
ANNUAL PERFORMANCE REPORT 2010

*A REPORT ON THE PERFORMANCE OF THE REGIONAL
ASSISTANCE MISSION TO THE SOLOMON ISLANDS*

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About the report

This report forms part of the Regional Assistance Mission to Solomon Islands (RAMSI) accountability to the governments of contributing countries and Solomon Islands. It is the second annual report of the Independent Experts Team (the Team) since agreement of the Partnership Framework between the Solomon Islands Government (SIG) and RAMSI in 2009.

The Partnership Framework was a significant milestone in the relationship, providing a forward looking document which outlined the areas in which the partners would work together over the short to medium term. Its objectives are:

- a Royal Solomon Islands Police Force that operates effectively and independently
- a Correctional Service that is managed effectively and independently
- a capable and independent justice system
- a Ministry of Finance and Treasury that provides leadership in financial matters and high quality professional and economic services
- a Government administration that is strategic, professional, transparent and accountable in the delivery of services and priority programs
- public institutions and agencies with the capacity to identify their own directions, to lead and manage sustainable change, to reflect on strengths and weaknesses and to continue to improve performance
- the establishment of an effective and cohesive approach to address corruption
- the consistent advancement of Government policies on gender across government

The format of this Annual Report is broadly similar to those produced since 2006. It follows the structure of the Partnership Framework and comprises narrative summaries of the RAMSI three pillars: Law and Justice, Economic Governance, and Machinery of Government. It also covers the cross cutting issues of capacity development, anti-corruption and advancing gender equality.

The report is not an evaluation. RAMSI is a large and complex mission. It is made up of contributions from several countries and some components, notably the Participating Police Force, which has representatives from 15 countries, have many lines of accountability. A full evaluation would require considerably more resources than those available to the team and would involve all stakeholders. The methodology for this report consists of review of the performance material compiled by the pillars themselves and in depth discussions with the various teams in-country between 31 January and 12 February 2011. The only external stakeholder consulted was the World Bank. The report, therefore, aims to reflect the achievements of RAMSI during 2010 but does not, and could not, assess impact.

The team reports jointly to the Solomon Islands Government and RAMSI through the Joint Performance Oversight Group. A special meeting of this Group, at which the team presented its initial findings, was chaired by the Foreign Minister on 11 February 2010.

Contents

Executive Summary.....	i
The Context in 2010	1
Law and Justice.....	1
Royal Solomon Islands Police Force (RSIPF) and Participating Police Force (PPF)	1
Correctional Services of Solomon Islands (CSSI)	4
Justice	5
Economic Governance.....	9
Machinery of Government (MoG).....	14
Issues that cut across all pillars	21
Capacity Development	21
Advancing Gender Equality	22
Anti-Corruption	23
Conclusions.....	24
Sustainability and Transition	25

Executive Summary

The Independent Experts Team (the Team) visited Solomon Islands between 31 January and 12 February, 2011 in order to prepare the annual review of the Regional Assistance Mission to Solomon Islands (RAMSI) achievements during 2010. The team reviewed performance reports and met with a wide range of Solomon Islands government (SIG) and RAMSI officials.

The context in 2010 was that of a national election in August and, subsequently, a fragile and shifting coalition government. Ensuring security for the process and aftermath was a major challenge for RAMSI. More broadly, corruption and misuse of political power continue to be a major concern of the people.

The Royal Solomon Islands Police Force (RSIPF), with the support of the Participating Police Force (PPF) and Combined Task Force (CTF), undertook a massive planning exercise for the election and successfully managed safety and security aspects. RSIPF maintained high visibility at the forefront with the PPF providing considerable logistics support. Later in the year RSIPF, with PPF assistance, also successfully suppressed violence during the sentencing of a former Government Minister. A second highlight of 2010 was the trialling of the Community Officer Scheme in three areas. This raised important issues which will require institutional and legal reform. Progress was also made in capacity development and organisational change. RSIPF, however, remains fragile and is unlikely to be self-sustaining by 2013. At present around 60% of logistical and financial resources are provided by RAMSI directly to the RSIPF for the provision of policing services.

The Correctional Services of Solomon Islands continues to be on track with the UN Standard Minimum Rules for Treatment of Prisoners and is steadily consolidating the systems set in place. Effective leadership and management is a core focus of capacity development to ensure delivery of the new Corporate Plan 2011-15.

The Justice component of RAMSI has made good progress through supporting and linking with the Justice Sector Consultative Committee (JSCC) and Justice Sector Technical Operations Group (JSTOG) which have been set up independently by SIG. These are promoting greater transparency of decision making and are the foundation of a justice sector which is more than the sum of the justice agencies. A significant achievement is the development of a coherent set of new indicators to maximise better reporting against targets. Capacity development has continued but, in the face of a very high proportion of professional vacancies and problems in retaining qualified and experienced personnel, the Technical Adviser model of capacity development has been unable to realise sustainable gains.

The Economic Governance pillar had a number of key achievements in 2010. Notably, the introduction of new financial management systems and the passage of a number of micro-economic reforms created a stable platform for more effective economic management in the country. As a result of these reforms, at the end of the year, and in spite of the ongoing effects of the Global Financial Crisis, Solomon Islands not only achieved a surplus and an overall gain in GDP/capita but also paid down their sovereign debt levels considerably and successfully implemented large parts of an IMF reform program. However, while these considerable gains have positioned the country well for economic growth in the near future, these gains are dependent on ongoing political support of these new mechanisms. Without this support these positive gains could be lost.

The Machinery of Government pillar had a number of positive achievements in the various sub-programs which operate under its auspices. Significant achievements include the ongoing roll-out of the new payroll system – Aurion – which has led to a number of important savings and better information capture and use across the public sector; the successful running of the national election; and the completion of audits of entities such as of Solomon Airlines which had previously always been contracted out to private sector organisations. However, further progress within this particular program is dependent on the consolidation of the gains made so far. Examples of this loss of capacity if consolidation does not occur include the loss of staff experienced by the Office of the Auditor General which effectively means that the Office has already lost much of the capacity built over the previous years operation of the sub-program. Without explicit political support the fragile gains made across the various sub-programs of this pillar could easily be rolled-back.

Capacity development has remained central to the Partnership Framework across all pillars and progress has been made through the use of a Technical Assistance Protocol and a tool which assesses the extent of organisational independence from RAMSI advisers. These have served to draw attention to both the gains in capacity and limitations of the adviser model in the face of chronic recruitment and retention problems.

Gender Equality moved forward with a Gender Stocktake which provided, for the first time, an overview of how gender equality is being addressed in RAMSI. It showed that the gender targets of the Partnership Framework are not underpinned by an overarching concept of what needed to be achieved in gender and why. It also showed that 63% of RAMSI activities are in alignment with the new SIG Gender Equality and Women's Development Policy.

Anti-corruption, as a cross-cutting issue (compared with individual activities under the pillars) made little progress in 2010. This is mainly a result of political instability since the election and the absence of an attempt to reconstitute the Anti-corruption Task Force. The lack of progress, on one of the important drivers of conflict in Solomon Islands, is a significant limitation to the stabilising effect of RAMSI.

Overall RAMSI has continued to build on the achievements of previous years. Preparations for the national election, and the political instability that followed, have resulted in less political commitment to the SIG/RAMSI Partnership Framework than in 2009. This highlights the limitations of RAMSI support, which is essentially technical in nature and require political debate and action to realise potential gains. In some areas, notably components of the Machinery of Government pillar, there have been, and continue to be diminishing returns on investment.

There are now various systems in place but the extent to which they can realise sustainable benefits depends critically on several factors. Some require urgent political action including reform across the whole of SIG. Others are limited because they are technical solutions to problems which are political or cultural. Some require deeper discussion about the appropriateness and sustainability of the model upon which they are based.

As RAMSI moves into a period of transition, and resources are drawn down, it is likely that a capacity deficit will emerge. This will be different for the various pillars and needs to be assessed and managed differently. RSIPF is particularly fragile yet will be the most exposed if violence cannot be managed. Whilst RAMSI has succeeded in suppressing the violent manifestation of conflict, the issues underlying the tensions have largely not been resolved and will continue to be potential triggers for violence. In some areas of current RAMSI involvement, other development partners are better placed to take forward the kind of activities that require long term support.

THE MAIN REPORT

The Context in 2010

The year 2010 was an election year. Preparations for the national election started early and consumed the attention of Ministers and some senior civil servants. The election itself passed off smoothly in August including the election of the Prime Minister, which in 2006 had led to riots. However, the election resulted in a fragile coalition which continued into 2011 at the time of the mission. Whilst some of the work of RAMSI was unaffected, there were delays in decision making for other aspects which limited effectiveness.

Civil unrest occurred in November 2010 following the sentencing and imprisonment of the then Minister of Fisheries and Marine Resources. This took place in the context of an unstable government coalition, which continued into 2011.

Corruption continues to be perceived to be widespread according to international indices compiled by Transparency International and the Heritage Foundation, and evidence provided in the People's Survey commissioned by RAMSI. During 2010 there was Solomon Islands media coverage of several cases in which officials appeared to be engaging in corrupt practices with impunity.

The context within which RAMSI operated in 2010, therefore, continued to be fragile.

Law and Justice

Royal Solomon Islands Police Force (RSIPF) and Participating Police Force (PPF)

The SIG/RAMSI Partnership Framework is one of several frameworks defining the nature of support to the RSIPF by the PPF. Others include the RSIPF Strategic Directions 2010-2013 and Australian Government RAMSI Forward Strategy. The table below shows the targets of the Partnership Framework, the objectives of PPF support to RSIPF and the indicators against which success was defined for 2010.

Partnership Framework	Objectives of PPF Support to RSIPF	Indicators 2010
<ul style="list-style-type: none">• RSIPF is capable of independently carrying out its mandated functions under law and order and targeting corrupt conduct• RSIPF has the capability to be located in or visit all areas of the nation	<ul style="list-style-type: none">• Providing executive policing capability to assist the RSIPF in maintaining safety and peace• Improving public demand for better rule of law outcomes and supporting RSIPF to provide accountable services• Building the foundations of an effective, accountable and appropriate police service	<ul style="list-style-type: none">• Absence of significant inter-community violence• Ability of RSIPF to undertake front line policing activities without PPF executive support• Enabling rule of law environment conducive to ongoing democratic processes, general freedom of movement and continued investor confidence

- **Protecting borders and natural resources**
- Establishing and supporting **traditional justice processes** in inaccessible areas

The main achievement of 2010 was the successful management of the national election and the subsequent election of the Prime Minister. This reflected the incorporation of lessons learned from the violence that had occurred during the 2006 elections, and a long process of planning commencing in 2009. Very high visibility of the RSIPF was maintained with considerable, but lower profile, back up from the PPF and Combined Task Force. Strategies were implemented to ensure the safety of particular communities; send clear messages to potentially troublesome individuals, including politicians; and to ban liquor consumption. This involved specialist training for forty senior officers in Incident Command and Control Systems, 150 officers in Level 1 Public Order Management and 30 Response Team officers in Level Two.

The effectiveness of RSIPF was also demonstrated later in the year during the sentencing of the former Minister of Fisheries and Marine Resources. Although violence, which was mainly opportunistic but potentially serious erupted, RSIPF officers succeeded in suppressing it with the support of the PPF, in suppressing it.

The other highlight of 2010 was the trialling of the Community Officer Scheme. Twenty-six officers were locally recruited and trained. The trial demonstrated a high degree of ownership of the initiative by local communities. However, it also became clear that more work is needed on the institutional and legal environment within which it will operate, including amendment of the Police and Provincial Government Acts before Community Officers can become an effective part of the justice system. Before the scheme can be rolled out across the country discussions are taking place with the Provincial Governments and Ministry of Justice about how best to utilise and support such officers so that they can deal with small issues quickly and have reliable referral of cases to the local courts where necessary.

Although 2010 was a very intense year in policing because of the election, progress was also made on capacity development and organisational change. The Police Accommodation Project, after many delays, is providing houses which will support greater reach and a Revitalisation and Succession Planning Strategy has been prepared which aims to improve sustainability of the reforms through age and voluntary retirement. There was also greater engagement with other agencies in the broader justice sector and the use of common arrangements. Savings were made by managing housing for RSIPF and CSSI Officers jointly, and the common platform facilitated progress on securing land for new construction which is sensitive and complex.

In terms of public perceptions, the People’s Survey provides a range of information which is useful for evaluating progress on safety and security over time. The table below shows trends over four years. There have been small improvements (since 2008) in the percentage of people believing RSIPF treat people fairly and in beliefs that violence would return if RAMSI left soon. However, these figures are not yet satisfactory as it continues to be a minority (38%) who feel fairly treated and half the respondents (49%) continue to fear the return of violence without RAMSI.

Indicator	2007	2008	2009	2010	Progress
% people reporting RSIPF treat people fairly and with respect	44%	32%	31%	38%	↑
% people describing their community as safe and peaceful	51%	37%	30%	31%	⇒
% people believing violence would return if RAMSI left soon	52%	49%	53%	49%	↑
% people satisfied with police response			56%	55%	⇒

These findings, for methodological reasons, need to be interpreted with caution. However, one of the most important things the survey reliably demonstrates is that improvements in levels of trust and confidence after prolonged violence cannot be achieved in a few years. Nor can trust be brought about through large numbers of police officers from other countries with their substantial logistics support. Awareness of this issue has been growing in RSIPF/PPF, supported by important work in the True Cost of Policing Report. This is almost complete and is providing evidence which will be crucial to decision making for both RAMSI and SIG.

At present it is estimated that the PPF provides about 60% of the resources required for RSIPF to be effective. This includes vehicles, boats, and helicopters that enable the most basic requirement of routine mobility. Maintaining the current level of service would also require a greater number of officers and a significantly larger budget. Neither of these appear likely in the foreseeable future, which draws attention to the model of policing currently being supported. Whilst the Community Officer Scheme is a welcome and promising initiative this will not solve the problem of the limited reach, and therefore trust, of the RSIPF. There is therefore a need for high level policy level discussion on the kind of model of policing which is appropriate and sustainable for Solomon Islands.

Of all RAMSI programs the PPF/RSIPF partnership is the most visible and is what most Solomon Islanders understand by 'RAMSI'. As consideration is given to the transition of RAMSI it is important to acknowledge the crucial role of the police in providing long term law and order and to ensure that the drawdown of resources is carefully managed so that it does not compromise the gains made so far. Whilst these have been considerable it is also widely acknowledged, including within RSIPF itself, that the gains are fragile. Many mid-level officers, including several women, have gained the skills and integrity to progress to senior management and new recruits are carefully selected and well trained. At the same time there are also officers whose behaviours during the tensions may undermine progress and potentially become problematic. This is a sensitive issue which is being addressed gradually.

Another issue for the police, which warrants special attention, is that they are frontline service deliverers of law and order and required to respond to breakdown of law and order at all levels. During 2010, with PPF support, they effectively managed potential and actual violence relating to elections and the sentencing of a former Minister. However, the People's Survey shows - and most police are acutely aware - that most of the issues which concern ordinary people on a day to day basis relate to anti-social behaviours. Although serious crime has decreased, kwaso brewing, drunkenness, petty theft and social disturbances have all increased and women feel less safe than men in such an environment.

Although most respondents acknowledge that only a minority of young men cause significant problems, they associate high levels of alcohol and drug consumption with youth unemployment, low quality education and poor conditions in the squatter settlements. The police can respond to the end point of these problems - violence - but the crucial social and economic policy which is necessary to address the causes, especially with the demographic pressure of the 'youth bulge', requires discussion and action by the SIG.

The limitation of the police role in managing violence is also important because, as violence has been suppressed, there may be a tendency to think that conflict has also been suppressed. In fact, many of the underlying causes of the tensions remain and are likely to resurface where there is opportunity. In addition to the lack of opportunity for youth and the unequal distribution of the benefits of economic development, the prevailing high levels of corruption remain a potential trigger for conflict.

Finally, where the police are involved in investigating and prosecuting offenders they require a high degree of support at political level to effectively play their part in restoring public confidence in the institutions of government.

In conclusion, good progress has been made in the PPF/CTF and RSIPF partnership in a year where there have been challenging election issues. However, in assessing progress against the targets agreed in the Partnership Framework it is clear that neither are likely to be met by 2013. In spite of significant achievements, RSIPF is many years, perhaps a generation, away from being capable of *independently* carrying out its mandated functions under law and order and targeting corrupt conduct. Without considerably more resources and legal reform RSIPF will also not have the capability to be located in or visit all areas of the nation.

Correctional Services of Solomon Islands (CSSI)

The SIG/RAMSI target is that CSSI meets UN Standard Minimum Rules for Treatment of Prisoners and operates within the whole of government structure to achieve outcomes. As shown in the table below CSSI is on track to meet the target according to the indicators.

Indicator	2008	2009	2010	Progress
No. correctional centres compliant with UN Minimum Standards	2 of 6	5 of 6	5 of 6	same
Reduction in number of TA	30	18	17	↑
Number of prison incidents	66	68	79	↓
% staff attaining workplace competencies	20%	26%	66%	↑
% former prisoners sentenced for further crimes	10%	9%	13%	↓
Maintenance budget at least 1% asset value	< 0.2%	0.17%	0.21%	↑

The focus during 2010 has been the consolidation of steady improvements in systems, procedures and work practices. Although the number of prison incidents has increased this, in part, reflects improvements in enforcement of operational standards and reporting which were a key topic at Commandant Workshops early in the year. Gizo correctional centre remained non-compliant with minimum standards and was therefore decommissioned with an appropriate site for redevelopment identified.

Capacity development has continued to be the main focus of support to ensure sustainability of leadership and management capacity. Seven staff, two of whom are women, were funded for tertiary study including in financial management and accounting, and IT systems development. And additional 60 staff are undertaking pre-tertiary intermediate English and book keeping courses through University of the South Pacific. The percentage of staff completing base assessment training and becoming eligible for Certificate III in Correctional Practice accreditation has increased from 26% in 2009 to 66% in 2010 including 12% women, proportionate to their composition in the workforce.

Progress has also been made on prisoner rehabilitation. A review of a pilot rehabilitation project at Tere Correctional Farm was undertaken and the recommended improvements accepted followed by extension to all provincial centres. A partnership was also started with Save the Children to implement the 'Children and Youth in Conflict with the Law' project which aims to provide appropriate juvenile rehabilitation services and support reintegration back into their communities. Recidivism increased slightly but remains within a defined acceptable range.

Although the budget for maintenance of facilities has slightly increased it remains well below that required. In 2010 a major program of refurbishing three provincial centres started to ensure

continuing minimum standard compliance and the new centre at Gizo is being developed with the intention of reducing recurrent and maintenance costs.

Although CSSI still faces some fragility in the gains made to date, overall progress has been very good and CSSI is well placed to thrive as the RAMSI Law and Justice pillar shifts from rebuilding individual justice agencies to strengthening capacity. A new CSSI Corporate Plan 2011-15 is in place, in which staff development is acknowledged to be critical, which lays out seven core functions along with a comprehensive framework detailing desired outcomes and priority/target areas.

Justice

The Partnership Framework defines two targets for the justice component:

- Target 1 aspires to a justice system that is able to administer the law effectively with limited assistance
- Target 2 aims to agree an approach on how to support a community justice system.

In 2009 the justice component was unable to report a coherent story about progress. This limitation became a catalyst for the reinvigoration of the Justice Sector Consultative Committee (JSCC) which aims to become a peak governance body which will oversee policy and strategy development and make the kind of decisions that had previously been largely done by the RAMSI side of the partnership. To support the JSCC, the Justice Sector Technical Operations Group (JSTOG) was established to take on the substantial work of coordinating between agencies.

The establishment of the JSCC is a significant milestone for SIG. It indicates, in part, a desire by SIG to move beyond what it has perceived to be the parallel system of RAMSI into 'one system' which is clearly under the control of the government. It also aims to promote greater transparency of decision making, especially in the control of RAMSI funds and the recruitment of some staff, and to counter any perception that RAMSI influences the judiciary. With access to Cabinet it has more power than individual agencies.

A major achievement of the JSCC and JSTOG has been the development of a coherent set of new objectives and indicators to enable better reporting on progress against the RAMSI targets. This achievement is particularly noteworthy because the justice agencies are grossly under staffed and the capacity of the small group of personnel involved is highly stretched.

Target 1: The justice system is able to effectively administer the law with limited assistance

The table below shows selected new indicators (there are 23 in total) and summarises progress for Target 1:

Objectives within the Target	Results against Indicators
SIG personnel across Justice Sector increasingly empowered and skilled to perform their jobs	<ul style="list-style-type: none"> ✓ Organisational Health Surveys for each agency as baseline ✓ 27 empowerment workshops attended by 245 SIG staff SIG lawyers and prosecutors handle 80-90% cases in Magistrates Court and 30-40% in High Court
Agencies improve capacity to administer roles and responsibilities	<ul style="list-style-type: none"> ✓ 473 SIG staff members have new or revised Job Descriptions ✓ 4 of 7 agencies have collaboratively developed Annual Workplan ✓ 7 of 7 Budget Bids produced by finance and office management staff and submitted on time
JSCC works as peak governance decision making body	<ul style="list-style-type: none"> ✓ 9 strategy, policy and funding decisions Framework for discussion sector sustainability developed
Number of matters before the Magistrates	<ul style="list-style-type: none"> ✓ Local Court (Land), Customary Land Appeal Court and High Court

Court, High Court and Court of Appeals disposed of in timely fashion increases	(Criminal and Civil) disposal × Court of Appeal (Criminal and Civil) disposal × Overall Case Backlog √ Tension Trial Case Backlog from 24 in 2009 to 19 in 2010 × Time on Remand from 5.9 months in 2009 to 8.4 in 2010 √ Magistrate circuit court sittings from 42% (2009) to 51% (2010)
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√ = some or good progress × = little or no progress

In addition to supporting development of the performance indicators as a management tool, the JSTOG oversaw wide-ranging consultations to conceptualise how the seven diverse agencies, which so far only have tentative links, could work towards becoming a ‘sector’. Starting with employees, as the foundation, each agency undertook a Skills Audit and developed a new Job Description for each position. Whilst this was a challenging process for many staff, there is anecdotal evidence that greater clarity about roles has led to improved motivation and attendance. If this is maintained it will be an important achievement because both motivation and attendance are chronic problems not only in Justice agencies but across all SIG. The process has also provided middle managers, many of them women, leadership opportunities and a forum of horizontal links which enable them to share ideas and experiences collaboratively where previously they were in competition for resources. Members of JSTOG now appear genuinely committed to improving agency performance.

Although new indicators have been developed, some have been retained and these allow comparison over time. As shown in the table below, vacancy rates have increased and the number of TA has decreased. It is not clear whether these are correlated.

Indicator	2005-8	2009	2010	Progress
% magistrates, prosecutors and lawyers posts vacant	41%	43%	47%	↓
Numbers of RAMSI TA	109	60	26	↑

The steady reduction of technical assistance and early discussions on transition continue to expose the fact that the current system cannot be sustained when RAMSI leaves. In particular the JSCC recognises that the TA approach to capacity development cannot be effective in the face of a chronic recruitment and retention problem, which can only be resolved with action across the whole of SIG. Although considerable upskilling of SIG managers has taken place in 2010, the system and work culture is oriented to legal practice rather than management so even committed personnel have limited time to devote to their leadership roles.

At the same time as conceptualising and developing indicators the JSTOG also steered the consolidation of the corporate planning process from separate corporate plans for the National Judiciary and Ministry of Justice and Legal Affairs. The resulting plans have greater SIG ownership and are felt to be more balanced than earlier ones which were perceived to be driven and owned by RAMSI. In establishing practical guidelines and collecting and analysing data it is also demonstrably useful as a management tool. Agency financial and administration staff were also actively involved for the first time in the Annual Budget Bid planning process which they submitted on time. The JSTOG is justifiably proud of these achievements.

Target 2: An approach to supporting a community justice system is agreed to by SIG and RAMSI.

Two indicators have been developed to measure progress under this objective. The first is that legislation, policies and procedures are developed to support and strengthen formal justice initiatives at the local level. During 2010, 42 consultations on the Penal Code/Criminal Procedure Code and Land Below High/Low Water Mark were conducted involving a wide range of stakeholders across 10 provinces.

Progress against skill development of Local Court Members did not take place as planned because funds were not available but a Budget Bid was submitted to take this forward in 2011. Mediation workshops, funded by the International Finance Corporation, Australian Mediation Association and National Judiciary, accredited mediators at the High Court and Magistrates Court in four provinces. Importantly, the new *Civil Procedure Rules 2007* established, for the first time, the legal basis for mediation.

The second indicator of progress against Target 2 is that a national Stocktake is undertaken by 2013 to document the range and diversity of informal community justice structures and procedures. A literature review and gap analysis on linkages between the formal and informal justice systems, and consultations and research in three Guadalcanal locations, were undertaken under Phase 1 of the *Justice Delivered Locally* project.

Prior to the Partnership Framework the overwhelming focus of RAMSI was on processing tension-related cases through the formal system. At this stage it is inappropriate to agree an approach to community justice under the auspices of RAMSI. Rather, such work, which requires a long term approach, needs to take place in a multi-donor forum led by SIG. This, in fact, is already happening under the JSCC/JSTOG which has prepared its own framework representing all the work of the Ministry and Agencies, not only that in which RAMSI is engaged. This is a positive step in the face of RAMSI transitioning out.

The People's Survey

Outside the Ministry and Agencies, limited insights into ordinary people's experience of the justice system are provided by the People's Survey. Only 5% of respondents were involved in a dispute relating to compensation or justice during 2010 and only five individuals sought help from either a magistrates or local court, which is too few cases for meaningful analysis.

This, in itself, demonstrates the very limited reach of courts across the country. Most people expressed a preference for land disputes to be settled locally by community chiefs and elders, including church elders, rather than through formal legal dispute resolution procedures. When asked to suggest how justice and dispute resolution could be improved the main suggestions were more respect for chiefs (46%), *kastom* (26%), elders (19%), and church (19%). More community policing was mentioned by 15%, and more access to RSIPF by 10%. Less than 10% mentioned courts and other modern sources of justice and dispute resolution.

Cross Cutting Issues in Justice

The cross-cutting issues of the Partnership Framework are not incorporated in the new Justice indicators. On the RAMSI side there was some concern about this but also a recognition that SIG had to lead.

Capacity development is incorporated in many, if not most, of the indicators there is plenty of evidence cited to support this is an important focus. With such high vacancy rates there is awareness of the limitations of the TA approach and active consideration of alternatives.

Gender is mentioned in only one indicator relating to selection and skill development of Local Court Members. This is not surprising given that, within SIG, gender mainstreaming has only recently become policy.

Anti-corruption is not mentioned at all in the indicators or in reporting. Clearly cases relating to corruption are being processed by the Courts and will potentially be identifiable as a category in a new database which is under development. A source of concern for the Justice sector, with a prominent case during 2010, is the challenge of resisting political pressure.

Economic Governance

The Economic Governance program presented a clear path of progress and ongoing development in 2010. Progress has been achieved against all three targets – although the eventual achievement of both Targets 1 & 3 is dependent in large part on external circumstances (such as the growth and decline of the global economy, changes in the prices of tropical hard woods).

Target 1: Improved standards of living and economic opportunity for all Solomon Islanders.

Target 3: Financial position of SIG stable and sustainable over the longer term.

The efforts of the program helped the SIG emerge from the Global Financial Crisis in a stronger cash position and with lower levels of overall debt. As the following table shows, ongoing reform within the Ministry of Finance and Treasury (MoFT) helped contribute to the country ending the year with a 2.4% surplus of GDP as well as overall higher level of GDP/Capita of US\$1,327.

Indicator	2008	2009	2010	Progress
GDP per capita (USD) (IMF estimates)	\$1274	\$1279	\$1327	↑
Percentage of Solomon Islanders (men and women) comfortable with their household financial situation (respond as having “no problem” with current situation)	-	-	18%	First time indicator used
Government budget position (surplus/deficit as % of GDP) (IMF estimates)	-0.2% deficit	1.6% surplus	2.4% surplus	↑

The process of recovery for the Global Financial Crisis meant that SIG adopted an International Monetary Fund reform package. The various indicators utilised by MoFT show, as evidenced in the table following, that while the overall number of economic and financial reform matrix targets met to the satisfaction of donors decreased in 2010, following the steps required to comply with the reform package helped contribute to the operation of the Economic Governance program by acting as a focal point to bring to completion a number of reforms already underway. An example of this is the number of traffic light scores (shown below) set at green by the MoFT Heads of Division. The successful completion of the IMF program was one of the key achievements of the Economic Governance program in 2010.

Indicator	2008	2009	2010	Progress
Percentage of SIG economic and financial reform matrix targets met to the satisfaction of donors ¹	-	94.0%	83.3%	↓
Percentage of MoFT Heads of Division traffic light report scores:	-	-		First time indicator used
a) on track (green)			79%	
b) with some concerns (amber)			18%	
c) off track (red)			3%	

Another key achievement in 2010 was the creation of a new governance arrangement within the Ministry. The executive team (constituting the Permanent Secretary and three Under-Secretaries, one of whom is also the RAMSI pillar head) now meets fortnightly and receives reporting from the various constituent units of the Ministry. MoFT corporate reporting to the executive is now entirely

¹ 2009 matrix indicators were determined at end-2009 when achievements were known. 2010 matrix completion report in draft form only – officials-level work completed but some indicators not met due to delays in decision making at the political level.

dependent on divisional outputs – albeit with advisor input at the Divisional level. This is the first time that ongoing and coordinated vertical reporting has occurred within the Ministry. The executive now also makes inputs into the management of the Economic Governance program through these fortnightly meetings on the allocation of program resources – both financial and human.

Another major achievement of 2010 was an improvement in financial management systems across the Ministry. Key aspects of this reform were the new cash management systems that included new processes for cash forecasting which helped provide better time revenue and expenditure estimates- for management of the country’s cash position and the creation of a cash-coordination team to work across the Ministry as a whole. These reforms have led to improved expenditure planning within both the Ministry and other SIG agencies. As an example of the impacts of this achievement, the better management of the country’s cash position helped bring about more effective reporting across the Ministry in terms of expenditure by government agencies – particularly with regards payroll.

The broader impacts of this reform become apparent when these new systems were combined with the ongoing roll-out of Aurion – the country’s new payroll system. Better cash management systems within MoFT have translated to better matching of agencies’ resources to their human resource costs (salaries) – and changes to these on a month-on-month basis. These benefits are then linked to better management of the country’s human resources within the public service. However, the ongoing lack of a clear policy basis for funding decisions across SIG means that spending continues to be *ad hoc* with associated low levels of public accountability. While a good platform of positive reform has been built in the country’s financial management system the ongoing consolidation and operation of this new system is dependent on fiscal restraint by government.

Other aspects of this reform process included the provision of training for accountants through the Solomon Islands Government Accounting Service (SIGAS). Members of SIGAS include officers within MoFT as well as across other SIG and Provincial government agencies. This training has helped Ministries to better manage their budgets and so help in their planning processes. This is the first time that coordinated training in SIGAS has occurred in Solomon Islands. Two staff from MoFT received ‘train-the-trainer’ training in SIGAS as part of their twinning experience in Australia. These two individuals are now conducting training for SIGAS staff involved in financial management across SIG and the Provincial government system (starting with agencies’ Chief Accountants) through IPAM.

Clearer understanding of the country’s cash position, and improvements in the ability of the Ministry to manage this, have also led to more effective budget planning within government. This in turn has positively impacted on the ability of the country to manage its debt levels. As the table which follows shows, concrete outcomes of this new ability at the end of 2010 were lower overall levels of international debt and a shift in the country’s rating on the joint IMF-World Bank’s Debt sustainability Framework from High Risk to Moderate Risk. As part of this shift the country’s Debt/GDP ratio had decreased to only 24% (from a high of 70%in 2003).

Indicator	2008	2009	2010	Progress
Joint IMF-World Bank Debt Sustainability Framework - 'Debt Distress' rating	High risk	High/moderate risk	Moderate risk	↑

Other positive outcomes of the Ministry’s new financial management system include weekly Treasury Bill auctions now being held by the Central Bank Held in 2010 for the first time since 1985. The auctions are a significant tool in managing currency volatility for the country. Importantly, they are run entirely by local staff without any external assistance. The better management created by these new systems also led to the flow-down of monies from donors involved in the joint Solomon Islands Government-Donor Core Economic Working Group. As a result of these reforms SBD 158

million was released by the European Union in December and additional monies were provided by the Asian Development Bank (ADB) and the Australian Government as a result of key targets – established under the auspices of the Core Economic Working Group – being reached through these reforms. This free cash improved the country’s cash position and demonstrated the donor communities increased confidence in the country’s financial management system.

Another major achievement of 2010 was the creation of a much more stable platform for investment – both domestic and international. Key to this was the passage of a number of important micro-economic reforms during the year. Crucial aspects of this program were the passage of the *Companies Act* – which significantly reduced the time and financial costs of starting and registering a new business – and the *Secured Transactions Act* – which contributed to feelings of increased security by business owners in the flow of monies into and out of the country as it allowed businesses to more easily use moveable assets as collateral against their borrowings. The passage of the second act led to an improvement of ten places in Solomon Islands’ ranking in the World Bank’s ‘Doing Business’ 2010 report.

Significant reform in terms of the country’s micro-economic environment also included the deregulation of the telecommunications industry in Solomon Islands. In 2010 Telecom’s exclusive license was revoked and Bemobile, a new entrant to the market, was granted a license. Immediate impacts of this reform were major decreases in the costs of calls on cell phones, by around 50%, and even larger falls in the costs of cell phones and sim cards.

Overall, revenue collection also increased in 2010. Total revenue collected by SIG’s Inland Revenue Division (IRD) exceeded \$1 billion for the first time (SBD 1.106 billion). This total surpassed 2009 levels by almost 20%. While some of this increased revenue collection can be traced back to growth in business within Solomon Islands, at least 10% can be directly attributed to more effective collection by the IRD– due to both more effective collection methods and better communication across the country’s revenue collection sector.

Combined, the operation of the country’s new financial management system and the new micro-economic platform, have led to the creation to an overall stronger and more effective platform for the achievement of long-term growth and development of the Solomon Islands’ economy. If these gains are consolidated and built-on, then there will be an increased opportunity for Solomon Islanders to enjoy a higher standard of living over the long-term. However, if there is no government support for the consolidation of these reforms then the positive results of 2010 may well be reversed.

Target 2: Increased capacity and capability of MoFT to provide quality advice to government on economic and public financial management.

While financial management capacity within MoFT has increased, the demanding nature of the reform program as specified by the IMF meant that advisors were required to fulfil a number of key functions throughout the year – especially in the Economic Reform and Budget Units. As the following table shows, the actual number of external advisors within MoFT increased in 2010 to 29 – up from 24 in 2009.

Indicator	2008	2009	2010	Progress
Number of advisers in the MoFT (Total and In-line)	Total: 27 In-line: 4	Total: 24 In-line: 4	Total: 29 In-line: 4	↓

This rise can be attributed to delayed recruitment of new advisors and the implementation of the new Economic Governance program in 2010 which had specified that new advisors would be required in its first year of operation.

Border Security

While progress continues to be made in Customs, this progress is gradual. Customs continue to have ongoing issues with infrastructure and staffing. While 55 joint customs and police maritime patrols were conducted in 2010 (up from two in 2009) this dramatic increase can be attributed to the Police boat now being operational. In addition, while customs derived revenue of SBD 497 million in 2010 (up from around \$400 million in 2009) this new total can be attributed to increases in the volume of log exports as opposed to more effective tariff and duty collection.

Indicator	2008	2009	2010	Progress
Regular liaison with Police, Immigration and Quarantine	-	Three	Three	⇒
Customs Officer stationed at Shortland Islands and Lata (Border) locations	-	No	No	⇒
Joint Customs & Police maritime patrols conducted	-	2 patrols	55 patrols	↑↑

The border outposts at Shortland Islands and Lata continue to not be staffed due to a lack of housing. The house at the Shortland Islands, due to be utilized in 2010 for the first time, was found to be termite infested and so uninhabitable while there continues to be no house on Lata. Discussions with the RSIPF are ongoing in terms of proving housing for customs officials at these two posts.

Inter-organisational cooperation between agencies involved in border security is ongoing. The Border Tri-Agency group (customs, immigration and police) met three times in 2010 and made some progress in terms of deciding on joint plans of action. The three agencies meet regularly at an informal level at the airport and this provides an opportunity for ongoing dialogue and engagement between the agencies.

The need for legislative amendments to the *Customs Valuation and Customs Offences Act* (which had originally been passed in 2009) meant that the act with its associated guidance on tariffs was unable to be implemented in 2010. The necessary legislative amendments were made in October 2010.

Cross-cutting Issues in Economic Governance

Capacity development

Capacity development continued to be a key focus in the Economic Governance program in 2010. Despite these many positive achievements, however, there remains a degree of skill fragility within the Ministry. If certain senior staff left, their absence would severely impede the ability of the Ministry to operate effectively due to low levels of overall experience and capacity within the Ministry as a whole. An example of this is that 71% of the Economic Reform Unit's analysts have less than 2.5 years' work experience. This fragility has been exacerbated by the broader staff freeze across the SIG public service and an inability to recruit because of the freeze means that, for example, the Ministry is in a particularly perilous position if the current Accountant-General left for any reason as there is currently no Deputy Accountant-General to take over leadership of the agency.

As part of a broader risk mitigation strategy a coordinated capacity development framework has been created which is being utilised across the Ministry as a whole. Each Division within the Ministry then created their own matching capacity development plan which linked into the broader Ministry

framework. In order to help with the implementation of the framework and their matching Divisional plans a Capacity Development Advisor has been recruited for the Ministry. Another approach to mitigating the risks associated with staff loss and freezes in staff hiring has been the creation of a graduate recruitment program. Four graduates were recruited in 2010 (two for the Budget Unit and two for the Economic Reform Unit). Funded directly by the Economic Governance program the goal is to transfer these appointments over to the SIG public service over time.

Issues in staffing, both in terms of operating below establishment levels and in the low capacity of some current members of staff, has impacted in other ways too on the operation of aspects of MoFT. In 2010 IRD experienced an across the board reduction of 20% in establishment levels. This had the effect of immediately constraining the collection of revenue as there were less people collecting revenue and so too less people conducting audits for irregularities in collections.

While substantial progress was made across the Economic Governance program in 2010 the ongoing sustainability of this reform is dependent on government providing a coherent policy environment in which reform can be consolidated and in ensuring that ongoing staffing capacity issues are met in order to bed down the systemic changes that have occurred within the Ministry.

Gender Equality

MoFT has steadily increased the proportion of women employees from 34% in 2008 to 37% in 2009 to 39% in 2010. This compares favourably with public service wide employment of 32% women. The proportion of female RAMSI advisers has also increased to 36% from 29% in 2009 and 22% in 2008 and there is anecdotal evidence that this role modelling of women in senior positions has been a powerful motivator. The introduction of the new payroll system provides MoFT with a greater ability to capture and store data on all public service employees and will allow all ministries to improve their collection of sex-disaggregated employment data.

The Economic Reform Unit has helped to improve economic opportunities for women through three key projects. The introduction of the *Companies Act 2009* has potentially made it simpler for women to start a business incorporation now being possible in the provinces and online and with one single set of fees. Women can now set up a business entirely on their own, whereas previously a minimum of two shareholders was required. The effect of this can be monitored over time as all companies are required to provide data to Company Haus on the gender of shareholders and directors broken down by province and business sector. The *Secured Transactions Act 2009* was implemented in 2010, providing women with greater potential opportunity to borrow against personal assets. In 2010 the Rural Banking Scheme was reviewed and it was found that most users were women who used the scheme to open new accounts for everyday savings, school fees and for basic needs.

Anti-corruption

MoFT engages in anti-corruption reforms through increased scrutiny and monitoring of the management of state-owned enterprises (SOEs), the management and use of public funds, the administration and application of taxation and duties and the internal audit function. In 2010, work continued to update the accounts of SOEs and the articulation of a Public Financial Management and Economic Reform plan, which was agreed with other donors through the Core Economic Working Group. The new payroll system removed ghost employees from the payroll and is being aligned with the official public service employment list (the Establishment). 223 new businesses have been brought into the tax net and the number of lodgments of tax returns has increased.

Progress has again been limited in 2010 by the public service recruitment freeze which has constrained the restructure and expansion of Internal Audit Division.

Machinery of Government (MoG)

Target 1: The people of Solomon Islands have trust in the honesty and professionalism of the Government's public administration and perceive it to be effective in adapting to changing demands for improved service delivery.

Progress which contributes towards the achievement of Target 1 has been made, but the focus has been on the operation of central agencies. With no current explicit linkage to line agencies, and hence service delivery, there is no way in which a direct correlation can be drawn between the achievements of the MoG sub-programs and increased trust in government by the people of Solomon Islands.

Objectives within the Target

Selected Results against Indicators

A cross government plan has achieved its 2013 targets to improve the human resource management of the Solomon Islands public service

✓ Cross-Government Human Resource Management Strategy 2010-2015 launched and endorsed by Cabinet

Number of public service policy, procedures and legislation frameworks developed, reviewed, updated and gender –sensitive.

✓ Public Service Commission (Amendment) Regulations 2010 – 3 additions, Recruitment, Job Evaluation and Classifications, Schemes of Service
 ✓ Public Service Discipline Process
 ✓ General Orders Revision
 ✓ Public Service Code of Conduct training continues.

Number and percentage of female and male public servants trained by IPAM, and who are satisfied with the quality of training received

✓ 1424 people (37.5% women) participated in IPAM learning and development programs.
 ✓ Of the total participants, 1075 trained in Honiara (41.0% women); 349 trained in the Provinces (26.7% women).
 x Courses were only delivered in the Provinces between February and June 2010 due to SIG budget constraints. However, management training of provincial finance staff was conducted in Honiara as part of the Provincial Government Strengthening Program.

Improvements in human resource management resource capacity and staffing in the Ministry of Public Service and Solomon Islands Government Ministries have been achieved by June 2013

✓ 7,000 teacher entries from the Ministry of Education, with 1,500 errors identified
 ✓ Substantive appointments made to all line Ministry HRM posts using a merit-based recruitment and selection process.
 ✓ New HRD policy developed by HRM Forum for 'ad hoc' learning opportunities, and approved by PS MPS.
 ✓ Capacity Development Framework for SIG HR Managers developed and approved by MPS

✓ = some or good progress

x = little or no progress

The Public Service Improvement Program

A number of systemic improvements were made across SIG in the Human Resource Management (HRM) sector in 2010. An HRM Taskforce was established which brought together HR managers from across a range of SIG agencies. The main outcome of this Taskforce was the creation and subsequent launch of the *Human Resource Management Strategy 2010-2015*. The Taskforce

was then reconstituted as an HRM Forum which brings together the Human Resource Managers from across SIG's 21 Ministries and agencies. Meeting twice in 2010 this Forum provided both better connections across agencies in terms of the ongoing implementation of the Strategy in their respective Ministries and agencies as well as a better strategic viewpoint for HR Managers as a whole in terms of changing HRM practice within the SIG public service. The importance of this program has been underscored by the Permanent Secretary of the Ministry of Public Service assigning an Under-Secretary to run this forum and implement the Strategy across SIG.

The new payroll system – Aurion – which was introduced by the Economic Governance team operating out of MoFT went live in 2009 – has been utilised to good effect in 2010 and has led to a number of important savings and better information capture and use. An in-depth process of validating positions against people has led to over 10,000 data entries, validations and corrections being made. As part of this process, 1,600 public service staff entries across four SIG departments (MPS, MoFT, CSSI & RSIPF) have been corrected by MoFT and validated with both position numbers and job levels. Improved budget accuracy as a result of this roll-out of Aurion includes examples such as 55 SIG police officers which had previously being incorrectly paid under CSSI payroll have now been moved to the Police payroll. Eleven cases of individuals holding two or more positions within the public service were identified and the individuals disciplined. In the Education sector, use of the Aurion system meant that 7,000 positions have been validated. Of the 1,500 errors identified within the Education sector during this process, over half were corrected and the remaining positions have been terminated which will lead to savings of SBD 25 million for SIG. In 2010, 12 public servants were trained in the use of Aurion to manage establishment and payroll. Four of these trainees went on to receive extended on-the-job training.

The Institute of Public Administration and Management (IPAM) continued to train Public Servants with 1424 people receiving training in 2010. A new induction program has been introduced to be rolled out for all Public Servants, not just new recruits, which is designed to help provide a better information base for understanding how a modern public service is meant to operate including basic functions such as record management.

Training on the Code of Conduct – launched in November 2009 – was also conducted in 2010. Uptake of this new code saw a number of public servants across a range of agencies disciplined, including demotions and censures. This disciplining of public servants for breaches of the code has raised awareness amongst the public service of the importance of ethical conduct in their work although it was noted in meetings that this is merely the 'tip of the iceberg' and sustained work is required to fully embed modern, ethical work practices in the Solomon Island's public service.

[Solomon Islands Government Housing Management Project](#)

Little substantive progress has been made in terms of government housing in 2010. While registers of government assets have been developed and maintained (with the registers for Guadalcanal Province and Honiara updated in 2010) the ability of the Government Housing Division (GHD) to maintain these registers in the wake of the conclusion of direct support from RAMSI is limited, as even maintaining upkeep of these assets in the current resource rich environment is difficult. With a staff of two at the end of 2010, down from a high of five, the ability for capacity development achieved through the life of the project in this section of the Solomon Island's public service is tenuous. Managing housing is also complicated by the fact that a significant number of government owned properties are occupied by influential people, including former parliamentarians, who no longer have entitlement. There has been longstanding reluctance at political level to address this.

[Office of Prime Minister and Cabinet](#)

Little progress was made in terms of ongoing development of the Office of Prime Minister and Cabinet (PM&C). Assistance was provided in the updating of policy manuals in 2010 but there appeared to be little uptake of these new manuals by staff. Following the election, several political advisers were appointed, supposedly in response to a lack of trust in the willingness of senior public servants to adapt to a new political agenda. This meant that RAMSI advisers were operating in a parallel system in which they felt they were less effective.

Information and Communication Technology (ICT) Support Unit Transitional Support

Steady progress continued to be made in the roll out of the ICT sub-program, with new ICT policies in place across six SIG agencies and ongoing upskilling of ICT staff. The sustainability of the impacts of this program in the long term may be limited in that while local recruits to this section continue to be trained while the formal support for this sub-program continues – high external salaries may make it difficult for these recruits to be maintained in the wake of staff leaving because of more attractive options in the private sector. Despite this a number of achievements were made in 2010 including the endorsement of the ICT Centralisation Business Case by MoFT Executive and the endorsement of 12+ ICT policies by MoFT Executive relating to IT use and code of practice across all Ministries.

Provincial Governance Strengthening Program (PGSP)

While a number of technical achievements were made under the PGSP sub-program in 2010 the long-term impacts of these achievements are questionable. The adoption of a simplified cash accounting system (as opposed to the previous accrual accounting system) and the use of MYOB as the standard accounting system mean that Provincial governments are now able to operate their financial accounting systems to a higher standard than ever before – including the use of a computerised payroll system and the production of regular payslips. Development planning was also initiated in 2010 – including the use of new budgeting processes.

However, despite these technical improvements, not one Province qualified to receive Provincial Capacity Development Funds (PCDF) in 2010. This lack of achievement would tend to suggest that human resource capacity (in terms of not enough trained people to undertake the necessary work required) is not keeping up with the new technical infrastructure being provided or that the technical infrastructure being provided is not appropriate to the Solomon Island context. While the new computerised processes could lead to increases in effectiveness – if people do not utilise the new systems, or are not able to due to constant brown-outs – then these new systems may not be the most effective for the Provincial context.

Target 2: The relevant organs of government are acting effectively to remedy administrative shortcomings and improper official conduct.

Progress in the Accountability Sub-Program has begun to slow, as opposed to positive progress in the year before, and in some instances has begun to move backwards. While a number of new initiatives were completed in 2010 across the sub-program’s target agencies – a decreasing human resource capacity across these agencies means that by the end of 2010 the ability of these agencies to maintain the standard of work that they had been able achieve at the beginning of the year had lessened considerably. This means that while a number of small positive gains were achieved in 2010 the likelihood of achieving Target 2 is reducing.

Objectives within the Target

Annual reports (if required by legislation) submitted for tabling

Results against Indicators

✓ LCC produced an annual report for 2009
 ✓ OAG Annual Report for 2009 not required but submitted to Parliament

Number and Type of reports/inquiries produced by the institutions on an annual basis	<ul style="list-style-type: none"> ✓ LCC – 2009 Annual Report Produced. ✓ OAG – all statutorily required reports for 2010 have been completed ✓ OO –No completed reports
Draft legislation relating to each institution’s operation finalised	<ul style="list-style-type: none"> ✗ Draft legislative amendments for all three institutions have been finalised by the institutions; but awaiting either clearing by the Attorney General or discussion in Parliament when tabled.
Increase in public engagement	<ul style="list-style-type: none"> ✓ Four accountability awareness workshops held. ✓ 16 media releases issued.
Level of required personnel have increased capabilities in core competencies.	<ul style="list-style-type: none"> ✓ LCC: establishment 11, actual 8, required 11 ✗ OAG: establishment 42, actual 23, required 32 ✓ OO: establishment 21, actual 16, required 21

✓ = some or good progress ✗ = little or no progress

Institutions of Integrity (Accountability)

The Office of the Auditor General (OAG) continues to be the strongest of the three agencies with audit reports completed for all SIG Ministries. For the first time a number of audits were also completed for a number of donor projects and the operations of Solomon Airlines – something which had previously always been contracted out to private sector organisations. A freeze on employment in the public sector and attrition in staffing numbers due to competition for staff by other SIG agencies and the private sector meant that while the OAG began the year with five staff with accounting qualifications they ended the year with only one remaining on staff. This loss of staff meant that a number of the capacity gains made over the last few years of the operation of the Accountability sub-program have been lost. Not one of the audit reports produced by the OAG was tabled in Parliament in 2010.

The Ombudsman’s Office (OO) undertook a number of own motion investigations in 2010. However, due to an inability to force compliance, a number of these investigations were held up as various Ministries and agencies failed to cooperate with the investigation. As a result no investigations were completed in 2010 although a number are in final draft stage. However, until target Ministries and agencies sign-off on these drafts they too will not progress through the system.

A key achievement in 2010 for the Leadership Code Commission (LCC) was the sending out of close to 600 letters to leaders who had not completed their statutory obligations to report their pecuniary interests. Of these leaders, approximately 400 fines were handed down and about \$25,000 worth of these fines were recovered. Another achievement was continuing assistance in investigative training in 2010 for LCC staff. However, a long delay in between the expiry of the previous Commissioner’s contracts (May 2010) and the appointment of new Commissioners (November 2010) meant that only a limited number of cases were actually brought before the Commission. As a result only five new cases were accepted for investigation and no investigations were actually concluded in 2010. The issue at hand is that while internal capacity of the LCC continues to be built through training – an inability for the Commission to even convene a meeting means that this internal capacity is not able to be used in an effective manner. An *Investigations Manual* began to be drafted in late 2010 in an effort to help maintain institutional memory within the Commission.

A number of successful outreach programs for all three Accountability agencies were undertaken with MoG support in 2010. These programs helped raise the awareness of the role that these accountability agencies play in the operation of government in Solomon Islands. The Office of

the Ombudsman received a number of new claims of maladministration as a direct result of these programs.

Despite the ongoing strengthening of these agencies certain structural issues inhibit their ability to operate at maximal effectiveness. Overall the ability of these three agencies to operate at peak effectiveness is limited by the uptake of their reporting and advice by other agencies of SIG, most particularly Parliament. All three agencies have new legislation either ready to be tabled in Parliament or awaiting final sign-off. This new legislation would help clarify the powers and independence of these agencies. However, even with this legislation in place there is a need for other government agencies to play their part in the process. Without their cooperation the ability of these accountability agencies to operate beyond their current level of effectiveness is limited.

Target 3: Effective national parliamentary representation.

Progress continued to be made against the achievement of Target 3. While a range of activities were completed it is difficult to understand when Target 3 will be achieved without a clear understanding of what actually constitutes effective national parliamentary representation. While Parliament was elected without major incident and a new government formed, Parliament did not sit for the majority of the year which held up the operation of many processes of government.

Objectives within the Target	Selected Results against Indicators
Electoral Commission achieves 80% of its 2013 Corporate Plan	x No corporate plan yet developed.
70% of independent national election observer assessments are free and fair	√ 2010 election declared free and fair by 100% of international observers
Procedural advice to the Speaker and Clerk	<ul style="list-style-type: none"> √ Daily procedural advice provided for every single sitting. √ Precedent set for procedural advice before oath taking by new MPs. √ Procedural advice provided to Speaker on composition of Special Select Committee and withdrawal of Bill before Bills and Legislative Committee. √ Legal brief provided to Clerk concerning the effect of dissolution of Parliament on Bill awaiting assent.
Projects developed and managed	√ 12 projects developed and managed by National Parliament Office
Parliamentary Committee meetings conducted and Committee reports tabled	<ul style="list-style-type: none"> √ Committee Meetings - 18 √ Committee Reports tabled - 9
Increased community awareness of MP's roles and percentage of female and male MP's participating in parliamentary education activities.	<ul style="list-style-type: none"> √ RAMSI People's Survey 2010 found; <ul style="list-style-type: none"> • 40.6% have trust and confidence in their MP; 31.8% do not have trust and confidence in their MP • 27.5% MP has visited community √ 279 public servants attended IPAM training √ 90% of all MPs attended Parliament Office MPs Induction Program
<p>√ = some or good progress x = little or no progress</p>	

Electoral Systems Strengthening Program

A major achievement in 2010 was the national election being declared 'free and fair' by 100% of the electoral observers. Where issues were noted in the running of the election, these were identified as being associated with the actual suitability of the electoral system itself to the Solomon

Islands cultural and political context as opposed to the inability of the Solomon Islands Electoral Commission (SIEC) to properly administer the system. In addition all funds received by SIEC for the running of the election were successfully acquitted.

Apart from the successful operation of the election other achievements within SIEC were limited in 2010. A few minor legislative amendments were made to the *Solomon Islands Electoral Act* although the impact of even these reforms was limited as the draft legislation was amended significantly during its passage through Parliament.

Parliamentary Strengthening Program (PSP)

Operating without a project manager for the entirety of 2010, the key achievement for this sub-program was the ability of existing SIG staff to not only maintain the status quo but also undertake a range of new initiatives. This achievement clearly demonstrates the capacity of NPO staff to support the functioning of Parliament without external support.

Another of the key achievements of the PSP was the creation and roll-out of a new three-day Induction Program. Attended by over 90% of Parliamentarians the program was run entirely by local staff with no external contractors or advisors brought in to assist. 2010 also marked the first time in which all Parliamentarians declared their pecuniary interests (separate from the register of interests required by the LCC). PSP continued to provide procedural advice in the operation of the committee system within Parliament. However, the limited sitting time of Parliament in 2010 meant that very few committees actually sat during the year.

The staff of the National Parliament Office (NPO) continued to provide procedural advice to the Speaker of Parliament. A number of key ‘on-the-spot’ initiatives including the provision of advice on how Parliament could sit into the night help demonstrate the deepening knowledge of NPO staff of Parliamentary procedure. A number of infrastructure projects were also brought online in 2010 – including fencing of Parliament’s perimeter and committed contracting for servicing of air-conditioning and plumbing within the Parliamentary precinct – which combined should help the operation of Parliament when sitting.

Target 4: Women’s participation and representation in government strengthened, including through increasing the percentage of women at levels within the public service and reducing the barriers to women’s elections.

While absolute numbers of women standing for representative office in 2010 was less than in 2006 the Post-Election Diagnostic (2010) claimed that they were better prepared than in 2006. While a number of reforms were made in 2010 which contribute towards the achievement of Target 4 its long term success is dependent on the take up of these reforms by both SIG agencies and the people of the Solomon Islands.

Objectives within the Target	Results against Indicators
Implementation of Gender Equality and Women’s Development Policy	✓ Solomon Islands Gender Equality and Women’s Development Policy (GEWD) launched with technical and funding support from MOG.
Women standing and increasing percentage of votes at national and provincial elections	✓ 25 women stood in 2010 National Elections (26 in 2006 Elections). x 2.7% of Votes in National Election in 2010 (3.7% in 2006).
Number of women in Public Service senior, middle management and graduate positions.	✓ 22% - 5 PS out of 23 (SS3/SS4), 23% - 177 out of 777 Senior (L9-SS3) 44% - 1508 out of 3416 Junior (L1-L8)

% of SIG agencies collecting sex-disaggregated data ✓ 50% - 6 out of the 12 SIG agencies

% of RAMSI programs/SIG partner agencies with jointly agreed gender outcomes ✓ 50% - 6 of the 12 programs/projects

✓ = some or good progress ✗ = little or no progress

Women in Government (WIG)

The WIG sub-program had a number of positive achievements in 2010. The majority of work in this sub-program has focused on providing broader links across both SIG and members of the donor community in promoting gender awareness across government. Achievements along this line include ongoing support to the Women in shared Decision-Making (WISDM) Working Group. As part of this ongoing support WISDM ran a number of programs to help support women running for office in the 2010 elections – at both a Provincial and National level. While no women were elected to national Parliament the number of women sitting in Provincial legislatures increased from two to five as a result of the election including the appointment of the first-ever female Deputy Premier. The Women Leadership Mentoring Program (WLMP) continued to be rolled out and work has begun to transfer this program through to IPAM as part of a broader suite of public sector training available to SIG employees.

RAMSI, as one of a group of donors, provided support to the creation and roll-out of SIG’s new policy on Gender Equality and Women’s Development. It should be noted that while RAMSI was a key funder in this project without funding from other donors the new policy would not have been able to have been launched. This new policy provides a deeper structural framework for engaging SIG agencies on questions of gender beyond focusing on just increasing numbers of women in the public service and leadership positions. While the policy, with support from WIG, has been taken up across SIG its ability to influence long-term change will depend on the new gender specific lens that it has introduced being utilised by public servants working within those other agencies.

Summary across all MoG sub programs

While progress was made in a number of aspects of the Machinery of Government’s (MoG) sub-programs, these achievements are generally all concerned with individual aspects of the operation of the agencies that are participating in these sub-programs.

The problem is that the sub-programs to date have worked to strengthen the aspects of central government responsible for the operation of a more effective public service (eg human resource management) and government in general. Unfortunately this by itself cannot ensure that line agencies can effectively deliver services or that Parliament responds when required to implement directives for improvement. No strengthening has occurred of the government systems that are connected to these core functions.

Until more work is completed linking up the reform within these various sub-programs to broader governmental change – including both a clear link to line agencies and service delivery and direct operational support of these reforms by Parliament – then the overall impact of these sub-programs is limited.

Cross-cutting Issues in Machinery of Government

Capacity development continues to be a major issue across MoG. While numbers of TA have only just begun to be reduced the impact of the loss of trained SIG staff has begun to significantly affect the operation of the agencies such as the Office of the Auditor General and others. An inability to retain staff trained through MoG sub-programs means that capacity developed within SIG agencies is very easily lost – and was lost in 2010 across a range of SIG agencies that MoG works with.

Gender Equality - while a section on gender statistics is included in the WIG section and it does extend across other aspects of MoG it is a very passive activity. Apart from collecting this data none of the reporting – except through the actions of the WIG program – explicitly describes or analyses how gender issues are taken into considerations in the parts of MoG.

Anti-Corruption - there is no explicit link to anti-corruption activities in the indicators or reporting provided for MoG. Some impact on corrupt behaviour can be inferred to have been made through the disciplining of public servants which occurred in the wake of the launch of the new Code of Conduct – but no concrete conclusions can be drawn. The effective operation of the country's Accountability agencies impact on anti-corruption but there is no reporting provided to verify this and there is no current action being taken by either SIG agencies or by Parliament to act on issues raised by these agencies.

Issues that cut across all pillars

Capacity Development

Capacity development is central to the Partnership Framework. At this stage, as RAMSI begins to transition, it is the overriding focus because drawdown of RAMSI resources depends on having developed the capacity to sustain those key elements of stabilisation that RAMSI has been able to provide.

In 2010 two new tools were applied – the Technical Assistance Protocol and the Joint Assessment of Organisational Independence – across all pillars except the PPF, which was exempted. As shown in the table below, more than half of TA were identified and mobilised in accordance with the jointly agreed Protocol and the remainder were on track to do so.

Indicator	Law and Justice	Economic Governance	Machinery of Government
% TA identified and mobilised in accordance with jointly agreed TA Protocol (by pillar)	<i>Justice</i> 55% fully implemented 45% partially <i>Corrections</i> 94% fully implemented 6% partially <i>PPF</i> Exempt	64% fully implemented 36% partially	55% fully implemented 45% partially
Joint assessment by SIG/RAMSI of Organisational Independence (by Ministry/Agency)	<i>Justice</i> 0%D, 28%G, 43%A, 29%I* <i>Corrections</i> 4%D, 20%G, 56%A, 20%I <i>RSIPF</i> 14%D, 43%G, 43%A, 0%I	0%D, 11%G, 61%A, 27%I	0%D, 85%G, 15%A, 0%I*
Key: D=Dependent; G=Guided; A=Assisted; I=Independent (using the Staged Capacity Development Model)			
* These figures are averages across seven agencies for Justice and several agencies for MOG			

The Joint Assessment of Organisational Independence aims to show the extent to which SIG staff are dependent on, guided by, assisted by, or independent of advisers. An impressive 88% of MoFT staff are either independent of Advisers or require only assistance to perform their roles effectively and within Corrections 76% achieve this rating. Although the reasons for this achievement cannot be definitively attributed, Economic Governance and Corrections have consistently demonstrated their commitment to capacity development and have made considerable efforts to report on it.

The process of developing the tools and the practice of reporting on them have served to highlight those areas where there are fundamental barriers to progress which cannot be addressed by a predominantly TA-led approach to capacity development. Across the entire Solomon Islands public service one of the main reasons for low capacity and capability is difficulties in recruitment and retention, especially in middle management levels. In part this is because there are no people with appropriate qualifications and skills, or such people do not wish to work for government, and in part it is due to the freeze on establishment.

Not surprisingly, capacity development strategies appear to have been most successful where the required establishment positions are filled. In RSIPF, CSSI and MoFT, the strategies adopted have been tailored to the needs of the agency and ministry and it has been possible to train enough staff with enough potential in the specific knowledge and skills of the job. In the Justice sector, where up to 70% of senior legal positions are vacant, capacity development using the TA model has not, and could not have worked. Where there are too few staff in post, capacity development can be an added burden, rather than a support, for the few who are already under pressure.

In terms of retention, without strategies to retain those recruited, investment in individual capacity development can be wasted if they leave for the private sector or donors. There is evidence that significant and appropriate expertise can be found among Solomon Islanders but there has been unwillingness to pay the enhanced salaries needed to recruit them because of concern about distorting existing public service terms and conditions. Where the use of national expertise has been successful it has been in operational roles or as young professionals rather than advisers.

Compounding the shortage of people is inadequate funding for day to day operations. This is an issue across the pillars but is particularly noticeable where RAMSI is providing essential daily logistical support such as basic mobility for RSIPF or Customs. In the Assessment of Organisational Independence, the categorisation of staff or functions as 'Guided' can be a reflection of the lack of operational resources rather than the need for advisory support.

To some extent RAMSI has also contributed to a state deficit in capacity development. Where advisers are instrumental in delivering work (even when they are supposedly in capacity development roles), and where gains would not have been possible without them, expectations have been greatly increased. As adviser numbers reduce further, standards may fall in some areas, and this deficit is likely to become more obvious.

Advancing Gender Equality

One of the most positive aspects of the Partnership Framework was the inclusion of gender equality as a cross-cutting issue. This provided the necessary mandate for RAMSI to appoint a Gender Adviser in late 2009 which brought specialist expertise across all pillars. This was important because many staff, in both SIG and RAMSI, acknowledged that their understanding of how to apply principles of gender equality was limited.

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A significant achievement during 2010 was the completion of a Gender Stocktake which, for the first time, provided an overview of what was happening in gender across the pillars. One of the main findings was that, although there were targets in the Partnership Framework, they were not underpinned by an overarching concept of what needed to be achieved in gender and why.

The targets themselves are limited to increasing the capacity of SIG agencies to collect sex disaggregated data for Human Resource planning and to agreeing relevant gender outcomes consistent with SIG policy. During the Stocktake process it emerged that many staff in both RAMSI and SIG were unaware of the incorporation of gender equality within the Partnership Framework and felt that they lacked the skill to assess and integrate gender as a cross-cutting issue.

Previous reporting on gender, like anti-corruption, has been difficult because it has generally been implemented as specific components of programs – such as the Women in Government component of the Machinery of Government pillar, or the development of women managers in the RSIPF and CSSI - rather than mainstreamed across all pillars and components. In 2010, reporting against the two targets shows that collection of sex disaggregated data varies widely. None of the pillars had progressed as far as joint agreement on the desired gender outcomes.

The Stocktake assessed RAMSI programs against the five Policy Outcome Areas of the new SIG Gender Equality and Women's Development Policy (GEWD) which was approved in March 2010. Overall, 63% of RAMSI activities were in alignment with the policy although most of the work of RAMSI is concentrated in Outcome Area 3: equal participation of women in decision making and leadership. The PPF/RSIPF also had well thought out activities in Area 4: elimination of violence against women.

Anti-Corruption

During 2010 a Stocktake was undertaken which identified all the anti-corruption activities taking place under the Partnership Framework. There were six in Law and Justice, nine in Machinery of Government, seven in Economic Governance and two in RSIPF/PPF.

Target 2 relates to the establishment of a permanent Anti-corruption Task Force. This happened in 2009, co-chaired by the then Special Secretary to the Prime Minister and Auditor General, and a series of workshops were held. The final workshop, scheduled for 2010 did not take place, mainly because key players were involved in the election process. Since the election of the Government in August 2010, there has been considerable political instability which has affected the Office of the Prime Minister from where anti-corruption efforts are led. No attempt was made by SIG in the later part of 2010 to reconstitute a new Task Force and, in its absence, no progress at leadership level was made.

A further challenge for RAMSI is that the indicators in the Partnership Framework are measures of the degree of corruption in the country. Whilst these are important indicators for SIG, some being based in international indices, they are not an appropriate reflection of RAMSI's input as they do not align with the targets. There is also insufficient information flow between the agencies involved in anti-corruption work across RAMSI pillars, especially between the accountability agencies supported under Machinery of Government and those supported under Law and Justice. This reduces effectiveness.

Although progress has been made at the bureaucratic level in terms of systems and processes, the lack of progress on anti-corruption at the political level is now a major limitation to the

stabilising effect of RAMSI. One of the key elements of RAMSI's mandate is to stabilise government finances and fight corruption, which was a very important contributing factor to the tensions. Evidence in the People's Survey, from both ordinary people and public service participants, shows that misuse of power and corruption were considered to be widespread and increasing.

Conclusions

RAMSI has continued to build on the achievements of previous years. However, 2010 was an election year which, especially in the unstable post-election period from August onwards, resulted in a lower level of political commitment to the SIG/RAMSI Partnership Framework than in 2009. This has highlighted the limitations of RAMSI support, which are essentially technical in nature. What is now required is political debate and action to realise the potential gains. In particular, there are now diminishing returns in the sub programs of the Machinery of Government pillar.

As a result of RAMSI support there are now various systems in place. The extent to which these systems can realise sustainable benefits depends on several factors:

- **Some systems require political commitment and action.**
 - The various audit reports which were prepared in 2009, which were an achievement of that year, have still not been debated in Parliament or acted upon. In addition, their production relied heavily on the presence of advisers. Whilst some capacity was built in staff of the Office of the Auditor General, those people have mainly left government service leaving little or no current capacity to produce accurate audit reports.
 - The new payroll information and accounting systems can only result in savings if they are appropriately utilised. This requires commitment to overcome some perverse incentives.
- **Some systems are technical solutions to problems which are political or cultural.**
 - The Voluntary Early Retirement Scheme of the RSIPF was designed in part to encourage retirement of officers who were complicit in the tensions but this is insufficient incentive where such officers enjoy high level political support.
 - A high profile legal case in 2010 compounded a perception that there is political interference in the legal processes.
 - In the running of the election, issues identified as problematic related to suitability of the electoral system to the Solomon Islands cultural and political context as opposed to the inability of the Solomon Islands Electoral Commission (SIEC) to properly administer the system.
- **Some systems require reform across the whole SIG to realise their potential.**
 - Human resource and financial systems in the police and prison services, which have introduced, speeded up or professionalised some processes, have reached the limits of what they can achieve until they are linked to broader reform across SIG.
 - Most of the sub programs in the Machinery of Government pillar are now held back in the absence of a clear link to line agencies and service delivery.
 - Without reform of the highly centralised financial systems and long outdated General Orders progress will continue to be paralytically slow and limit, rather than support, capacity development.

- **Some systems require deeper discussion about appropriateness and sustainability**
 - The model in use for the RSIPF and the formal system of justice are not sustainable. Even if the financial resources available to the RSIPF were increased, and even if the Community Officer Scheme is extended, it is highly unlikely that the current standard of policing can be achieved in the face of the formidable geography and culture of Solomon Islands.
 - In the justice system, several years of experience show that recruitment and retention against such a large number of vacancies is impossible. In both cases, and in other service delivery departments, staff cannot be attracted to remote areas because of the lack of housing and other services.

The Partnership Framework was intended to be a living document. Achieving this, in a bureaucratic system, is not easy but there is evidence that some pillars or components have worked hard to make the framework work for them. This is most noticeable in the autonomous initiative by SIG to establish the Justice Sector Consultative Committee with the express purpose of taking ownership of the benefits to be gained from RAMSI. As priorities, conditions and developments change the targets of the Partnership Framework are therefore benefiting from adjustment to ensure that they remain relevant.

Sustainability and Transition

RAMSI is now moving explicitly into a period of transition. Whilst much has been achieved since 2003, RAMSI was primarily a stabilisation mission with a mandate which was never intended to be permanent. Although many people fear a return to violence without the policing element of RAMSI, there have also been consistent voices arguing for withdrawal. The Prime Minister made it clear to the Team that Solomon Islanders need space to 'stand on their own feet'. A mechanism was therefore set in place, at the end of 2010, within the context of the Partnership Framework, to consider the many and complex issues involved in the drawdown of resources.

A focus of much attention is the question of the sustainability of the gains achieved under RAMSI. From the perspective of the Team, the following observations are offered, based on the findings of 2009 and 2010:

The Strengths and Limitations of Capacity Development

Many SIG staff now have increased capacity and there are several systems in place which either already demonstrate benefits or have the potential to do so. Whether staff are retained and whether the systems are fully utilised is clearly the responsibility of SIG rather than RAMSI.

The use of technical advisers as a methodology of capacity development is globally acknowledged to have major limitations in its effectiveness. In RAMSI, the very large numbers of advisers have helped to obscure critical and chronic problems of recruitment and retention and have simultaneously built expectations of what can be achieved. With the resources available to SIG at present, it is inevitable that standards will fall in some respects and that there will be, again, a capacity deficit. An issue for transition is whether a fall in standards still remains within the category of 'good enough' or whether the objective of stabilisation will be seriously compromised.

The effectiveness of Advisers, as the dominant capacity development methodology, is also compromised by very complex accountabilities. Whilst there is responsiveness to SIG, the accountability of some advisers is to home government departments, especially Canberra.

Fragility

It is only seven years since parts of Solomon Islands were immersed in conflict and the Government had lost legitimacy. Although RAMSI has succeeded in reducing and suppressing the *manifestation* of conflict – violence – it has not, and perhaps could not have, succeeded in removing the *causes* of conflict. The causes of conflict are complex but broadly reflect: longstanding issues of land ownership and use; the clash between traditional and non-traditional governance structures; and the unequal distribution of economic benefits. RAMSI has largely engaged with the formal institutions of governance and, in line with its mandate, has not engaged substantively in those areas that were the main drivers of conflict.

All states develop organically through a process of contestation and conflict is often necessary to achieve change which improves the lives of citizens. In Solomon Islands, since the underlying issues that fuelled the tensions have not yet been resolved, it is likely that violence will re-surface at some stage. If that happens, the RSIPF will be at the forefront of efforts to control it. Whilst RSIPF has grown considerably as a professional police service, the challenge of rebuilding from the totally fractured and compromised base of 2003, and the fragility of the gains at this early stage, should not be underestimated.

The gains under RAMSI that appear to be most fragile are those where the underlying model may be unsuitable for Solomon Islands. RAMSI essentially aimed to support and stabilise the formal governance mechanism that was already in existence at the time of the conflict. But the models underpinning the RSIPF, the system of justice, and the electoral system exist in parallel to traditional and informal structures of governance which are still valued or preferred by many citizens. RAMSI's drawdown will certainly compromise some of the standards that have been set but may also provide the necessary space for these models to be reviewed by Solomon Islanders themselves.

The Role of Development Partners

Many of the activities that RAMSI remains involved in seek to address challenges that require capacity development over the long term. RAMSI, due to its limited mandate, is not an appropriate mechanism to address many of these issues.

However, there are other actors – the World Bank, European Union, UN agencies, and Australian bilateral aid – which are better placed to be the development partners for the long term. There is already a degree of interdependency between RAMSI and these partners which is not always recognised, such as in the Core Economic Working Group which is already the mechanism for structuring dialogue with SIG. Drawing these partners formally into the transition discussions is likely to result in increased sustainability.