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QUARTERLY PROGRAM PERFORMANCE REPORT

JANUARY – MARCH 2013

ASSESSMENT AND STRENGTHENING PROGRAM



03-04 Feb 2013: Finance Minister KP and officials from KP participate in the Consultation Workshop

April 30, 2013

ACRONYMS

AHAN	Aik Hunar Aik Nagar
AG	Accountant General
AGP	Auditor General of Pakistan
AGPR	Accountant General Pakistan Revenues
ASP	Assessment and Strengthening Program
C&W	Communications and Works
CB	Capacity Building
CGA	Controller General of Accounts
CSO	Civil Society Organization
EAD	Economic Affairs Division
ECNEC	Executive Committee of the National Economic Council
FCA	Foreign Currency Account
GoP	Government of Pakistan
HEC	Higher Education Commission
HR	Human Resource
HSA	Health Services Academy
IPAF	Institutional Performance Assessment Framework
IPR	Implementation and Procurement Reforms
IR	Intermediate Result
IT	Information Technology
JIMS	Jacobabad Institute of Medical Sciences
KP	Khyber Pakhtunkhwa
FM	Financial Management
LMS	Learning Management System
M&E	Monitoring and Evaluation
MD	Managing Director
MER	Monitoring, Evaluation and Research
MIS	Management Information System
MoF	Ministry of Finance
MSDP	Municipal Services Delivery Program
NPS	National Procurement Strategy
NRSP	National Rural Support Programme
NSPP	National School of Public Policy
P&D	Planning and Development
PaRRSA	Provincial Reconstruction, Rehabilitation and Settlement Authority

PC	Planning Commission
PFM	Public Financial Management
PIPS	Pakistan Institute for Parliamentary Services
PPP	Public-Private Partnership
PPRA	Public Procurement Regulatory Authority
PWD	Public Works Department
RMU	Reforms Management Unit
RSPN	Rural Support Programmes Network
SBEP	Sindh Basic Education Program
SMEDA	Small and Medium Enterprise Development Authority
STI	Secretariat Training Institute
SWOT	Strengths, Weaknesses, Opportunities and Threats
US	United States
USAID	United States Agency for International Development
WASC	WAPDA Administrative Staff College

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Executive Summary

During the reporting quarter (Jan - Mar2013) some significant milestones were achieved by USAID's Assessment and Strengthening Program (ASP-RSPN). An 'Advisory Group' for supporting the work of Federal and Provincial Public Procurement Authorities was notified by the government during the quarter. The Advisory Group comprises of representatives from the Public Procurement Regulatory Authorities (PPRAs) at the federal and provincial level, as well as Azad Jammu & Kashmir and Gilgit-Baltistan. Key donors working on public procurement issues were also given representation on the forum. The Advisory Group would help PPRAs in refining rules and regulations, creating synergies and in formulation of a National Procurement Strategy. This development constitutes an important signal of Government's ownership of ASP agenda and of recognizing ASP's role as a catalyst for key governance reforms in public sector.

In the inaugural meeting of the Advisory Group on Public Procurement ASP-RSPN shared the broad concept of a 'National Procurement Strategy (NPS)'. The meeting provided an excellent platform to senior public procurement representatives of the federal and provincial governments, donors, USAID and other members of the Advisory Group to interact with each other, exchange ideas and discuss options for strengthening the procurement system in the country. MD PPRA and USAID's Deputy Mission Director attended the session and contributed effectively in the discussions. The NPS is expected to be finalized during the forthcoming quarter. It will provide a much-needed platform for standardization and lesson-sharing.

A breakthrough achieved in this regard was the notification of Public Procurement Regulatory Authority in Khyber Pakhtunkhwa province. ASP-RSPN is supporting the government of Khyber Pakhtunkhwa in institutionalizing the provincial procurement system. ASP has been continuously coordinating with the provincial government on the issue and providing technical assistance to the Finance Department. Previously ASP-RSPN also pursued the approval process of KP-PPRA Act which was passed by the Provincial Assembly in October 2012. Currently, the Authority's policies, procedures and regulations are being developed in partnership with the Reforms Management Unit under the Finance Department of KP.

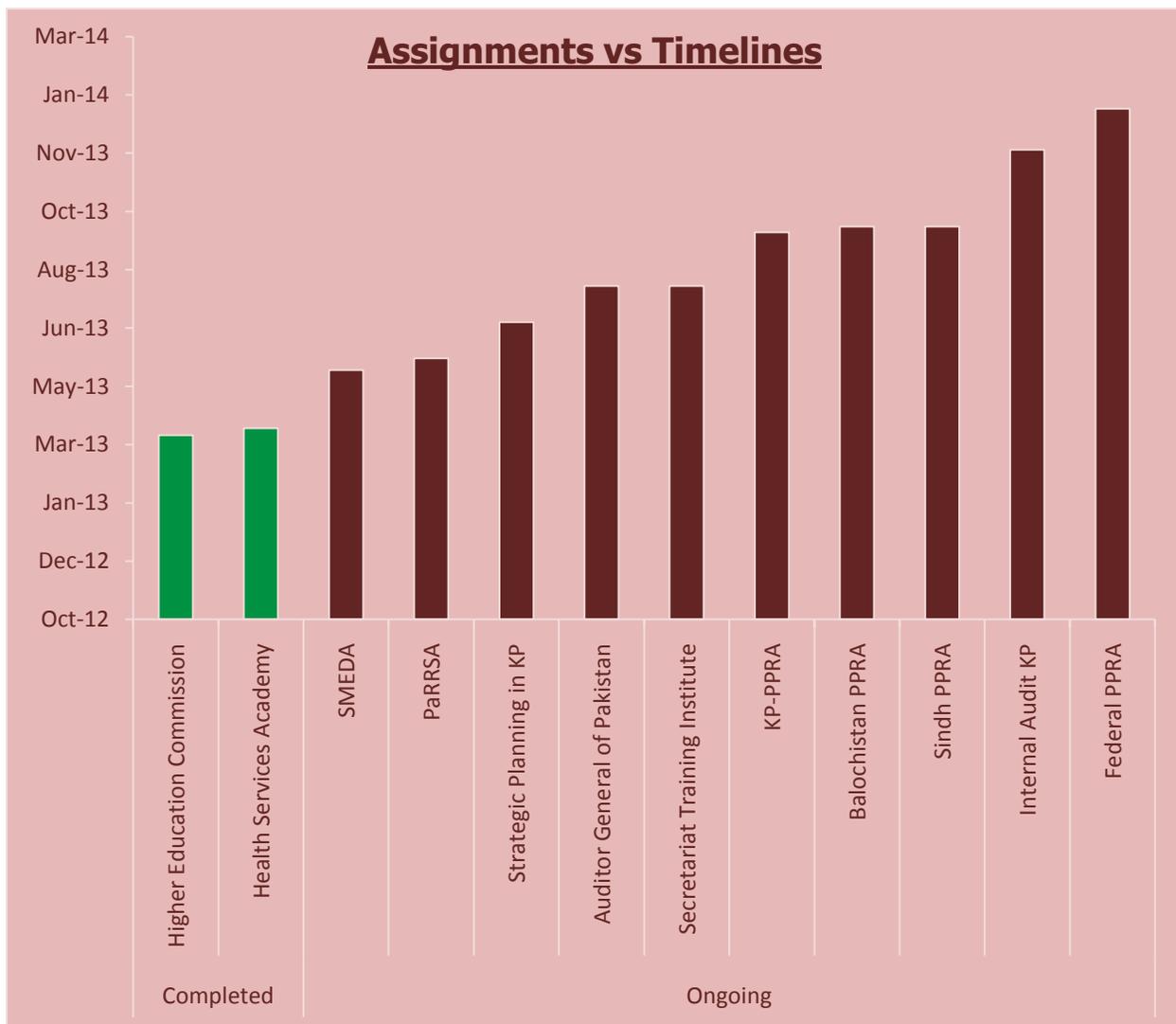
Progress has been made in the matter of reform based on the findings of ASP's research on Assignment Account. The Ministry of Finance is currently working on the revised procedures on Assignment Account with ASP-RSPN. Recommendations regarding an updated procedure have been shared with the Ministry of Finance for consideration. During the reporting period, the provincial AGs provided their comments on the proposed changes to CGA. These have been forwarded to the MoF. Government's willingness to give serious consideration to measures proposed by ASP-RSPN is a happy augury. Progress will continue to be pursued in this regard.

The Secretariat Training Institute (STI) provides mandatory training to important cadres involved in evidence-collecting for public policy and its implementation. It imparts both pre-service and in-service training. Reforming the operations of STI is another key initiative being implemented by ASP-RSPN in partnership with the institute. Automation of the STI's core functions is being provided which includes trainee registration, selection for specific courses, training implementation and evaluation; operational areas of Human Resource Management, Financial Management, Procurements and Inventory. Almost 50% progress has been achieved and all modules are being developed as per the customized requirements of STI.

During the reporting quarter, ASP-RSPN provided ongoing capacity building support to key partner institutions at the federal and provincial level. The capacity building of Health Services Academy (HSA) was completed during the quarter. All five policy and procedure manuals have been completed and submitted to the Cabinet Division. Similarly, ASP-RSPN helped in formulating the PC-I for Needs Based Scholarship Program of USAID. The PC-I has been submitted to the Higher Education Commission. Capacity building support to PaARSA, SBEP, MSDP and SMEDA continues to be provided as per the approved CB plans.

Intermediate Result 1: Improved Management Systems implemented

The first IR covers the development, updation and thereby implementation of management systems for the ASP’s beneficiary organizations at the federal and provincial level. During the current quarter a steady progress has been made against this result area for the ongoing twelve (12) Capacity Building assignments; two (2) successfully completed during the reporting period. No new institutions have been assigned to ASP-RSPN from USAID for capacity building interventions during the current quarter. A graphical representation of the activities progress in terms of timelines is given in the following chart:



As per the approved work plan for the current year, ASP-RSPN was to initiate seven (7) new capacity building assignments for institutions to be assigned by USAID.

The following table reflects a summary of progress made as of March 31, 2013 against the performance indicators:

IR-1: Progress on Output Indicators:

IR/Sub-IR	Indicator	3 rd Year Target	Progress till Mar 2013
IR-1: Improved Management Systems implemented			
Sub-IR 1.1: Institutional Capacity gaps understood by Stakeholders	Number of organizational assessments and researches conducted	30	8
	Number of Pakistani organizations whose capacity needs have been established	38	7
Sub-IR 1.2: Management Systems adopted	Number of capacity building plans developed	10	3
	Number of Policies & Procedures developed	50	20
	Number of IT based Management Systems developed	9	1
	Number of new tools & techniques introduced and adopted	89	14
	Number of project design activities supported	3	2

The disparity between targets and achievements in the above table has resulted from the lower number of assignments received from USAID in Capacity Building, Validation and Assessment components. The assignment-wise details of the above indicators are given below:

Assignment-Wise Indicators details:

Indicator	Assignment Specific Details	Remarks and Issues
1.1.1 Number of organizational assessments	Strategic Planning in KP: Six (6) assessments for departments of	The reports have been finalized after review by the departments

Indicator	Assignment Specific Details	Remarks and Issues
and researches conducted	KP completed during the quarter. The assessment reports reflect the current planning mechanism of government departments, based on which the long-term strategic plans are being developed.	
1.1.2 Number of Pakistani organizations whose capacity needs have been established	<p><u>Auditor General of Pakistan:</u> Needs Assessment exercise completed & shared with AGP</p> <p><u>Balochistan PPRA:</u> Situational analysis report finalized</p> <p><u>Internal Audit in KP:</u> Internal Audit of Salaries, Pensions, Health & Education departments completed</p>	<p>In total capacity needs of six (6) government institutions have been established for the period</p> <p>Delay by Balochistan government in passing the Bill for establishment of authority</p> <p>Current changes in the scope of Internal audit assignment i.e. 'process reengineering' will be required</p>
1.2.1 Number of Capacity Building plans developed	None	During the quarter, ASP-RSPN submitted CB plans for four (4) organizations namely NSPP, AHAN, CGA and WASC. Approval from USAID is awaited for all these plans
1.2.2 Number of Policies and Procedures developed	<p><u>PaRRSA:</u> Internal Audit System developed</p> <p><u>Internal Audit in KP:</u> Governance Structure proposed for all the tiers of government</p> <p><u>KP-PPRA:</u> HR manual developed; FM manual developed</p> <p><u>JIMS:</u> Ordinance on management of JIMS drafted</p> <p><u>HEC:</u> Funds Flow mechanism developed for USAID's Merit and Need based Scholarship program</p>	<p>Six (6) for the current quarter</p> <p>Shared with PaRRSA management</p> <p>Shared with the Finance department</p> <p>Shared with RMU</p> <p>Converted into 'Bill' by Law dept and sent to Health department</p> <p>Shared with HEC</p>
1.2.3 Number of IT based management systems developed	None	Website updation and MIS development in progress for STI RFP prepared for development of MIS and LMS for PPRA

Indicator	Assignment Specific Details	Remarks and Issues
1.2.4 Number of new tools and techniques introduced and adopted	<p><u>PaRRSA:</u></p> <p>Budget process laid out; Support in development of automated planners for donors coordination wing; Review and updation of CB project document</p> <p>Software and licensing requirements developed; IT Training Needs Assessment developed; Hardware Assessment drafted</p>	<p>Six (6) for the current quarter</p> <p>Shared with PaRRSA management</p> <p>Verified by PaRRSA</p>
1.2.5 Number of project design activities supported	<p><u>AGP:</u></p> <p>PC-I on capacity building of AGP</p>	<p>Shared with AGP</p>

Intermediate Result 2: Human Resources enabled for enhanced performance

ASP's revised Results Framework focuses on enhancing the on-job performance of individuals under its IR-2. The interventions for this result area are targeted at two levels:

- Enhancing the knowledge and skills of individuals through training
- Supporting the application of acquired skills through on-the-job technical assistance

ASP-RSPN's General Training program, training and technical assistance under the individual capacity building plans are contributing in achievements under this result area. During the current quarter ten (10) new trainings were completed for the ongoing capacity building assignments. On-the-job technical assistance also continued for PaRRSA, MSDP Sindh and SBEP. However, little progress has been made on the training part of CB component. These include trainings on Assignment Account, Government Structures & Systems and GoP Planning & Implementation System. A detailed plan has been shared with USAID. Training contents and resource kits (for participants) are being developed for the above mentioned training areas. The following table reflects a summary of progress made as of March 31, 2013 against the performance indicators:

IR-2: Progress on Output Indicators

IR/Sub-IR	Indicator	3 rd Year Target	Progress till Mar 2013
IR-2: Human Resources enabled for enhanced performance			
Sub-IR 2.1: Knowledge and skills of human resources enhanced	Number of training programs developed	21	8
	Number of individuals who benefited from training	833	394
	Number of trainings conducted	86	22
	Number of training programs developed through international collaboration	--	--
Sub-IR 2.2: Application of knowledge and skills	Number of individuals who receive on-the-job assistance, refreshers and coaching	99	23

IR/Sub-IR	Indicator	3rd Year Target	Progress till Mar 2013
supported	Number of consultants provided for short-term technical assistance	86	59

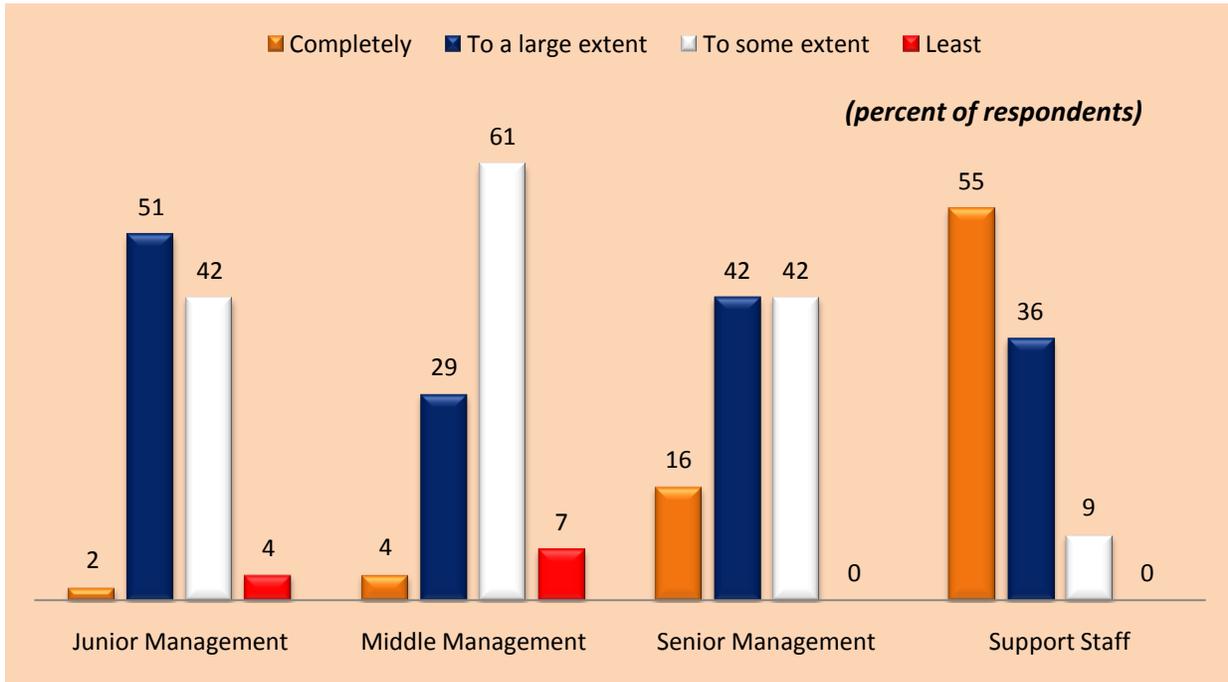
Initiation of new CB assignments and completion of the ongoing assignments, both expected in the last two quarters of current year, will help reduce the target-achievement gap as visible in the above table.

During the current reporting period, ASP-RSPN also completed an in-house 'Training Impact Assessment' of the Awardees Capacity Building's training component. A comprehensive assessment framework was used to evaluate the impact at four levels: reaction, evaluation, behavioral change and results. A detailed report has been drafted on the results of Impact Assessment Survey, which will be shared with USAID separately. However, a quick snapshot of the key results is as follows:

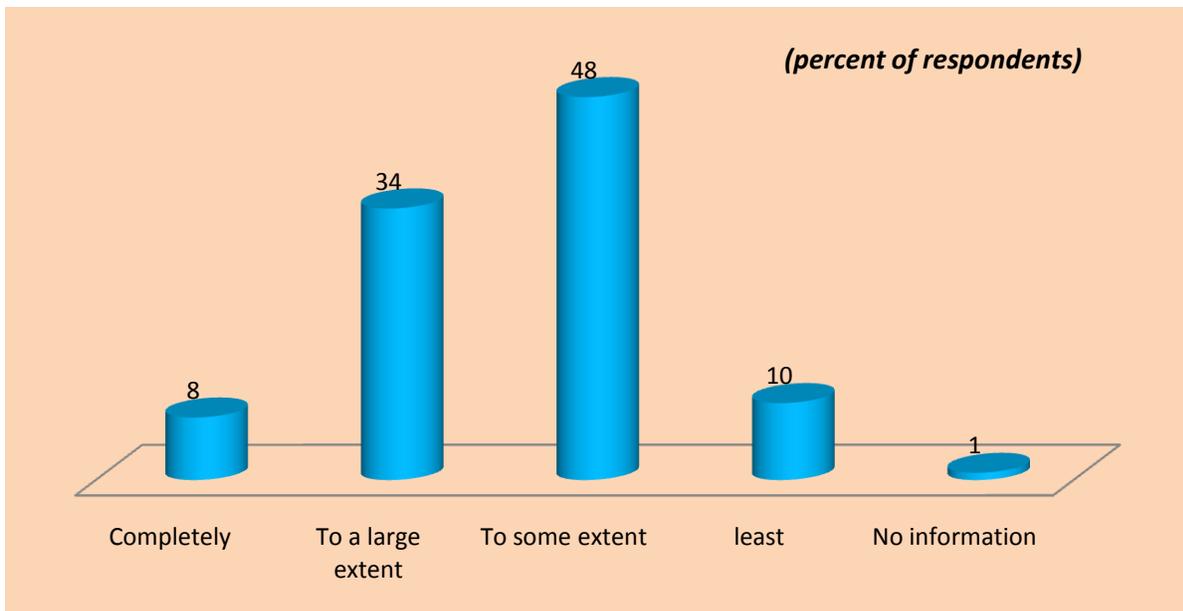
Number of respondents:

	Number of Participants	Percentage
Questionnaires received	115	72
Participants left organization	26	16
Non-Respondents	19	12
Total participants	160	100

Training increased knowledge and skills of participants:



Application of knowledge at Work place:



The indicator-wise details of the above mentioned progress in numbers is given below:

Assignment-Wise Indicators details:

Indicator	Assignment Specific Details	Remarks and Issues
2.1.1 Number of training programs developed	<u>Awardees Capacity Building:</u> Two (2) new training programs developed. The areas include 'Basic IT Skills for managers' and 'NRSP's HR-MIS'	
2.1.2 Number of individuals who benefited from training	<u>Health Services Academy:</u> M&E:7, HR:9, Procurement:6 & FM:5 <u>PaRRSA:</u> FM:10 & Procurement: 9 <u>Sindh PPRA:</u> Procurement Rules: 57 <u>Awardees CB:</u> Basic IT Skills:14, NRSP's HR-MIS: 20	In total 137 individuals benefited from training
2.1.3 Number of trainings conducted	<u>Health Services Academy:</u> M&E:2, HR:2, Procurement:2 & FM:1 <u>PaRRSA:</u> FM:3 & Procurement: 3 <u>Sindh PPRA:</u> Procurement Rules: 1 <u>Awardees CB:</u> Basic IT Skills:1, NRSP's HR-MIS: 1	In total 16 trainings conducted during the quarter
2.2.1 Number of individuals who receive on-the-job assistance, refreshers and coaching	On-the-job assistance continued for PaRRSA, MSDP Sindh and SBEP. No new individuals added for assistance during the current quarter	Government's recruitment process at MSDP Sindh and SBEP is very slow, which is affecting ASP-RSPN's targets/plan for technical assistance. It needs to be expedited. In addition, ASP-RSPN provided program implementation support by inducting ten (10) positions (upon USAID recommendations), as a replacement of PC-I positions to help initiate the program.
2.2.2 Number of consultants provided for short term technical assistance	SBEP: 8; Strategic Planning KP: 5; Internal Audit KP: 6; AGP:3 & HEC: 1	In total 23 new consultants/experts provided to beneficiary GoP institutions

Intermediate Result 3: Improved PFM Policies and Procedures

ASP’s third long-term result i.e. IR-3 captures strategic level interventions; activities aimed at improving rules, regulations and facilitating adoption of the policy level reforms. The ‘Strategic Interventions’ of capacity building component and ‘recommendations, updated procedures, policy level changes etc’ shared with GoP as a result of ASP’s research interventions contribute in this result area. The following table reflects a summary of progress made as of March 31, 2013 against the performance indicators:

IR-3: Progress on Output Indicators

IR/Sub-IR	Indicator	3 rd Year Target	Progress till Mar 2013
IR-3: Improved PFM Policies and Procedures			
Sub-IR 3.1: Policy recommendations advocated	Number of research studies conducted	1	--
	Number of reforms/ recommendations developed	5	--
	Number of policy advocacy activities carried out	34	14
	Number of policy level institutions receiving policy reform recommendations or attending advocacy events	47	12

During the current reporting period ASP-RSPN did not receive any new area of research from USAID. However, it continued to pursue with the relevant government departments for implementation of the updated procedures already shared with them.

Indicator	Assignment Specific Details	Remarks and Issues
3.1.1 Number of research studies conducted	None	One new research topic planned for current year. No new topics assigned by USAID
3.1.2 Number of reforms/ recommendations developed	None	This indicator is linked with development of new research recommendations as a result of completion of research assignment. New topic yet to be

Indicator	Assignment Specific Details	Remarks and Issues
		assigned
3.1.3 Number of Policy Advocacy activities carried out	<p>Internal Audit KP: Stakeholders' Consultation on Internal Audit</p> <p>Strategic Planning in KP: 1 Orientation Workshop 6 department level Workshops</p> <p>PaRRSA: 2 dissemination workshops on M&E and FM manuals</p>	In total 10 Workshops conducted during the quarter
3.1.4 Number of policy level institutions receiving policy reform recommendations or attending advocacy events	<p>KP: PaRRSA, Social Welfare, Agriculture, Population Welfare, Public Health Engineering, Higher Education, Health, C&W, Pak PWD, Police, Excise and Taxation</p> <p>Balochistan: Finance</p>	In total twelve (12) institutions

A brief description on each of the completed research assignments is given below:

Research on Revolving Fund Account/Assignment Account

The research on Assignment Account completed during the previous year was followed up with key stakeholders in Ministry of Finance, Controller General of Accounts and provincial AGs. ASP organized joint meeting of MoF and CGA officials to deliberate on different aspects of research report. In response, the office of the Controller General of Accounts initiated a consultative process with all provincial Accountant General Offices and AGPR at the federal level. All provincial AGs shared their recommendations with CGA and appreciated the research report. ASP facilitated this consultative process and consolidated the feedback received from the provincial AGs and a working paper for consultation purposes was developed focusing only on the issues related to the Foreign Currency Account (FCAs). Based on the recommendations of CGA, provincial AGs and AGPR, the CGA Office has sent the revised procedure for Assignment Accounts to Ministry of Finance for further consultation with EAD, State Bank of Pakistan and P&D division. ASP is currently working with MoF to complete the final consultation process and get the revised procedure notified.

Planning Architecture in Pakistan – A Case for Review and GOP Project Management Unit Approach

The above mentioned two assignments were completed during the last year and were shared with the Secretary P&D Division as working drafts for further consultation. The former Secretary of Planning & Development Division nominated a senior officer of the Planning Commission (PC) to initiate a consultative process within the Commission and provincial P&Ds to discuss the research report as a basis for reform. Planning Commission expressed agreement with ASP to initiate a consultative process involving provincial governments and other relevant ministries to streamline various processes regarding the approval and implementation of development projects. ASP will move USAID after the elections to approve a course of action for synergizing reform in planning and development field with the Planning Commission and the Provincial Planning departments.

Institutional Performance Assessment Framework (IPAF)

The ASP-supported research to assess the Public Financial Management in Pakistan at the institutional level was one of the major research initiatives during the current year. A team of reputed experts developed a comprehensive framework for National level assessment. The research was successfully completed in January and shared with USAID. The framework was also shared with PFM experts in January during the IPR workshop held in USAID Washington and received acclamation from international experts. ASP-RSPN also developed a comprehensive plan for its rollout at the National level in collaboration with key institutions involved in public financial management. The approval from USAID is awaited for its application and rollout. The research generated enormous interest in donors and government departments as a very robust framework for the assessment of national institutions. The framework has been regarded as a strategic and credible tool with the potential of strengthening Pakistani institutions.

Potential Research Areas

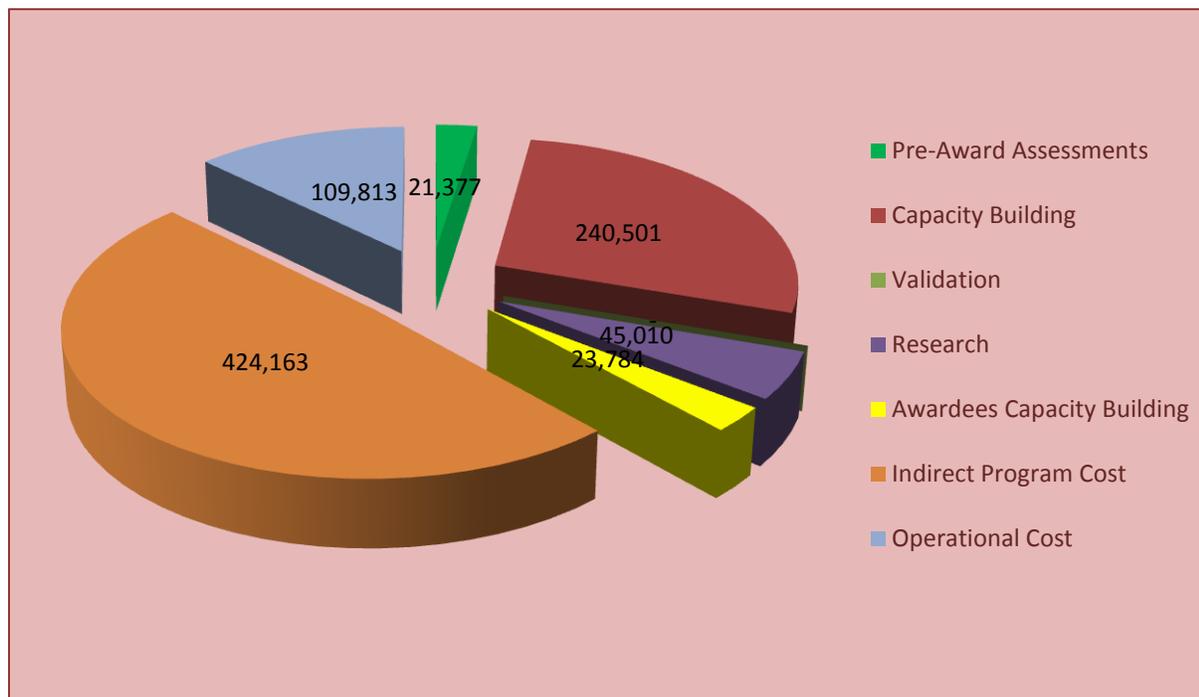
Keeping in view the scope of Cooperative Agreement, following research topics were shared with USAID for approval:

1. Compendium of Policies & Procedures for Development Projects
2. Legal & Regulatory Framework for Public Private Partnership (PPP) in the Social Sector
3. Devolution of Education (any specific area devolved after 18th Amendment to the Constitution)

4. Analysis of Legal Frameworks for Registration of CSOs in Pakistan
5. Global Best Practice in Evaluation of Performance of Public Sector Training Institutions

Financial Progress for the period January to March 2013

The following graph reflects an overview of the expenditures (in US Dollars) against the Program Components/Sectors during the 2nd quarter of Year-3 (Jan 2013 – Mar 2013). An expenditure of US \$ 864,647 was made against the quarterly budget of US \$ 1,223,374.



The month-wise detailed financial report reflecting the expenditure in US Dollars against the quarterly budget is shown below:

Line Item	Budget in USD	Expenditure in USD			
		Jan-13	Feb-13	Mar-13	Qtr.2 Total
Pre-Award Assessments	111,000	8,400	2,065	10,912	21,377
Capacity Building	296,600	51,238	76,562	112,701	240,501
Validation	37,500	-	-	-	-
Research	38,033	14,238	30,525	246	45,010
Awardees Capacity Building	36,000	5,252	457	18,075	23,784
Indirect Program Cost	533,396	58,208	139,689	226,266	424,163
Operational Cost	170,846	24,111	18,298	67,405	109,813
GRAND TOTAL	1,223,374	161,446	267,597	435,604	864,647