training delivery was completed successfully with 736 students graduating with an internationally recognised qualification. This is 61% of progress towards our 1200 annual target.
	Review Alumni charter and governance	31/12/18		The Review of the Alumni Charter and Guidelines was completed and the documents have been refreshed. Election of new chapter office bearers is scheduled for January 2019.
	Industry/stakeholder engagement	Ongoing		The APTC LT has been heavily engaged in connecting to Industry and stakeholder engagements were reported to TQ for the period.















Completed or on Track



Progressing



Requires Action

EPOO	ACTIVITY	INDICATIVE TIMING	STATUS	COMMENT
EPOO2: Co-investment in skills training increases	Training innovations (skills sets and other delivery options)	31/10/18		The 2019 Training Profile includes skill sets, short courses and other modes of delivery including flexible online TAE.
	Development of International track	31/10/18		The Development of the International Track has commenced with delivery piloted in Tuvalu to support preparation for Australian employer interviews, and in Kiribati with refresher training for Aged Care Graduates. Learning from these efforts will inform further development.
	Regional engagement	30/11/18		APTC has re-established its position as a Pacific partner through engagement with regional governance mechanism (PIF Leaders' Mtg; PacREF; RRDG) and CROP agencies (PIFS; USP; SPC).
	Messaging to change perception of TVET to first choice for economic opportunity	31/12/18		Messaging established in completed Communications Strategy.
	Commercialisation Strategy	31/12/18		The Commercialisation strategy has been reconceived as a Co-investment strategy to better align to the EPOO and encompass the range of activity related to this. It is being developed and a draft is expected Q1 2019.
	Fee-for-Service	Ongoing		Fee-for-service work has increased significantly in APTC3.
	Engagement with bilateral skills programs	Ongoing		APTC is in close discussions with DFAT and bilateral skills programs in PNG, Kiribati, Solomon Is, Tonga, Vanuatu, Fiji, Tuvalu and Samoa. Good progress has been made working with DFAT posts on skills program re-designs as evidenced by Engagement in Solomon Is, PNG, Kiribati and Samoa. We will continue to prioritise this work in 2019.
EPOO3: Selected TVET partners demonstrate quality TVET	Partnership arrangement with USP including support to national institutions	31/08/18		The partnership arrangement with USP is complete and includes commitment to work together to support development of national TVET institutions. Joint work has commenced.
	PEA	31/10/18		Initial PEA to capture knowledge from outgoing Country Managers is completed. This work will be further developed, including regional PEA in 2019
	Partnership Broker training	15/11/18		Partnership Brokering Training was delivered to 20 APTC staff from 30 Oct-2 Nov 2018.
	Design of the TVET System Strengthening Fund	31/12/18		The draft design for the TVET System Strengthening Platform as it is now known was submitted to APTC on 4 December 2018.
	Implementation of Partnerships with national institutions	Ongoing		Current Partnerships with national institutions are being implemented under agreements to 30 June 2019.



Completed or on Track



Progressing



Requires Action

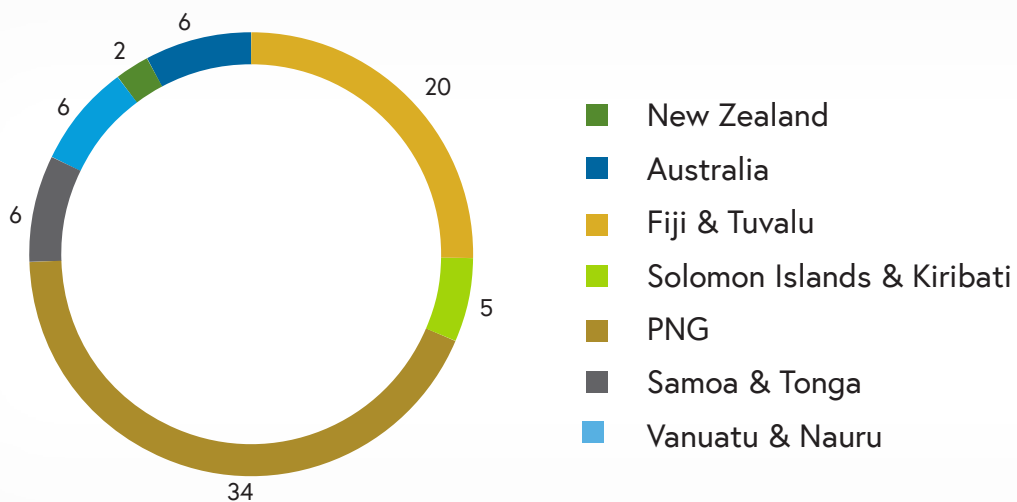
3.1 APTC3 CONTRIBUTION TO DFAT AID PROGRAM PAF INDICATORS

3.11 ENGAGING THE PRIVATE SECTOR

APTC recognizes the increasing role of the private sector in achieving the EOPOs. During this phase of APTC, we want to ' build coalitions with like-minded reform champions including peak industry bodies, the private sector and training institutions to advance locally led TVET reform'. Over the reporting period we engaged with private sector players in the Pacific Island Countries (PICs) we work in as well as in Australia and New Zealand on a number of topics including discussing opportunities for collaborative training, exploring areas for improvement, co-investment, skills demand and labor mobility opportunities. Figure 3 below indicates the number of partners¹ whom we engaged with in the last 6 months.

Figure 3: Private Sector Engagement by Country

NO. PRIVATE SECTOR ORGANISATIONS ENGAGED BY COUNTRY



¹This data does not represent the frequency of engagement, as most organisations were engaged over a series of discussions, activities and meetings.

The focus of our private sector engagement has been varied across all the countries in which we operate. For example, at the regional level one of the areas we focused on was Labor Mobility. Our Labour Mobility Advisor began consultation with Mulpha Australia and with Pacific Trade and Invest on employer demand for Pacific workers. The discussions are ongoing and are a significant aspect of our efforts to strengthen our labour market information. This information and how it's used will be invaluable in helping APTC realise EOPO 1: Graduates have improved employment outcomes.

In Samoa and Tonga engagement has focused on raising awareness of APTC3 and its value proposition as a partner as well as leveraging insight from private sector to identify training needs. Our engagements targeted the chambers of commerce - Samoa Chamber of Commerce and Industry (SCCI) and Tonga Chamber of Commerce and Industry (TCCI) as well as Industry Associations such as the Samoa Tourism Association and Samoa Hotel Association. Through these engagements, we are able to produce a fit for purpose semester 2 2018 training profile that addresses the skills gaps and training needs in Samoa and Tonga.

In Fiji we consolidated our collaboration with Fiji Water and graduated 14 workers in Fitting & Machining. We further explored how and in what ways APTC expertise is and training could enhance workplace productivity for Fiji Water. During the reporting period we started negotiating the possibility for APTC to undertake a 'Language, Literacy and Numeracy' (LLN) assessment to 137 Fiji Water staff. The LLN will allow the partnership to develop pathways to other qualifications relevant to Fiji Water. As part of our learning mechanism under our monitoring, evaluation and learning framework, we will be proactively capturing and sharing our learning from this experience across the whole operational platform to inform our training delivery innovations.

In the Solomon Islands and Kiribati, we focused our engagement around student work placement and explored opportunities for ongoing training for our private sector partners. Furthermore we explored industry needs and areas for training improvement through assessing the performance of ex-APTC carpentry students with Hatanga Construction.

In Vanuatu, we focused our efforts on leveraging connections with key industry bodies (e.g. the Vanuatu Tourism Owners Association and the Vanuatu Hotels and Restaurant Association) to support student learning outcomes, as well as monitor industry needs to inform training profiles. We managed to establish regular communication with the Vanuatu Chamber of Commerce and Industry, and began exploring further opportunities for engaging more closely with other private sector players to facilitate good employment outcomes for students. Engagement has been limited in Nauru and we will be looking to increase this over the next six months, drawing on our learning from Vanuatu.

We had our largest private sector engagement work in Papua New Guinea, where we held discussions, collaborations, joint workshops etc. with at least 30 partners. Such a high level of engagement with so many partners is attributed to a number of factors namely

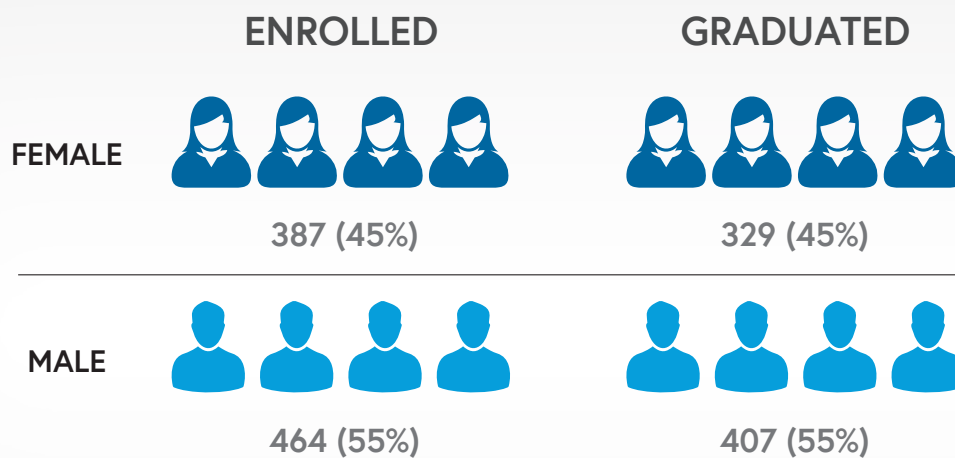
- i. Opportunities emanating from our Country Director's participation as a board member on the National Apprenticeship and Trade Testing Board (NATTB).
- ii. Our Country Director's long presence in PNG within the broader mining sectors (Ok Tedi Mining Limited in Tabubil, Western Province, Lihir Gold [now Newcrest], Lihir Island, East New Britain, Porgera / Barrick Joint Venture Gold Mine, Porgera, Enga Province)
- iii. Excellent media coverage in PNG - this has been assisted greatly by the Australian High Commission Post support and through the Palladium-run Education Capacity Development Facility (ECDF), who deal with APTC media matters in terms of getting DFAT clearance based on their media scripting and photography.

3.1.2 EMPOWERING WOMEN AND GIRLS

Providing women access to skills training is an important element of our work. In Papua New Guinea, emphasis was articulated on the importance of women being included in all TVET activities by Minister Payne during her keynote speech at the National Automotive Training Centre (NATC)² launch. She highlighted that the NATC is aiming for a 50% gender mix rate in student engagement. This message was well received by the audience and emphasised further by the APTC head trainer, Doris Meliwane. At the same event APTC provided Minister Payne the opportunity to tour our NATC facility and to speak to female students about technical aspects of the automotive industry.

Over the reporting period, we enrolled 387 women, of which 329 (81%) graduated at the end of their course. Our women to men ratio increased from 41% to 45%. However it still falls short, albeit marginally of our target to increase the gender balance to 50% women entering and graduating from our programs. Our gender balance in our programs is depicted in Figure 4 below.

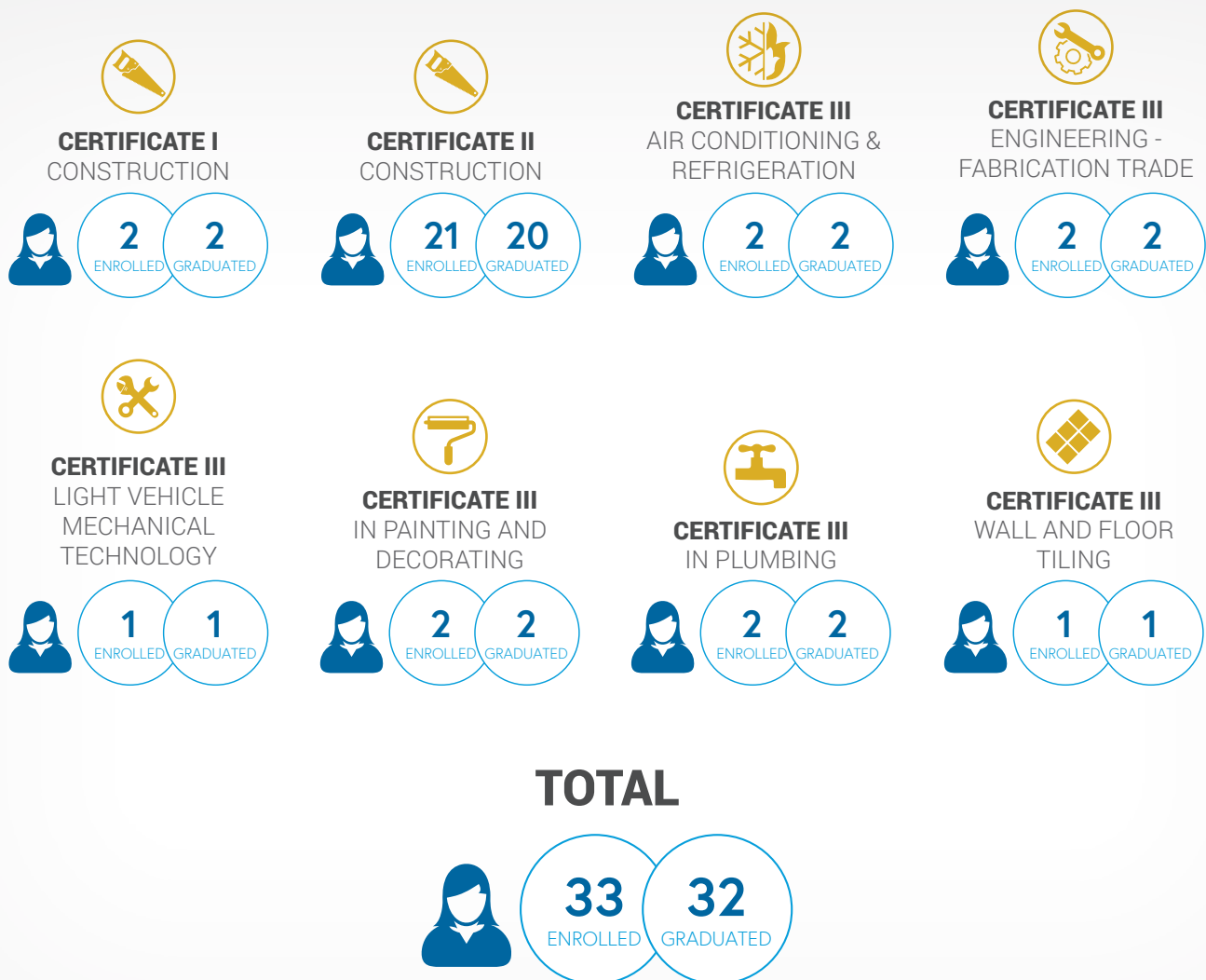
Figure 4: Students Enrolled and Graduated by Gender.



Under the banner of empowering women, we not only afford women access to skills training but also to non-traditional courses. To this end, in Samoa APTC participated in a full day hosting approximately 120 secondary school female students from around Samoa as part of the Growing Leaders of Young Women initiative funded by the US Peace Corps. The event showcased students in non-traditional vocations such as plumbing, metal fabrication and cookery. Opportunity was given to female representative from each of these programmes to share their experience and offer words of encouragement to the Secondary School students.

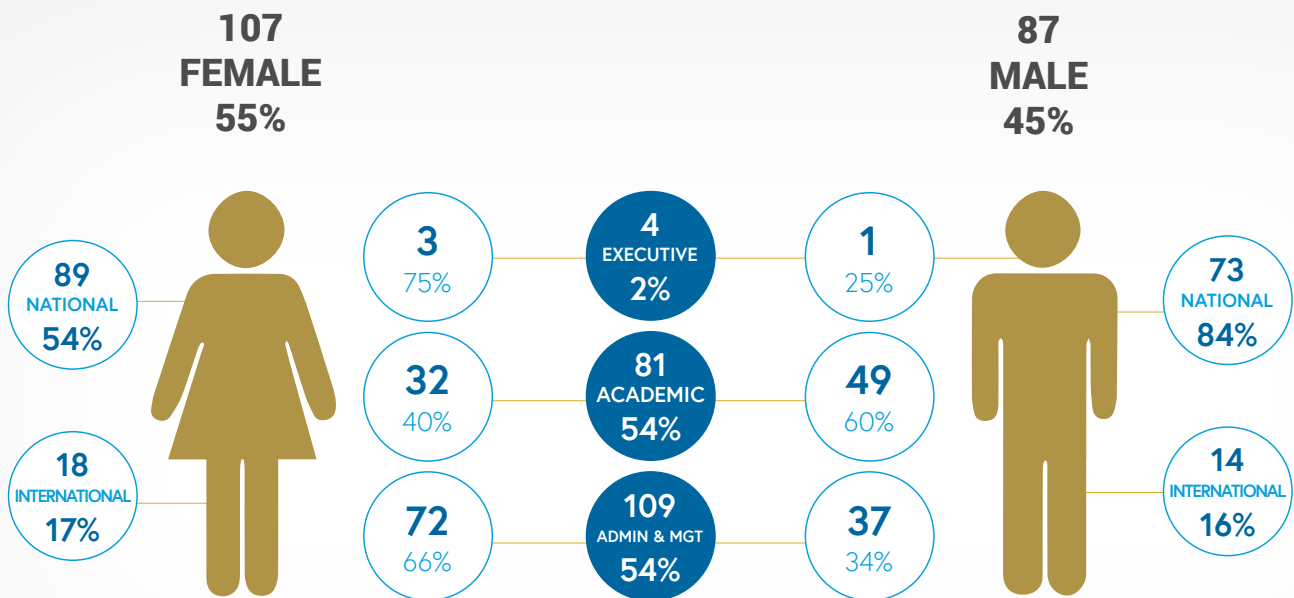
In the six months to December, APTC enrolled 33 women across 8 non-traditional courses and we achieved a 97% graduation rate. Figure 5 shows details of courses delivered, enrolments and graduations. We recognised we need to do more to attract and avail women opportunities in non-traditional courses and will be developing a marketing strategy that primarily targets women in these programs.

Figure 5: women's enrolment and graduation in non-traditional courses



Beyond our training programs, we have also remained conscious of the need to empower women in our own organization. In Papua New Guinea, we employed a woman as our new Vocational Training Assistant (VTA) in Machining and Fitting, appointed another into the Training Coordinator role and another one into the Vocational Training Manager (VTM) role. In Vanuatu one of our VTAs was promoted to become a National Trainer for Cert III Carpentry and we appointed women into the Country Director (CD) and VTM roles respectively. We also appointed a woman CD to lead our work in Samoa and Tonga. Furthermore, over the reporting period we have made good progress in employing women in APTC roles. Our Executive team is 75% women and across the board, 55% of our staff are women. This is an increase of 20% over the number of women employed in at the end of APTC2e. Unfortunately we do not have any people who identify as living with a disability, although we have declared our commitment to equal employment opportunities which includes diversity and inclusion of persons living with disabilities. Figure 6 below shows more nuanced analysis of GESI within APTC.

Figure 6: Staffing Gender Profile As at Dec 31st, 2018.



3.1.3 ENSURING VALUE FOR MONEY

In the 6 months to December 31st, we engaged with the best minds internally and externally to flesh out a program theory of change (TOC) and a robust Monitoring, Evaluation and Learning framework (MELF) focusing on end of program outcomes (results). In our MELF we decided to frame our value for money approach against DFAT's value for money framework. The design of the framework and TOC now lays a good foundation for evidence based decision making, transparency and mutual accountability. Its implementation will drive good value for money in this investment.

Ahead of developing and implementing a robust program level approach, delivering value for money at a broad organizational level continued to be guided by robust organizational systems as follows:

- (i) **Internal governance, accountability & financial controls:** APTC is supported by an external Board of Directors who take an active interest in how the organisation is functioning. Face to face meetings happen semi-annually and are interspaced by narrative reports. Over the reporting period no face to face meeting was held, and one narrative report was produced covering updates on how the organisation is functioning including a discussion on key metrics around DFAT contract management, operational efficiencies, costs per graduate and a risk review (strategic, operational, financial, legal and compliance). Our first APTC3 Board meeting is scheduled for Q1, 2019.
- (ii) **Financial Controls and Procurement Management:** All APTC's financial information continued to be managed through the Financial Management information system. To ensure prudent use of resources we reviewed and revised our financial delegations and processes for entering into a contract. This is critical given the structural changes we have made to our staffing under APTC3.
- (iii) **Benchmarking:** A system of benchmarking is in place to guide our Human Resources strategy. During the reporting period we engaged the services of KPMG to do a whole of market review of our pay and benefits. Findings will inform the changes to pay and benefits in 2019.

Other than organizational level systems to ensure value for money we actively assess the value for money in achieving our end of program outcomes. More needs to be done in this space to truly capture this narrative beyond the crude cost per graduate measure which we currently use. To this end, as part of developing the MELF, we held comprehensive technical discussions with our external evaluators from Project Partnerships on how this can be modelled, captured and used to inform our program. In the meantime, based on a cost per graduate metric (which is currently our default VFM metric carried over from previous phases of APTC) we managed to achieve a cost of \$AUD19,708. This is currently lower than both the of Stage II ext. and benchmark contract value of A\$26.8k. Table 2 below outlines our 6 month to December 2018 cost per graduate benchmarked against previous phases of APTC.

Table 2: APTC3 Cost Per Graduate (Jul to Dec '18)

COST PER GRADUATE				
Key Stats	APTC3 Minimum Contract Requirements	APTC3* Actual (Jul '18 -Dec '18)	Historical (Stage II ext.) July '15 to June '18	Historical (Stage II) July '11 to June '15
Total Graduates	4800	736	4191	5224
Cost per Graduate (\$AUD)	26,823	19,708	22,102	26,675

* Includes actual cost and forecast graduates for the same period

3.1.4 COMBATING CORRUPTION

APTC adopts a zero tolerance to fraud and corruption and applies control measures across all facets of the organisation and business operations. APTC reported 7 cases of fraud in this reporting period with 6 of the cases verified as fraud. For these verified cases, appropriate action was implemented as directed by DFAT.

In June 2018, just ahead of commencing APTC 3 operations, we completed the Fraud Corruption Risk Assessment in line with the DFAT Contract Requirement with the residual Risk rating deemed low. This paved the way for APTC to implement a Fraud and Corruption Control Plan with a proactive and integrated approach to effectively manage the prevention and detection of fraud and corruption. Some of the key strategies in the plan which have guided our operations include:

- Risk assessment and management.
- Internal controls.
- Internal reporting conducted by external agency KPMG.
- External reporting conducted by the Queensland Audit Office (QAO).
- APTC Code of Conduct.
- ATCC Staff Code of Behavior.
- APTC Strategic Risk Register.
- Staff education and awareness at induction and ongoing.
- Annual declaration of 'Outside Employment and Conflict of Interest'.
- Relevant and current policies and procedure.
- Investigations conducted as required.
- Annual review for the FCCP.

3.2 APTC3 performance against DFAT's aid quality check (AQC)

3.2.1 Relevance

APTC continues to be aligned with Australia's objectives relating to foreign policy, economic diplomacy and trade. As a regional initiative, APTC seeks to address the mismatch between requirements of labour markets and the skills and attributes available to employers from Pacific TVET systems. It thus remains aligned with Australia's strategy to ensure national development efforts are supported through Pacific regional initiatives. APTC's physical presence in five PICs ensures a consistent coverage of skills training and development results for those countries and the four others covered by our country offices, while further enabling more direct and regular engagement at both a strategic and operational level on how best APTC programs can respond to country needs.

The 2017 Foreign Policy White Paper committed Australia to a "Step-Up" in engagement with the Pacific to support a more resilient region through, inter alia, promoting economic cooperation and greater integration within the Pacific and with the Australian and New Zealand economies. Investing in human capital development is a key determinant of socio-economic growth and development. The Australian Government's largest investment in TVET in the Pacific region is channeled through APTC, making this program the most relevant approach to realising the white paper commitments.

One of the strategies for driving stronger economic partnerships under the 'Step Up' commitments is labour mobility. Labour mobility has been supported in the region at the highest level for many years by Pacific Islands Forum Leaders and Ministers as reflected in the inclusion of the movement of labour in regional and sub-regional trade agreements such as the Pacific Island Countries Trade Agreement. In the final quarter of 2018, APTC conducted a rapid review of domestic employer demand against its training profile. The review, using existing recent labour market analysis, data from Country Directors and Trainers, and the 2018 Employer Engagement Survey found that overall the APTC Semester 1/2019 Domestic Training Profile would be offering courses which meet the identified domestic skills gaps.

In 2019, APTC will be undertaking Pacific Labour Market Analysis to assist APTC and its partners to effectively anticipate short, medium and long-term demand for skills in both national, regional and international labour markets. The Analysis will inform APTC's domestic and international track and assist in ensuring a net skills gain.

Beyond relevance to Australia's priorities, aligning with and strengthening national and regional coordination mechanisms is an important indicator of relevance. During the six months covered by this report, APTC actively participated in existing country engagement mechanisms, including sector level coordination mechanisms or through institutional partnership arrangements e.g. Joint Management Committees. Our inclusion in these mechanisms demonstrates the shift in APTC's approach to being an active stakeholder within national processes of priority setting and influence. With oversight responsibility of Country Directors extended to non-campus countries, APTC is able to equally be more regular and direct in its engagement.

APTC also successfully contributed to promoting greater coherence between DFAT's regional and bilateral investments in skills development. We provided technical and strategic inputs to re-design reports and TOR's for DFAT's bilateral Skills for Economic Growth program in Solomon Islands and PNG's bilateral skills development re-design. Ensuring strengthened coherence will be a key focus of APTC's engagement with DFAT Posts in PICs whose bilateral skills programs are scheduled for re-design.

Industry and stakeholder engagement is core work for APTC and will increase under APTC3. In the first six months of the program we amplified our efforts to connect with government, employers, industry, development partners and others who have an interest in skills development and who want to invest in and reform the sector. Figure 3 for example, shows that we engaged with at least 79 private sector entities across our operational platform on topics geared to ensure skills training matches demand in the market, capacity building, and improving quality of TVET training.

Lastly, delivering quality training that addresses the need of the market is essential in driving relevance of the investment in the region. We therefore started exploring and developing training innovations and delivery options that clarify the value proposition of investment in TVET for employers and governments. We have begun tailoring our delivery to the needs of our stakeholders through skill sets and other innovative approaches, which industry has informed us is adding value to our offering to them.

3.2.2 EFFECTIVENESS

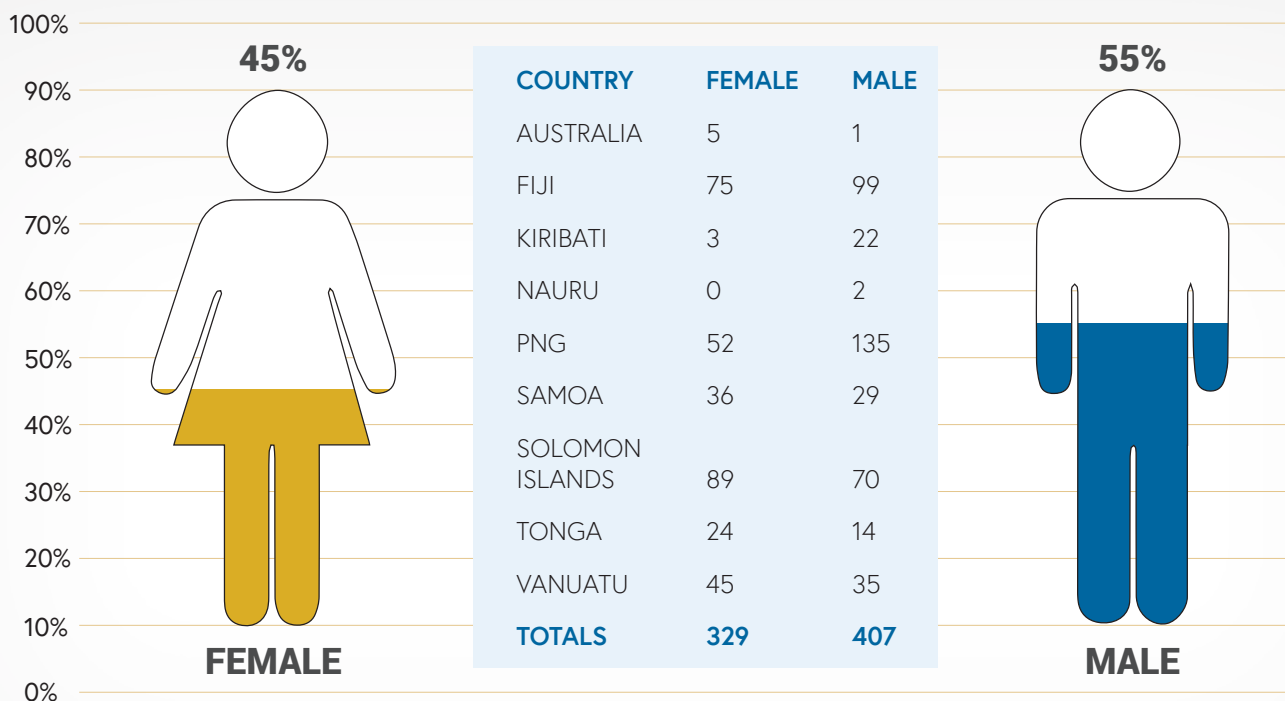
APTC is designed to deliver three end of program outcomes namely (i) Graduates have improved employment outcomes, (ii) Co-investments in skills training increases and (iii) Selected TVET partners demonstrate quality TVET. Across all these EOPOs, we made substantial progress against all the contracted deliverables as outlined in table 1 earlier in this report. During the reporting period we confirmed a regional TOC. In the absence of an approved TOC and related questions, we only broadly present specific achievements for each EOPO and these are highlighted in turn below.

3.2.2.1 EOPO 1: GRADUATES HAVE IMPROVED EMPLOYMENT OUTCOMES:

An internationally-recognised qualification opens doors for increased earnings and labor mobility opportunities. Notwithstanding, we are aware that training alone does not result in improved employment outcomes, though it is often necessary to achieve them. As such, we can use number of graduates attaining an internationally-recognised qualification as a lead proxy indicator for improved employment outcomes.

We worked cohesively through a busy period of change to graduate 736 Pacific Island students in over 24 different qualifications. We achieved a 99% satisfaction rate from both our employers and our students – with women making up 45% of graduates for the interim period June-Dec, 8% of whom are from Small Island States (27 women graduands). Of our male graduands, 9% (38) are from a Small Island State. In 2019, we have 456 students already enrolled across the region and we expect to enroll (at minimum) an additional 892 students this year, ensuring we meet or exceed our annual target of 1200 graduates with Australian qualification. Figure 7 below shows summary details about the graduating class of 2018 and appendix 1 shows detailed information about the graduates by courses studied and the country of study.

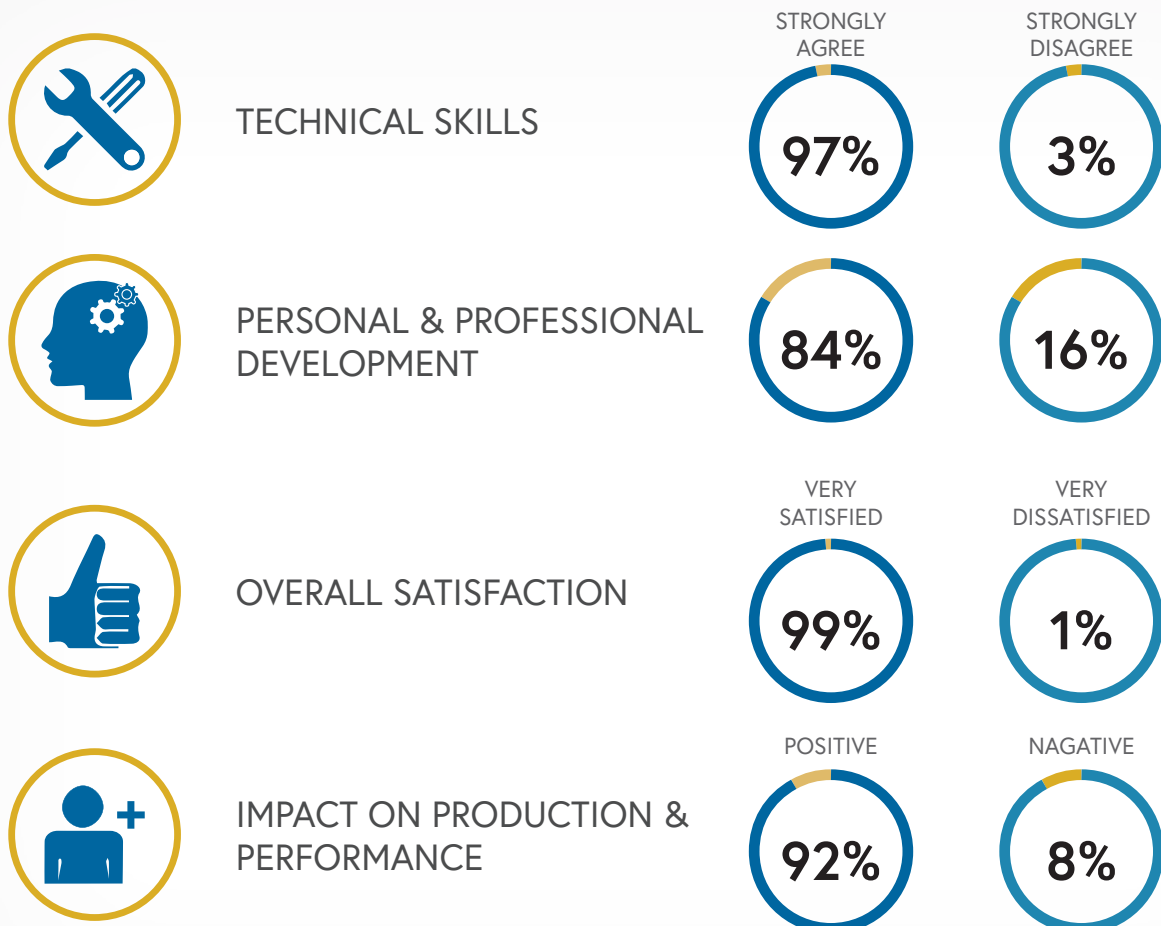
Figure 7: Graduates by Country and Gender.



highly valued by employers'. We measure this through our employer engagement survey. In the third and fourth quarters, we undertook a survey of our employer partners to gain a better understanding of the outcomes of APTC. Although the coverage of the survey was graduates before APTC3, the results give us an insight into the quality of our training approaches and the likely outcomes we would get from the cohort of trainees in APTC. Figure 8 below highlights employer perspectives on the graduates after APTC training.

Figure 8: Employer Assessment of Graduates post APTC training.

EMPLOYER ASSESSMENT OF GRADUATES



The survey results indicate that a significantly high proportion of employers are very satisfied with the graduate performance in the organisation as far as the overall satisfaction, graduates' technical skills, and impact on production and performance is concerned. A graduate tracer survey in 2019 will provide further insights on employment tracks, types of employment graduates are engaged in, how they contribute to productivity and other income related data for this first cohort of APTC graduands.

3.2.2.2 EOPO 2: CO-INVESTMENT IN SKILLS TRAINING INCREASES:

One of the key strategic shifts under APTC3 is an increasing emphasis on the principle of co-investment. We define co-investment as the willingness to contribute to the cost of training by those who benefit from it – individuals, employers and governments. During the reporting period, we completed a desk study to inform a co-investment framework for APTC3. The desk study considered external literature, APTC records of co-investment and financing models currently used in Pacific Island

Countries (PICs).

From this work, our understanding of co-investment partners and the way they co-invest is as follows:

- (i) **National Governments:** invest through allocations from the total government budget for training to public.
- (ii) **TVET providers:** invest mainly through in-kind contributions through provision/sharing of training facilities, equipment and training.
- (iii) **Employers and Industry:** invest through employer financed training either through in-house training, apprenticeships or by paying for external training for their staff.
- (iv) **Individuals:** invest through paying their own tuition fee, through mechanisms such as accessing student loans, in-kind contributions, such as in Tonga where students do gardening and clearing grounds to contribute.
- (v) **Other Development partners:** donors as partners invest in financing instruments such as competitive training funds and equity training funds. Other players here include church groups and community based organisations.

Our early framing from data collected suggests to start with a narrower focus of engagement to prioritise, demonstrate, monitor and manage increased co-investment in skills training offered by (i)

APTCT and (ii) selected TVET partners. In time, the framework may be expanded to ambitiously consider co-investment across the broader TVET sector. The framework will be reviewed by the APTC board in Q1, 2019, after which revisions, alterations or a pilot implementation may begin.

In parallel to developing our co-investment framework, we engaged with TVET providers, employers and industry on a number of activities. We ran 19 commercial programs and 9 DFAT-subsidised programs which resulted in 243 Pacific Island citizens with an Australian qualification and a further 46 Fijian citizens with a Fijian National Certificate in TVET Teaching. The graduates have improved skills in training; leadership & management; counselling; construction and employability skills that will provide them with improved employment outcomes. Co-investment from our TVET partners has included some in-kind contributions, including venues for training, catering, trainer travel and accommodation, and co-delivery programs. Our achievements on co-investment are summarized in Figure 9 below.

Figure 9: Summary of APTC Co-investment achievements.



AU\$1.3M REVENUE GENERATED

IN - KIND CONTRIBUTIONS

- ✓ TRAINING VENUE
- ✓ CO-DELIVERY
- ✓ CATERING COSTS
- ✓ TRAINER TRAVEL & ACCOMODATION

3.2.2.3 EOPO 3: SELECTED TVET PARTNERS DEMONSTRATE QUALITY TVET PROVISION:

Political Economy Analysis (PEA) is ongoing to inform APTC3s understanding of its operating context across the region and how it will Think and Work Politically (TWP) to achieve its EOPOs. During the six months covered by this reports, APTC's PEA focus has been on supporting CD's to gain and share a deeper understanding of national, sectoral and partner institutions' contexts to inform APTCs engagement with stakeholders and partners in this phase. To date, PEA has contributed to the design of the TVET System Strengthening Platform (TSSP), as well as contextualising of the partnership brokering approach to suit each country context and the inherent complexities of each partnership as CDs negotiate the development of partnership arrangements.

APTC3 is seeing outcomes from participation of its staff in partnership brokering training. CDs in PNG, Samoa and Solomon Islands have initiated partnership discussions with institutions with Fiji and Vanuatu scheduled to begin these early 2019. As a result of these early engagements around partnerships, APTC3 is on track to refresh current partnership agreements by agreed date of 30 June 2019. A smaller cohort of six staff will continue with advanced partnership brokering training and support facilitation of partnership discussions.

The TSSP design has been completed and submitted to APTC. The rebranding from Fund to Platform recognizes the broader suite of support APTC3 is making available to foster and incentivise reform initiatives by partners and stakeholders.

To drive up the quality of TVET training, we ran 6 programs specifically targeted at training Pacific TVET trainers in competency-based training. These programs included the International Skills Training (IST), and TVET Trainer and Assessor (TAE) courses; Recognition of Prior Learning program development; the Fiji Higher Education National Certificate 4 in TVET Teaching and the Certificate IV in Training and Assessment.

In Vanuatu, APTC has an existing partnership agreement with the Vanuatu Institute of Technology and Vila North School which includes professional development of their training staff. In the past six months, 10 of their staff have received capacity development in TAE, IST and Leadership and Management.

In support of the 5-Year and 20-Year National Development Plan: Transforming Fiji, incorporating inclusive socio-economic development, which includes quality education for all, APTC has existing partnerships with a range of key organisations in support of co-investment. In the last year, APTC trainers worked with the Fiji Higher Education Commission to train up to 49 TVET teachers in Level 4 Teacher Training.

Furthermore, in APTC's Fiji operations, an MOU was also drafted with FHEC, Fiji National University (FNU) and Construction Industry Council to review the current national carpentry qualification. An APTC Trainer is currently conducting this review which has also included the national qualification on cookery and patisserie delivered by the Technical Colleges of Fiji.

APTC also reached an agreement to relocate the fitting and machining training in Fiji to Derrick Campus at FNU. This paves the way for potential relocation of other programs to FNU that are deemed appropriate to both parties, and will be invaluable in enhancing our partnership's ability to deliver quality TVET training.

3.2.3 EFFICIENCY

At the start of APTC3, we invested time and resources in inducting the new APTC leadership team by bringing all new and continuing members together for a series of meetings. Attendees to the meeting have reported how invaluable this was in setting the tone and expectations for achievements against the EOPOs and has enabled a shorter learning curve in acclimating to their new roles. The induction provided the platform and foundation upon which APTC's efforts and use of resources are more strongly aligned with end of investment outcomes.

In our fee for service offering, we have managed to maintain a lean operation. The resources deployed for this work have remained minimal and are partially funded by the activity. As of December 31st 2018, total revenue from the 19 commercial programs was AU\$860,700. The estimated value of co-investments from 4 commercial clients was \$40,000 AU while funding for the remaining 15 programs was fully cost-recovered. The revenue from the 9 DFAT-subsidised projects was AU\$263,224, while the estimated value of co-investments from the same set of projects was AU\$216,750. Further details of our organisational costs over the reporting period are included in section 4 below.

3.2.4 MONITORING AND EVALUATION

During the reporting period, work began to develop the APTC3 Monitoring and Evaluation Framework. We conducted a series of engagements with the APTC leadership team and DFAT senior staff, with support from associates, LaTrobe University and Project Partnership, to confirm the APTC3 theory of change. The **engagement looked at, *inter alia*, regional level pathways to change, underlying assumptions, testing fitness for current context and what national level processes could look like.** A process to consolidate this data into a MELF was at an advanced stage by the end of the year.

Additionally, we started engaging in other regional initiatives, such as the Pacific Regional Education Framework (PacREF), where we are contributing to the development of its Monitoring and Evaluation system. This work is critical to ensuring our own MELF adds value to regional work and vice versa. We also began exploring opportunities to improve labor mobility, income and expenditure data by supporting, as well as improving, national 'Household Income and Expenditure Surveys'. Discussions were held with colleagues from the Pacific Community (SPC), who are engaged in improving these instruments.

Finally, and importantly, we have invested a significant amount of time and resources in getting ready for the Australian Skills Quality Authority (ASQA) audit. The audit has provided an opportune moment for APTC to improve its document management processes, as well as to critically reflect on all areas of our work which enable us to deliver quality training in line with the ASQA standards.

3.2.5 SUSTAINABILITY

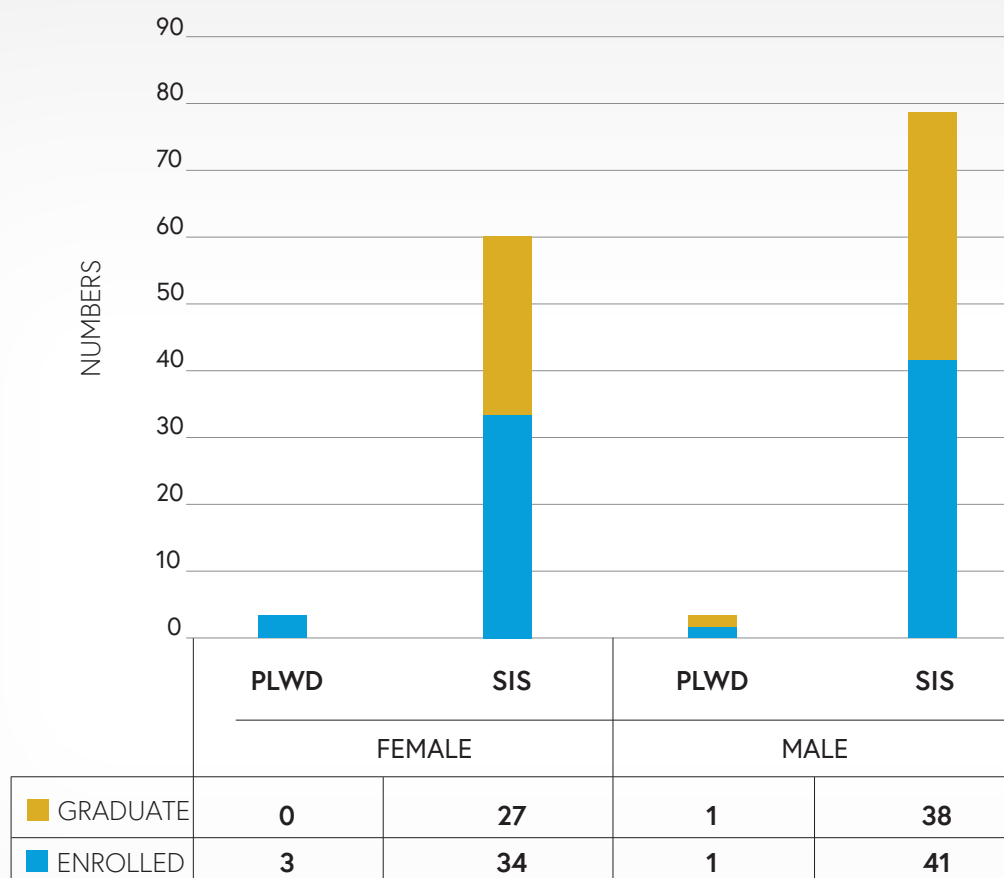
All of our work is geared towards effective coalition building that becomes a springboard in transitioning APTC to a localised TVET model. In the last six months, all consultations have been driven by an agenda that puts local ownership and co-investment at the center of dialogue with partners and stakeholders. This has involved discussing and taking advantage of opportunities to move towards national qualifications, human capital building through ensuring local trainers are given priority to engage in commercialized TVET delivery. APTC continues to make good progress in terms of nationalisation of the APTC workforce. At present 83.5% of our overall staff are Pacific Islanders, up 13% from APTC2.

3.2.6 GENDER

APTC currently has a draft Gender and Social Inclusion (GESI) strategy. Activities to finalise it will commence in January 2019, beginning with the recruitment of a Gender and Social Inclusion Facilitator. In addition to progress already reported under 'empowering women and girls', activities on social inclusion have been varied across our operational platform.

One element of empowering women, people living with disabilities (PLWD) and other marginalised groups is by creating opportunities to unblock barriers to their participation in skills training. One such barrier is funding. Providing targeted assistance, positive discrimination or affirmative action through tuition fee waivers and access bursaries can help address this barrier. Although have not yet moved away from assistance beyond a scholarship model for the majority of students, as was the approach in previous phases of APTC, over the reporting period 79 students received access bursaries to support their studies with APTC. Of these 79 students, 37 are female (47%) of which 3 are living with a disability and 34 were citizens of Small Island States (SIS). 73% of these women successfully graduated as of December 2018, while the remaining 27% are still continuing with their studies. Figure 10 below shows the breakdown of this data.

Figure 10: Enrolments and Graduations by Disability (PLWD) and Small Island States (SIS).



Increasing awareness of GESI in our courses was also a central aspect of our program of work. To this end, in Vanuatu GESI is embedded in course materials. It is also integrated into the student pastoral care program, while in Nauru it is embedded in APTC's training delivery in the community and welfare sectors. We have also incorporated gender-sensitive student counselling into our student services. In PNG, we rolled out a Diploma of Counselling course, allowing current practitioners to participate in the program. This will help address social issues in PNG relating to family violence and mental health. The PNG Government has now mandated the PNG Counsellor's Association to make the Diploma program a requirement for their members. The program is comprised primarily of women.

In our fee-for-service work, 3 programs have been specifically for female participants:

- DFAT Emerging Women Leaders Leadership Program Solomon Islands – proposal stage
- Tuvalu Country Plan for Women Diploma in Counselling Program – proposal stage
- ADB Green Jobs Habitat for Humanity Fiji Women's CII in Construction program – completed

During this period we also proactively engaged with 'Pacific Women Shaping Pacific Development' – a DFAT funded initiative, and the Pacific Disability Forum, to align our efforts on GESI. Our discussions to date have explored the synergies that exist between our agencies and how their expertise can assist APTC to further develop our GESI policy and activities. In 2019, we will be further developing our work with 'champion' employers (including Australian employers under the Pacific Labour Scheme), ensuring our country teams are engaging with DPOs on the ground, and developing specific TVET qualifications for PLWDs (such as the Foundational Skills and Vocational Pathways) for our core training profile.

3.2.7 RISK MANAGEMENT & SAFEGUARDS

APTC updated the Risk Management Framework and Risk Management Plan in July 2018 to provide a disciplined and structured process to effectively manage the risks involved in all of APTC's operations and activities. This includes the implementation, identification, monitoring, review and continued improvement of risk management throughout APTC.

The APTC Risk Management Plan (table 3 below) ensures that APTC correctly delegates, identifies, captures and manages the exposure. The plan is aligned according to the end of program outcomes documented in the APTC Monitoring, Evaluation and Learning Framework (MELF).

Table 3: Risk Management Plan

RISK MANAGEMENT PLAN	DFAT Advisory Board	APTC CEO	Executive Team	All Leadership Team members	COO	Finance, Audit & Risk Management Committee
Establish context and define structure of risk management framework	✓		✓		✓	✓
Identify strategic risks impacting EOPO and prepare risk management plan	✓	✓	✓	✓		
Contribute and endorse strategic risk management plan		✓	✓			
Identify operational risks and prepare operational plans for own business units/campus				✓		
Submit business unit/campus operational risk management plan to relevant Executive for approval				✓		
Collate all business unit operational risk management plans into a single document for submission to EMT					✓	
Approve and endorse business unit operational risk management plans			✓			
Monitor and review strategic risk register bi-annually, or as required by SOS	✓	✓	✓		✓	✓
Monitor and review operational risk register bi-annually, or as required by SOS			✓	✓		✓
Update and maintain strategic risk and operational risk management plans					✓	
Document risk management plan in annual and 6 monthly reports					✓	
Review compliance to risk plans through audit activity					✓	✓

The APTC risk management model is aligned to TAFE Queensland and utilises the Australian and New Zealand ISO 31000:2009 Risk Management Principles and Guidelines.

The risk management model includes seven key steps including: Establishing the context, Risk identification, Risk identification, Risk evaluation, Risk treatment, Monitoring and review and Communication and consultation.

APTC completed an update of the strategic risk register for APTC Stage 3 to capture the new and broader scope of activity and end of program outcomes and was last updated in December 2018. Table 4 outlines the key risks against the end of program outcomes, while Appendix 2, covers additional risks across the whole organisation.

Table 4: Risk profile by EoPO

APTC Strategic Risk Category EMT	Risk Summary	Controlled Risk Rating		Target Rate	Residue Risk	Mitigation Approach	Status	Owner
		Likelihood	Consequence					
EoPO 1: Graduates have improved employment outcomes	Employment outcomes including international and regional labour markets decline more than 20% over the next 2 years	Unlikely	Negligible	4	Low	Industry engagement strategy developed and executed with training profile aligned to labour / industry needs.	In progress	CEO
						Labour market analysis drives timely training profile decisions	In progress	DCEO
						Development of the international track for APTC students who are seeking opportunities for labour mobility	In progress	CEO
EoPO 2: Co-investment in skills training increases	Increased levels of co-investment from individuals, government and industry are not realised, including for tuition fees and FFS, resulting in not meeting EoPO 2	Possible	Moderate	6	Medium	APTC Co-investment strategy developed and implemented. Includes internal and external communication, marketing strategy, bursary policy and process implemented, financial targets set and monitored.	In progress	CAO
						M&E and Strategic Communications and Marketing program implemented to elevate the status of TVET as an economic opportunity to prospective students and their sponsors of the learning, employment, income and productivity benefits of APTC and TVET training	In progress	DCEO
						Training innovation and delivery options to meet the needs of industry and governments	In progress	CAO

APTC Strategic Risk Category EMT	Risk Summary	Controlled Risk Rating		Target Rate	Residue Risk	Mitigation Approach	Status	Owner
		Likelihood	Consequence					
EoPO 3: Selected TVET partners demonstrate quality TVET provision	APTC remains an enclave as TVET training providers do not have the capacity to deliver qualifications and skill sets to an international standard	Possible	Moderate	6	Medium	Implementation and management of an information system (CRM) to record and manage our understanding of TVET Partner Quality	In progress	EMT
						Locally led reform and strategies to advance TVET quality and reputation	In progress	CAO
	Employers, both domestic and international, prefer APTC (TQ) qualifications over those delivered by TVET partners.	Unlikely	Negligible	4	Low	APTC consider joint communications and employer engagement as a component of all partnership agreements.	Managed	CAO
	USP Strategic partnership creates reputational and operational risk with other TVET partners	Unlikely	Negligible	4	Low	Transparent communication with other TVET partners on USP relationship and benefits to TVET sector.	In progress	CEO
						All risks monitored as a component of the PMC as a standing agenda item.	In progress	CEO

5. SUMMARY OF THE SERVICES PROVIDED

5.1 GRADUATES HAVE IMPROVED EMPLOYMENT OUTCOMES;

- Supported a cohort of 17 Certificate III in Early Childhood Education and Care students to complete their practicum in Australia.
- Development of the enhanced 2019 training profile, including skill sets, short courses, and options to support skills required for labour mobility opportunities.
- Training delivery for Semester 2 2018 in 26 qualifications and skillsets to 851 students. Of these, 736 completed their training and will graduate in Q1, 2019.
- Renewed approach to labor mobility, including tools for data collection and analysis which provide a sharper picture of where labour market demand exists, and where this demand aligns with development priorities to ensure our training is providing both economic opportunity and development outcomes.
- Engagement with PLF to identify areas for collaboration and ensure coherent approaches and amplified outcomes from labour mobility for PICs.
- Preparation for the commencement of the international track from semester 2 2019 through pilot initiative delivered in Kiribati for aged care graduates and in Tuvalu for candidates for work with an Australian employer.
- Review of Alumni Charter and governance arrangements
- Employer Engagement survey and analysis of results.

5.2 CO-INVESTMENT IN SKILLS TRAINING INCREASES;

- Explored and developed training innovations and delivery options e.g. using skillsets as a delivery model to meet stakeholder needs.
- Regional engagement through mechanisms such as the regional coordination committee and the proposed Pacific Skills Partnership.
- Developed communications strategy and marketing plan to elevate the status of TVET as an option for economic opportunity.
- Engagement with DFAT bilateral skills programs.
- Co-investment framework development – undertook desk study and developed options paper for APTC board discussion.
- Working with APTC alumni as brand ambassadors.

5.3 SELECTED PARTNERS DEMONSTRATE QUALITY TVET PROVISION

- Established a new strategic partnership with USP/Pacific TAFE collaborate on competency based training, quality standards and international accreditation.
- Conducted Political economy analysis (PEA) – regional team supported Country Directors to gain and share a deeper understanding of national, sectoral and partner institutions' contexts to inform APTCs engagement with stakeholders and partners in this phase.
- Designed TVET System Strengthening Platform (TSSP) drawing on findings of country PEA, and to provide mechanism and process for APTC contribution to TVET partnerships and process for identifying initiatives for catalytic support.
- Contextualized of the partnership brokering approach to suit country context and the inherent complexities of each partnership as CDs negotiate the development of partnership agreements.
- Implementation of partnerships with national institutions.

6. CHALLENGES AND OPPORTUNITIES

6.1 LESSONS

APTC's transition to stage 3, and rebranding as a training coalition, requires regular and ongoing partnership engagement to facilitate understanding of APTC's expanded scope, as well as manage expectations. For example, the partnership and relationship building being one of the new aspects for stakeholders or potential partners to consider, it almost requires a demonstration beyond a value-proposition conversation. We have found that it is difficult for stakeholders to understand and appreciate the direction we are taking in this new phase without some gesture or demonstration of what we can bring to the table, with many oftentimes tending to revert to 'what is in it for us'? On the other hand some of our partners have challenged us to partner better and clearly articulate how we will be different from previous phases of APTC.

Another lesson and challenge has been around driving a fit for purpose Pacific TVET system as part of our TVET reform efforts. Taking into consideration how TVET has been traditionally developed and delivered in the Pacific, a great challenge is that many of the ideological and physical structures are based on Western models, this has encouraged a cycle of 'copycatting' what happens in Europe, North America and especially Australia and New Zealand. Curriculum and assessment methods continue to be derived from these traditional backgrounds to the extent that western theories of learning and teaching, psychology and assessment dominate TVET institutions in the Pacific. Vygotsky, Piaget, Bruner, Maslow and Gardener continue to be evaluated as the benchmark to trainers in the Pacific. Similarly, practicum or teaching practice models are imported from another context that may or may not be appropriate to the Pacific need.

We are also learning the importance of training delivery and innovation. The role of language and how training is delivered is emerging as an important area that needs finding solutions to. A major challenge here relates to how the instruction isn't always in the students first language. Feedback from our students and trainers has pointed to a need for greater support in Language Literacy and Numeracy (LLN). Adapting delivery and resources, or even finding alternatives has been difficult given that there is an expectation that APTC training is in English and defined by Australian standards that may not be relevant to the Pacific. Creating qualifications and frameworks that are 'Fit for Purpose' is a massive challenge within the Pacific TVET context.

As the organisation delves deeper into the labor mobility space, we are learning that programs intended to assist and support applicants for the Pacific Labour Scheme (PLS) visa require greater planning to ensure delivery meets the needs of participants. Improved communication and coordination between all parties is necessary and engaging a local person to assist with LLN support needs to be included in order to effectively prepare students for work.

Lastly we have faced challenges as far as coordination and coherence with other skills programs are concerned. Across our operational platform, other DFAT funded bilateral programs are also operating/ competing in the same TVET space and if not coordinated properly can be counterproductive and a waste of DFAT resources. More needs to be done to achieve harmony in this space in order to maximize skills training opportunities for Pacific islanders.

6.2 APPLICATION OF LEARNING

Through the localization agenda, we have begun enabling Pacific TVET institutions to work with industry to define their own benchmarks and standards, and what methodologies they want to establish to meet this need.

As far as addressing the challenges in training delivery is concerned, we began working with our partners on a national level (for example with the Fiji Higher Education Commission) or in a pan-Pacific context (such as working with regional partners, such as SPC or USP) and engaging in genuine partnerships to define what TVET training in the Pacific needs to evolve into. These efforts are being led by the Training Delivery Innovation Team from the regional office.

At APTC, it is the facilitators and students who are the foundation of the organisation, especially in relation to engaging in the teaching and learning processes and practices. For APTC 3, it is the preparation and capacity development of the training teams (internally and with our partners), that is vitally important if Pacific educational systems are to produce quality learning outcomes and if students are to attain an appropriate standard of success, however that might be defined.

Lastly we have started to take some proactive steps to addressing the coherence challenges with DFAT bilateral programs. In the Solomon Islands where this challenge has been huge, we requested the local DFAT posts in Honiara and Tarawa to hold regular meetings between APTC and other bilateral TVET programs operating in in the Solomon Islands (SFEG, Strongim Bisnis) and Kiribati (Kiribati Facility). Early engagements have been useful and we will continue monitoring the effect of these joint discussions on our ability to deliver our work.

7. UPDATES AND ISSUES RELATING TO THE FUTURE DELIVERY SERVICES

The learning from our initial investigations on skills demand for labour mobility is that current PLS approved employers vary in their needs in terms of levels and types of skills. Technical skills are needed from units of competency to full qualifications at different levels based on the sector of work. In many cases employers are looking for people who have good literacy, language and employability skills in the first instance, and are willing to provide technical training on the job. There are also preferences for which types of training are delivered in the workers' home country or in Australia depending on the sector and the regulatory requirements for skills, qualifications, and licensing. This raises questions for APTC about how best to develop our training profile to be responsive to both overseas and domestic demand in various sectors while ensuring a net skills gain for the Pacific. Investigation in this area continues, and will be supported by the refresh of the planning cycle, expanded labour market analysis, work to define "international standard" and further development of our international and domestic tracks.

In 2019 the Australian Skills Quality Authority (ASQA) will undertake a re-registration Audit of TAFE Queensland, the Registered Training Authority (RTO) for APTC. APTC has been actively preparing for this through a series of internal audits that have provided valuable feedback on aspects of APTC's quality and compliance with the ASQA Standards. This opportunity for learning and improvement in advance of the audit has been welcome by management of staff of APTC. The preparation has generated a substantial body of work and the audit itself is likely to as well, with short time frames to address and issues which are raised. APTC views attention to this and ensuring compliance with ASQA through appropriate oversight and application of resources as our top priority.

For many of our existing partners, APTC3 presents the opportunity to transition to a more transformational partnership. Utilising a partnership brokering approach, and both internal and external brokers, we will work through Country Directors to undertake discussions with key partners. These include Fiji National University, Vanuatu Institute of Technology, National University of Samoa, Don Bosco Technical Institute in Honiara and Port Moresby Technical College. We will also explore the potential for new opportunities with Kiribati Institute of Technology and Tuvalu Maritime Training Institute and Tuvalu Atoll Science and Technology Training Institute, as well as with the University of Goroka to strengthen the provision of TVET teacher training in PNG.

Engagement with DFAT-funded bilateral skills programs is an ongoing focus, as we recognise the importance of our collective work to the development of PICs. In each country there is a different approach and priorities for support to training and skills development. Our CDs, with support from the Development Effectiveness Advisor to through alignment with national and regional priorities, are leveraging their knowledge of context and relationships on the ground to forge productive working relationships with their counterparts in the bilateral programs. APTC will also actively engage in the re-design of bilateral skills programs in Kiribati, PNG, Samoa and Solomon Islands to promote coherence of bilateral and regional programs.

8. TASKS NOT COMPLETED IN ACCORDANCE WITH CONTRACT OR APPROVED PLANS

As of December 31st 2018, 14% of the agreed results (3 out of 21 results) had been partially completed according to the Interim Annual Plan. A narrative of the partial progress against these areas is presented in table 1 in opening section of this report. There were no results areas rated as 'red' for which progress is requiring action. Table 5 below summaries the 5 actions that were partially progressed.

Table 5: Tasks not completed in accordance to contract or approved plans

EOPO	ACTIVITY	INDICATIVE TIMING	STATUS
Supporting and cross-cutting activity	Review of the APTC Planning Process <ul style="list-style-type: none"> • Labour market analysis • E-Scan process 	30/11/2018	A
EOPO2: Co-investment in skills training increases	Development of International track	31/10/2018	A
EOPO3: Selected TVET partners demonstrate quality TVET	Implementation of Partnerships with national institutions	Ongoing	A

9. SUMMARY OF THE CONTRACTOR'S COMPLIANCE WITH PERFORMANCE STANDARDS

APTC services provided under this contract must be performed:

- a. With due skill, care and diligence;
- b. To a professional standard and in a timely manner; and
- c. In the most cost effective manner and using suitable materials.

With respect to a) and c) above all services provided have been compliant with performance standards. For b) above, there has been some slippage on timing of completion of activity as anticipated in the Interim Annual Plan. There is also one contract deliverable pending beyond the date specified in the contract.

9.1 PERFORMANCE STANDARD BREACHES

The delivery of services for three activities noted in the APTC Interim Annual Plan has not been according to expected timeframes (see section 8). The activities in question include review of the APTC planning process, development of the international track and implementation of partnerships with national institutions. These three activities have slipped due to the volume of activity during the early days of APTC3. They will all be progressed during the next reporting period.

One contract deliverable, the design for the TVET Systems Strengthening Platform, has not been submitted according the expected timeline. This was a complex piece of work that required consultation, oversight and quality assurance. The time taken for these processes meant that the design was not operational by 1 January 2019. However, we expect to finalise the design and have commenced implementation during the next reporting period.

9.2 ACTIONS TAKEN TO REMEDY AND PREVENT RE-OCCURRENCE

The Performance Standard breaches noted above were all related to the start-up of APTC3 and the ambitious program of work that was undertaken while recruiting for the new staff establishment and developing new plans and strategies in other critical areas of our work. With the majority of staff who are charged with contributing to these activities now on board and most deliverables required during the interim period submitted, APTC will have improved capacity to progress the outstanding activities. All have been included in the 2019 Annual plan as priorities.

APPENDIX 1: GRADUATES BY COUNTRY, GESI AND COURSE – DECEMBER 2018.

NO.	Course	Australia		Fiji		Kiribati		Nauru		PNG		Samoa		Solomon Is		Tonga		Vanuatu			Totals	
		F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F		M
1	Certificate I in Construction									5	19											24
2	Certificate II in Community Services																16					16
3	Certificate II in Construction			20	2																	22
4	Certificate II in Hospitality												10									10
5	Certificate III in Air-conditioning and Refrigeration				4		2			2	2											15
6	Certificate III in Applied Fashion Design and Technology			6	1					2	2	2	1	4							1	17
7	Certificate III in Carpentry				14		7	2			15				16						5	59
8	Certificate III in Commercial Cookery			8	7	1	1			9	7	4	2	1	3					1	2	46
9	Certificate III in Education Support									1	1	14	1							16		33
10	Certificate III in Electrotechnology Electrician				2		2				8			2								14
11	Certificate III in Engineering - Fabrication Trade			1	3					1	15	3		1	1	2					1	27
12	Certificate III in Engineering - Mechanical Trade (Diesel Fitting)				3		4				14			7							1	29
13	Certificate III in Engineering - Mechanical Trade (Fitting and Machining)				5		1				17	1		2							1	27
14	Certificate III in Hospitality			15	7	1				10	3	2		1						1		40
15	Certificate III in Individual Support (Ageing, Home and Community)			18	3					1			2									24
16	Certificate III in Light Vehicle Mechanical Technology				7		2			1	14	1		3							1	29
17	Certificate III in Painting and Decorating			1	9								1	1						1	1	14
18	Certificate III in Plumbing				4	1	3			1	2			1							1	13
19	Certificate III in Tourism			1	1					6	1		2	1						6		18
20	Certificate III in Wall and Floor Tiling			1	9						1			2								13
21	Certificate IV in Leadership and Management												10	7							9	35
22	Certificate IV in Training and Assessment	5	1	4	18					13	16	2									3	66
23	Key Management Skillset												46									46
24	International Skills Training																					99
	Grand Total	5	1	75	99	3	22	2	52	135	36	29	89	70	24	14	45	35			8	736

APPENDIX 2: APTC3 RISK REGISTER

APTC Strategic Risk Category EMT	Risk Summary	Controlled Risk Rating		Target Rate	Residue Risk	Mitigation Approach	Status	Owner
		Likelihood	Consequence					
APTC Strategic Risk Category EMT	Insufficient strategic and operational planning impacts APTC leadership capacity to meet EOPOs and results in an adverse Partner Performance Assessment.	Unlikely	Moderate	5	Low	Theory of Change finalized as Strategy with operational plans and targets put in place.	In progress	EMT
						APTC Performance Plans align to targets (EMT, LT, Business Units & Individual)	In progress	EMT
Contractual Requirements	APTC's expanded purpose and new contractual requirements weakens or is perceived to weaken its ability to deliver compliant training and high quality work ready graduates					Partner Performance Assessment criteria reviewed with risks addressed prior to assessment.	In progress	EMT
						Re-calibrating APTC resources (including to partner systems) to ensure graduate quality is maintained in line with government and employer needs / expectations	In progress	EMT
		Unlikely	Moderate	5	Low	APTC to ensure adequate TVET capacity and credibility through CAO, Registrar, VTMs, TDIM and TQ Expert VET Panel	In progress	EMT
						Partnership agreements between APTC and key TVET institutional partners clearly specify benchmarks, and mutual obligations, to ensure TVET quality and delivery.	In progress	EMT
						PMEL and Communications functions established to meet 'real information needs of the quality of student learning outcomes and employment outcomes	In progress	DCEO
					Industry engagement strategy developed and executed with training profile aligned to labour / industry needs.	In progress	DCEO	
					EMT review implementation of training profile to meet graduate outcomes	In progress	EMT	
					Confirmation on Australian Qualifications, skills sets and short courses to be counted as graduates	In progress	CEO	
					GESI plan developed and in place with a focus on women in training and employment	In progress	DCEO	
					Strategies to be developed for TVET partners to deliver APTC programs where graduates can be included in APTC EOPO.	In progress	CAO	
	Graduate numbers not achieved (total graduates and % of female graduates remain static or declined)	Unlikely	Negligible	4	Low			

APTC SIX-MONTHLY PROGRESS AND PERFORMANCE REPORT

APTC Strategic Risk Category	Risk Summary	Controlled Risk Rating		Target Rate	Residue Risk	Mitigation Approach	Status	Owner
EMT	The TVET Systems Strengthening Fund (TSSF) is not effectively designed or implemented (EOPO3)	Unlikely	Negligible	4	Low	APTC3 management team is adequately resourced (skills, experience and financial resources) to effectively design and implement systems strengthening initiatives, based on politically informed principles and approaches	In progress	EMT
						Allow adequate time (first year of APTC3 operations) to develop and refine the TSSF management systems and procedures in close consultation and collaboration with key stakeholders	In progress	EMT
TSS	TVET systems strengthening through partnerships and coalitions does not yield results or gain traction across the region (EOPO3)					Ongoing monitoring and review of progress and results in supporting systems strengthening, and appropriate and timely action taken to address any problems in implementation	In progress	DCEO
		Possible	Moderate	6	Medium	Apply politically informed approaches to the design, coordination and management arrangements for partnerships to ensure they are appropriate to need, and support active engagement / ownership, of local partners.	In progress	DCEO
Labour Mobility	Non alignment and coordination with Pacific Labour Facility leads to cost shifting and/or duplication of effort	Unlikely	Negligible	4	Low	Partnership agreements with key TVET institutional partners are clearly articulate mutual obligations, are regularly reviewed and revised as appropriate	In progress	CEO
						If no traction or progress is made with particular a partner, support can be withdrawn and if appropriate re-allocated to other activity.	In progress	EMT
						Understand and accept complexity of TSS with flexibility and learning built into the approach through MELF.	In progress	DCEO
						MOU developed through a Partnership Brokering Process endorsed by DFAT that includes regular review of partnership, engagement activity and coherence.	In progress	CEO
						Agreed allocation of activity between PLF and APTC. Any additional responsibility is allocated and funded as agreed by both parties.	In progress	CEO
						Ongoing communication between APTC/PLF and other government agencies responsible for labour mobility and employment policies / procedures.	In progress	CEO
Labour Mobility	Anticipated labour mobility opportunities do not eventuate in a timely fashion (limited or no employment demand).	Unlikely	Negligible	4	Low	APTC and PLF collaboration on employer engagement and communications	In progress	CEO
						Flexibility to realign APTC training and resources to meet the demands of varying 'labour mobility' activity.	In progress	EMT
Labour Mobility	Pacific country governments and / or employers have concerns about skills drain resulting from APTC's support for labour mobility opportunities (EOPO1)	Unlikely	Negligible	4	Low	Ongoing effective communication with key government agencies and employers to ensure that any concerns about skills drain are addressed.	In progress	CEO
						Clarification as to how the domestic and labour mobility tracks will operate, to ensure that domestic employers are not in any way disadvantaged as a result of their support for skills upgrading	In progress	CEO


APTC Strategic Risk Category	Risk Summary	Controlled Risk Rating	Target Rate	Residue Risk	Mitigation Approach	Status	Owner
EMT					Internal Quality and Compliance audit schedule implemented with a plan developed to address non-compliances against ASQA standards. Include TQ quality review process of all programs on an annual basis.	In progress	CAO
					APTC audit preparation actioned, resourced and reviewed as a business critical priority.	Actioned	CAO
Academic					Ensure relevant policies align to current ASQA requirements	In progress	CAO
	APTC does not maintain Compliance with ASQA	Possible	6	Medium	Implement VET PD calendar across each country campus and supported with 6 monthly review of all training staff currency and capability (captured in IPP)	In progress	CAO
					Country Directors and VTMs to monitor activity to ensure continuing compliance with ASQA and national VET regulators for relevant legislation in country of delivery.	In progress	CAO
					VTMs and expert VET advisor panel to provide regional academic quality support within their industry specialisation	In progress	CAO
Finance					Develop academic innovation plan articulating innovation strategies for each country and TVET partner	In progress	CAO
	Insufficient Academic Innovation not realising increase graduate numbers, opportunities for TVET reform and employment outcomes	Unlikely	4	Low	TVET expertise included in partnership brokering and TVET system strengthening activities.	In progress	EMT
					Confirmation on Australian Qualifications, skills sets and short courses to be counted as graduates	In progress	CAO
	Financial commitments to meet APTC's expanded purpose exceed program budget	Possible	4	Low	Monthly budget meetings with EMT to review actual and forecast financials against planned and budgeted activity. Individual business units receive detailed monthly financial reports with report against variances.	Actioned	COO
					Co-investment strategy to increase revenue and reduce training expenditure provides support for increased training activity and initiatives to ensure student numbers are achieved or exceeded.	In progress	CAO
	Increased expenditure in non training delivery results in an increased cost per graduate	Possible	4	Low	Review effectiveness of org structure, employees and nationalisation at end of 2019	In progress	EMT
					Enhanced methodology on calculating cost per graduate	In progress	DCEO


APTC SIX-MONTHLY PROGRESS AND PERFORMANCE REPORT


APTC Strategic Risk Category	Risk Summary	Controlled Risk Rating		Target Rate	Residue Risk	Mitigation Approach	Status	Owner
EMT	APTC staff, or the staff of key institutional partners involved in joint training delivery, are involved in unethical or illegal conduct (Enabling)	Likelihood	Moderate	7	High	Ensure appropriate policies, procedures, inductions, training and communications are in place to re-enforced zero tolerance to fraud for all employees and contractors.	Actioned	EMT
						Ensure the CEO is advised of all emergent issues within 24 hours	Actioned	EMT
Fraud	Political instability in Pacific island countries	Possible	Negligible	4	Low	Business continuity planning/political neutrality	Actioned	COO
						APTC builds a dynamic, cohesive, inclusive and inspiring culture that allows for both hierarchy and compliance as well as and collaboration and innovation.	In progress	EMT
Operational (Change Management)	Extensive changes to APTC3 impacts on employees, training delivery, compliance, collaboration, innovation and culture.	Unlikely	Negligible	4	Low	Change Management Plan developed, implemented and supported by the APTC change management committee	In progress	COO
						EMT strategic and risk planning completed to identify business priorities, risks and strategy to achieve immediate and EPOO's	Actioned	COO
						Current Partnership Agreements in place with all TVET Partners. Engagement for remaining 3 years agreements in progress	In progress	CEO
Business Continuity	APTC staff, students and / or facilities are impacted by WHS, safety, natural disasters, political instability and changes in Gov policy impacting business activities. Human resourcing implications as a result of key personnel departing and/or scarce skills in recruitment.	Likely	Negligible	6	Medium	Review structure against targets to ensure structural effectiveness to achieve EPOO's	In progress	EMT
						Ensure emergency disaster recovery and business continuity plans are in place, current and understood by all LT members.	Actioned	COO
						Policies and guides on security, personal health and safety made available to staff supported by WHS and incident reporting mechanisms for all staff and students across APTC.	Actioned	COO
						Ensure appropriate insurance policies are in place to cover the costs of natural disaster impacts	Actioned	COO
		Possible	Negligible	4	Low	Short term succession plans in place for all LT and key personnel as component to the workforce plan. Where unavailable mobilise external expertise as necessary.	Actioned	COO



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