INITIATING RECOVERY PROJECTS

A guideline for Ministries leading projects under the National Recovery and Economic Strengthening Program

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Contents

A.   Context

1. Purpose of this guidance

To provide Ministries with guidance on:
- general project management requirements for projects under the Recovery and Economic Strengthening Program;
- the key steps in the process for initiating projects;
- filling out a project proposal form; and
- avenues for further assistance.

2. Project management in the context of the Recovery and Economic Strengthening Program

The Program comprises a coordinated set of projects, directed towards achieving the program's objectives.

Projects are activities which have:
- A timeframe;
- A budget;
- Produce goods and services.

To succeed, projects need to be managed differently from the usual business activities of Ministries.

Accordingly, Ministries undertaking projects as part of the Program are expected to manage them using project management techniques and practices. In view of the considerable differences in the activities which will be undertaken as part of the program, DSPPAC will not specify detailed project management requirements in the main, however it expects that they will be appropriate to the size, complexity and criticality of projects.

At a general level, Ministries are expected to:

- Identify the activities in the Program Plan they are responsible for and initiate projects related to them;
- Develop and maintain project plans;
- Implement project management arrangements, including the appointment of a project manager;
- Monitor and evaluate projects to ensure they stay on track and deliver the expected benefits;
- Meet all Recovery Program Committee requirements regarding the submission of project proposals, progress reporting and any other matters identified.

The Recovery Program Project Proposal form is designed to support Ministries address the key issues for project management and to develop the key elements of a project management plan.

B.   Steps in initiating Recovery Program Projects

Ministries are required to obtain the approval of the Recovery Program Committee for any activity undertaken as part of the program. This approval is required for any planned activity that relates to a key action or key actions in the Program Plan, and is:

- A new activity; or
- An existing activity that will change materially in scope and/or in the kind or quantity or outputs produced.

To obtain approval, Ministries must complete and submit Project Proposals. Outside of this requirement, the specific process they go through to initiate projects is their responsibility. Here some general guidance is offered.

1. Identify responsibilities for key actions under the Program Plan

The Director-General or designated subordinate should review the Program Plan and identify the key actions for which the Ministry has been identified as the lead Ministry.

2. Establish arrangements to coordinate project initiation

The Ministry should appoint a lead officer for managing initiation of projects. This officer may become a project manager but at the initiation stage will be responsible for coordinating the development of project proposals.

3. Stakeholder consultation

It is vital to consult stakeholders up front in order to design projects effectively. Depending on the project, stakeholders will include:

- Other ministries involved in delivering projects, or for whom projects will be managed;
- Community representatives;
- Civic and non-government organisations;
- Provincial and municipal governments;
- Potential implementation partners;
- The Central Tenders Board, which has the responsibility of approving all procurement methodologies; and
- Potential funding partners.

Please note that Ministries are required to establish a consultative forum which allows partners to engage in the process for developing project proposals in which they have a stake (as funder or implementer). The shape of that forum, whether a simple donor

meeting, a workshop, a series of meetings or a joint planning exercise, ought to be consistent with the scale and complexity of the activities being considered.

5. Design the project

The process of project design will vary considerably in length, detail and complexity. In some cases, for example large infrastructure projects, the design phase may be of such a large size and broad scope that it requires a separate project proposal.

6. Complete the Project Proposal form

The project proposal form is designed to provide the information required by the Recovery Program Committee to assess the merits of a proposed project. It is up to Ministries to make a determination of the extent of analysis needed to complete it. It is expected that the level of detail provided will be commensurate with the scale, complexity and criticality of the proposed project.

Note that the relevant Director and the Director-General are required to sign off on project proposals, and that they will then be reviewed by DSPPAC policy analysts before being considered by the Recovery Program Committee.

7. Initiate the project

Once project approval is received, Ministries need to take steps to start the project. These include:
- Convening steering and other project committees;
- Appointing the project manager and team;
- Contacting DoFT to arrange delegations for access to the program budget;
- Contacting the Central Tenders Board to initiate procurement actions.

C. Completing the project proposal form

This section provides guidance on completing the sections of the Project Proposal form

1. OVERVIEW

Relationship to the Program Plan

The recovery plan specifies objectives, strategies and priority actions, and assigns the priority actions to lead ministries. Write down the priority action which the proposed project is picking up.

Note that the priority actions have been established to guide the specification of projects. DO NOT combine priority actions for convenience, submit separate proposals for each one. If you consider there is a need to specify projects differently please contact the Recovery Program Committee office (contact details in Part D).

Expected benefits

The Proposal Form includes a section (Section 4) on project benefits. Use the information provided in this section to summarise who will benefit, where and how. In the Recovery Program context the location of benefits is critical so be sure to be specific on this point.

Outputs

Outputs are the capital assets, services or goods that will be developed or distributed through the project. In this section specify what will be produced, how much, where and at what quality. The description of outputs should be sufficient for an assessment to be made on whether they are sufficient and suitable to meet program objectives, so that synergies can be identified (e.g. opportunities for logistics management) and also to support value for money and accountability objectives.

Again, it is critical that you specify where outputs will be delivered, usually by island. In doing so, ensure you detail differences in outputs to demonstrate that different needs are being taken into account (for example, if there is a seed distribution different varieties may be needed in each place).

Cost

The Proposal Form includes sections (Sections 5 and 6) on funding and budget. Use the information provided in these sections to summarise here the overall cost and sources of funding.

Timeframe

Specify the length and end date of the project. Using the information provided in Section 3, include a table of milestones.

Priority

The priority of the project will be assessed by the Recovery Program Committee. Describe the contribution the project will make to achievement of the program objectives, and how important it is to the communities and groups being supported. Also describe how urgent the project is, does it need to happen now?

Project dependencies

Describe any links to other recovery program projects, using the following questions as a guide.

- What other activities depend on the completion of this one?
- What other activities must be completed before this one can commence?

- Are there logistical or other efficiencies which can be achieved by operating together with other projects?
- What other outputs need to be delivered to achieve the projected benefits?

2. MANAGEMENT AND STAFFING

Management arrangements will vary from project to project, and should be appropriate for the size, complexity and criticality of the project. The headings provided are indicative, not all will be required for each project. Also, some projects may have other aspects of management not covered and these should be added in.

At a minimum, all proposals need to specify the project manager and team, and consultants.

Steering Committee

A high level, consultative committee. Looks periodically at the project's progress, and ensure that it remains aligned with program plan and is meeting its objectives, and delivering benefits. Also needs to be able to flag issues to the Recovery Program Committee, and make recommendations regarding the project to it.

Project Committee

A working level committee that monitors and reviews progress, and takes actions to ensure the project remains on budget, on time and delivers its specified outputs.

Project Manager

The project manager is the person responsible day to day for ensuring the project is being managed to deliver the required outputs on time and within budget. Also leads the project team.

Project Team

The people actually doing the work, who may be government officials or from other organisations. Depending on the size of the project, identify individuals or supervisors and numbers of subordinates.

Consultants/Technical Advisers (attach ToR for all TA)

There are two kinds, people engaged to support project management, and people who support the project. Provide details of both.

3. PROJECT SCHEDULE

Provide information on activities which will be undertaken and of milestones.

Activities are the pieces of work that will be done, they are not outputs but produce outputs. The definition needs to be sufficient to understand the scope and kind of work being done. For large and complex projects it is appropriate to also attach project specific scheduling information and charts (e.g. Gantt charts and critical path analysis). Include activities that directly produce outputs, and also supporting activities like procurement exercises.

Milestones can be delivery of outputs, also significant stages in completion of work. For example, milestones for building might include completion of design, groundbreaking, structural completion, full practical completion, and occupancy.

Activities and milestones should be sequenced.

4. PROJECT BENEFITS PLAN

A benefit is any positive impact from the project for the community or group being supported. They are more specific than outcomes. For example, rebuilding a school might at the high level enable children to go to school, but is the benefit that they commence class or can shift to permanent premises? For a seeds program, is it to supplement or provide a food growing capacity? And so on.

(Make sure indicators are defined and that the cost of M&E is included in the budget. Indicators should be SMART (Specific, Measurable, Achievable, Relevant and Time-bound).

It is critical to reflect location in indicators.

Baseline means the current level of performance service, and in the recovery context it is appropriate to refer to damage or what is to be restored, for example, could say x facilities severely damaged or x thousand require support.

5. PROJECT FUNDING

This section should be straightforward, ask for help from DoFT if there are issues.

6. PROJECT BUDGET AND CASHFLOW

Again straightforward, get the chart of accounts from DoFT and seek their help if any issues.

Note that donor, lender and government funding for all projects will be managed through Smartstream. Even if agreements are made to use funds not to held in GoV accounts (e.g. some funding from civic and non-government organisations) these funds will be recorded in Smartstream.

Note that the budget submitted will be uploaded to Smartstream if the project is approved.

Must make sure that the budget and cashflow agrees with the funding from Donors, Government and Loans, and Other as specified in Section 5.

If an implementing partner(s) is going to be used, the Smartstream budget may only include the periodic payments made to the partner. In this case you are required to provide a detailed budget for the partner in the required form.

7. PROJECT RISK ASSESSMENT

Describe the risks to the successful implementation of the project and identify measures that can be taken to minimise each risk.

- A risk is a possible event that, if it occurs, will have negative consequences for the project.
- Likelihood means how probable it is that a risk will occur.
- Consequence, is the negative result of a risk occurring.

Assessments need to be appropriate to the project's size, complexity and criticality. The key is for the assessment to be systematic, comprehensive and appropriate for the project. It is important to develop categories of risk to structure the assessment. For example, risks to budget, timeframe, outputs and management.

The Form allows for appending the risk management plan for more complex projects.

8. DONOR SUPPORT

In marking the 'Yes' box on line 1, you are confirming that appropriate discussions with donors, have taken place, including through sector consultative forums.

Note that in relation to line 5, funding could be through an existing facility, or the donor may indicate that this is an appropriate activity for utilisation of specific funding recovery. You need to be specific about the source and donors or DSPPAC can provide details. Examples of specific sources include 'GoA DFA for recovery program', 'WB CRW infrastructure funding'.

Please note that agreement of a donor does not necessarily indicate the project will go ahead. There will be competing claims for funding and prioritisation will need to be undertaken.

9. OTHER INFORMATION

Provide summaries in this section and attach documentation as appropriate.

Future Maintenance Requirement

Specifically future government recurrent cost implications. Projects will have ongoing operational implications, and need to specify what they are, for example road maintenance, building maintenance. Also specify the amount provided for currently in the operational budget.

Monitoring and Evaluation Plan

The committee will require monthly progress updates on Sections 3, 4 and 6 of this report, proposals should note compliance with this requirement and include additional measures should these be planned.

Additional measures will be dependent upon the size, complexity and criticality of project, also interest of stakeholders

Make sure that additional measures are consistent with the project management arrangements. If have steering committee, for example, would expect to see reports to that body included here.

Project closure arrangements

Describe how closure of the project will be managed.

It is vital that projects be brought to a close in an organised way.

At a minimum:
- Specify that there will be a closure report to the recovery program committee, indicating achievements etc.
- Ensure that project financing is fully accounted for and acquitted, and any remaining funds transferred back to DSPPAC.
- Address repatriation of equipment, staff etc.
- Explain how all donor requirements will be met (including what DSPPAC is required to do with remaining funds).
- Address handover, transfer of assets and ongoing responsibilities to GoV units.

Note that the timeframe for projects is limited to two years, and from that point any ongoing activities will need to be rolled into the ongoing work program of ministries. It is expected, however, that all projects will be framed so that they can be completed within the two tear time horizon of the Program.

Technical feasibility

Explain the technical feasibility of the project after project funding.

Really a section for projects with significant technical implications, and can be used to indicate consideration of options and why the selected solution is considered the optimal one.

Financial viability

Explain how the project will be financially viable after project funding

Project sustainability

Explain how the project will be sustained after project funding. Indicate what kind of work will be done. For example, what kind of maintenance, how often, ensuring that provision made for repairs and more major rehabilitation.

Detailed plans/locality maps

Where constructions are involved, Provide designs and locality plans.

Assessment of any benefit in the project to women and vulnerable groups:

Specify any benefits of the project to women and vulnerable groups.

This relates to the recovery strategy of supporting vulnerable people. While there will be specific actions, it is important to note that all projects can potentially contribute and this section provides for an articulation of that contribution.

Social Impact Assessment

Summarise, and provide any formal assessments.

Environmental Impact Assessment

Summarise and append to the document. If not provided, indicate reason not provided. Also indicate that the EIA (or omission of one) is compliant with relevant law and regulations. To speed up the process of initiation, Ministries may indicate that an EIA will be undertaken as part of the project start up, and include this as an activity in the project schedule.

4. Further information and assistance

Ministries may send any enquiries to the Recovery Program Committee mailbox, **TC PAM recovery coordination**. Links to key documents and information will be made available on the Government of Vanuatu website. Finally, DSPPAC policy analysts will be available to support ministries in their consultations with partners and preparation of bids.