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QUARTERLY PROGRAM PERFORMANCE REPORT

OCTOBER – DECEMBER 2013

ASSESSMENT AND STRENGTHENING PROGRAM



January 30, 2014

ACRONYMS

AHAN	Aik Hunar Aik Nagar
AiD	Associates in Development
AGP	Auditor General of Pakistan
ASP	Assessment and Strengthening Program
C&W	Communications and Works
CB	Capacity Building
CGA	Controller General of Accounts
CSO	Civil Society Organization
DAGP	Department of Auditor General of Pakistan
ERP	Enterprise Resource Planning
FCA	Foreign Currency Account
GB	Gilgit-Baltistan
GENCO	Generation Company
GoP	Government of Pakistan
HR	Human Resource
IPAF	Institutional Performance Assessment Framework
IR	Intermediate Result
IT	Information Technology
JIMS	Jacobabad Institute of Medical Sciences
KP	Khyber Pakhtunkhwa
FM	Financial Management
LMS	Learning Management System
LUMS	Lahore University of Management Sciences
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
NIM	National Institute of Management
NPS	National Procurement Strategy
NRSP	National Rural Support Programme
NSPP	National School of Public Policy
OFM	Office of Financial Management

P&D	Planning and Development
PaRRSA	Provincial Reconstruction, Rehabilitation and Settlement Authority
PC	Planning Commission
PFM	Public Financial Management
PIFRA	Project to Improve Financial Reporting and Auditing
PIPS	Pakistan Institute for Parliamentary Services
PMP	Project Management Professional
PPP	Public-Private Partnership
PPRA	Public Procurement Regulatory Authority
RMU	Reforms Management Unit
RSPN	Rural Support Programmes Network
SBDs	Standard Bidding Documents
SBEP	Sindh Basic Education Program
SE	Superintendent Engineer
SMEDA	Small and Medium Enterprise Development Authority
STI	Secretariat Training Institute
ToRs	Terms of Reference
ToT	Training of Trainers
US	United States
USAID	United States Agency for International Development
WASC	WAPDA Administrative Staff College
XEN	Executive Engineer

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1. Executive Summary

The first quarter was utilized in preparatory work for initiating or continuing interventions proposed for Year-IV. Meanwhile, the draft Work Plan for 2013-2014 remained under examination of USAID authorities. ASP-RSPN received provisional conditional approval of the annual work plan lately in the third week of December 2013; linked with further explicit approvals of the individual CB plans to be provided later. ASP-RSPN for its part remained actively engaged with the federal and provincial departments in ground work for early start of the initiatives approved in the Work Plan. Other than the two Pre-Award assessments of government universities, no new assignments could therefore be initiated during the quarter. However, ASP-RSPN continued its implementation on the eight (8) ongoing Capacity Building assignments and thirty seven (37) Validations approved during the preceding year.

ASP-RSPN completed the important project of Validation of three Power Generation Companies (GENCOs) i.e. Northern Power, Central Power and Jamshoro Power Company Limited during the current quarter. The Validation results identified in the draft reports have shown significant improvements in the implementation of new management systems. Technical assistance support to these three organizations was provided by ASP-AiD resulting in improved financial, procurement, HR and M&E functions. SAGE 300 integrated ERP solution has also been deployed to make processes efficient and transparent. The re-assessment exercise conducted by independent Audit Firms has shown positive results in terms of reducing management system risks.

During the quarter, Internal Audit toolkits and process controls' documents have been formally approved by the government departments in KP. As a follow-up of sharing the developed 'Internal Audit Toolkits' with C&W, Health and Education departments of KP, all the individual toolkits for secretariat, directorates and sub-ordinate offices (SE, XEN, Hospitals and Colleges/Schools) were revised and submitted for approval. Following ASP's successful implementation of Internal Audit and Strategic Planning interventions in selected departments of KP during the previous year, GoKP has requested for Phase-II of these assignments to replicate the same in other departments for which ASP-RSPN liaised with the relevant entities at the provincial level. After formal nominations of the target departments by GoKP the CB plans for Internal Audit Phase-II and Strategic Planning Phase-II will be shared with USAID for approval. ASP-RSPN continued its follow up with the government of KP for the appointment of appropriate staff on the sanctioned positions.

STI in collaboration with ASP-RSPN has developed new training curriculum and training methodologies for training of administrative cadres of the government. The new curriculum has been approved and is currently being taught in the institute. ASP-RSPN also extended support for development of a customized Enterprise Resource Planning (ERP) system to automate STI's training courses and their management, financial, HR, Inventory, performance appraisals, leave management and office management systems. The Institute's new website www.sti.gov.pk has been made live with new resources on training and development.

An example of achieving sustainable results is seen in the Project Steering Committee for MSDP Sindh program, chaired by the Additional Chief Secretary Sindh approval of the four manuals developed by ASP-RSPN in the areas of HR, M&E, Financial Management and Procurement Management. This was the fourth meeting of Steering Committee held in October 2013. The Additional Chief Secretary (Dev.) Mr. Arif Ahmed Khan appreciated the efforts put in the preparation of the manuals and hoped that these manuals specially the M&E manual will be useful not only in the P&D department but in all departments of Government of Sindh.

As per the approved Annual Work Plan, sixteen (16) new CB assignments are to be initiated during the current year. The target institutions are government departments at federal level and in the provinces of Punjab, Sindh and KP. ASP has already set in motion the consultation process with departments in KP to establish new partnerships. In the case of Punjab and Sindh, go-ahead from USAID authorities is awaited for the preparation of CB plans.

2. Program Progress

Intermediate Result 1: Improved Management Systems implemented

This result area under the ASP's results framework covers two sub-intermediate results:

- **Sub-IR 1.1: Institutional capacity gaps understood by stakeholders**
- **Sub-IR 1.2: Management systems adopted**

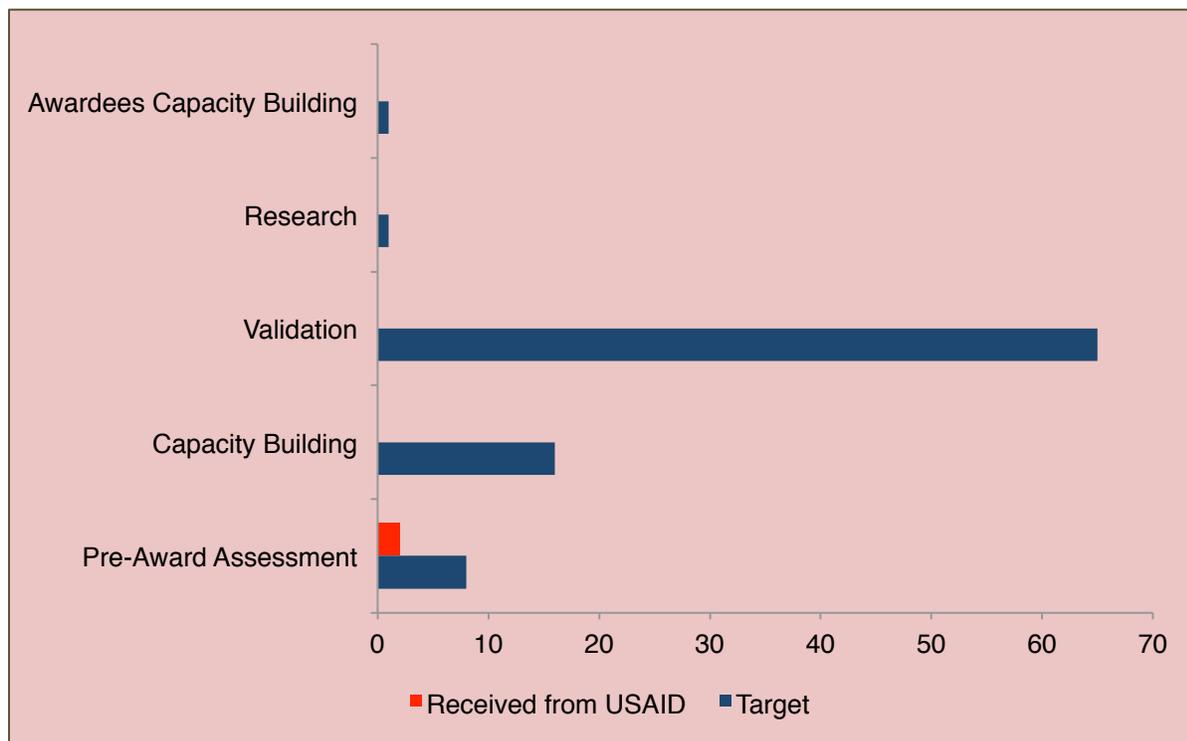
ASP-RSPN initiated the Pre-Award assessments of two government sector universities during the current quarter, which are Mehran University of Engineering & Technology Jamshoro and Agriculture University Faisalabad. The ongoing assessment exercise for the two universities will be used:

- To determine whether these universities have sufficient financial management, organizational, and management capacity to manage USAID funds in accordance with U.S. Government and USAID requirements
- To identify risks and suggest potential mitigation measures which may be incorporated into the award

The draft Validation/re-assessment reports of three Power Generation companies (GENCOs) i.e. Northern Power, Central Power and Jamshoro Power Company Limited have been shared with these organizations and USAID. ASP-RSPN, after a thorough review of these reports and incorporating management comments from GENCOs will share the final Validation reports to USAID in January 2014.

No new capacity building interventions were assigned to ASP-RSPN during the current quarter. However, ASP-RSPN continued with its planned interventions for the eight (8) ongoing assignments. USAID's approval on the RSPN's Capacity Building plan (Phase-II) is also pending. A seven-month plan is submitted having interventions focusing on M&E, Grants Management and Projects Management. Development of manuals with training, training certification of core staff members and development of MIS are proposed activities under the plan.

The following graph presents a comparison of the proposed planned activities in the Work Plan and new assignments received from USAID as of December 31, 2013 for the current year:



ASP-RSPN and USAID had a number of meetings on the issue of initiating new CB plans and the CB plans already shared with USAID for approval. The CB plan for CGA is being revised in light of recent discussions with the department and USAID. The management comments on CB plan shared with PIPS are still pending, whereas approval on NSPP is awaited from USAID.

Assignment-Wise Indicators details for the current period:

Indicator	Assignment Specific Details for current quarter	Remarks and Issues
1.1.1 Number of organizational assessments and researches conducted	<p>Pre – Award Assessments of two (02) Universities i.e. University of Agriculture, Faisalabad (Punjab) and University of Engineering and Technology, Jamshoro (Sindh) has been initiated in the current quarter.</p> <p>A need assessment exercise was initiated to assess the institutional needs of Pakistan Planning & Management Institute of the Planning Commission</p>	Entrance meetings for both assessments have been held in December 2013

Indicator	Assignment Specific Details for current quarter	Remarks and Issues
1.1.2 Number of Pakistani organizations whose capacity needs have been established	<p>RSPN:</p> <p>RSPN's CB plan Phase-II includes Development of M&E and Grants Management manuals and staff training, development of MIS and training of core staff members on PMP.</p> <p>P&D department of Sindh wrote a letter to EAD and USAID. A concept note in collaboration with P&D was finalized and areas of cooperation identified</p>	<p>One (01) institutions has been covered in the reporting quarter</p> <p>RSPN's CB plan has been shared with USAID for approval</p>
1.2.1 Number of Capacity Building plans developed	<p>Phase-II of Internal Audit and Strategic plan KP, Energy & Power and Agriculture Department KP are under discussion as part of new CB assignments approved as per 4th year work plan.</p> <p>Planning Commission (PPMI) and PIPS at the federal level were also followed up. Revised CB Plan of NSPP was also submitted to USAID for approval</p>	<p>CGA's CB already shared with USAID. The revised version to be shared in next quarter</p> <p>USAID's approval on the CB plan of NSPP is awaited</p>
1.2.2 Number of Policies and Procedures developed	<p>AHAN:</p> <p>Three (03) Manuals i.e. FM, HR and M&E have been completed and shared with AHAN</p> <p>Development of Procurement manual is in process.</p> <p>Internal Audit Manual of PDMA/ PaRRSA is under progress.</p>	<p>Three (03) have been completed in the current quarter</p> <p>Development of SBDs and M&E system for FPPRA would be completed in the coming quarter</p>
1.2.3 Number of IT based management systems developed	<p>AHAN:</p> <p>Process initiated for the development of ERP</p>	<p>The MIS and LMS for FPPRA will be completed and deployed during the next quarter</p>

Indicator	Assignment Specific Details for current quarter	Remarks and Issues
Federal PPRA		
	<p>MIS system is being finalized. All the modules are in the final stages</p> <p>learning Management System and is in final stages of development.</p> <p>ERP of STI is being finalized and deployed on the local server.</p>	
1.2.4 Number of new tools and techniques introduced and adopted	No new tools and techniques have been introduced in the reporting quarter	
1.2.5 Number of project design activities supported	Meeting with USAID Deputy Mission Director and other senior representatives held to discuss Command Area Development Project. ASP-RSPN followed up with the project with EAD and Provincial Government for early approval	No new projects assigned by USAID

Intermediate Result 2: Human Resources enabled for enhanced performance

ASP's 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

Under the Capacity building of Aik Hunar Aik Nagar, policies and procedure have been developed in key governance areas of financial management, human resource and monitoring & evaluation. The procurement management manual is due for finalization during January 2014. Training sessions on the new procedures/manuals have been planned to build the capacity of these areas in the coming quarter.

Also as part of RSPN's CB Plan, the requirement of enhancing organizational management capacity identified in the Assessment report has been targeted through an international certification of its key management staff members in PMP from the globally recognized Project Management Institute. The plan having other initiatives too, linked with governance and project management has been shared with USAID during the current quarter for approval. In addition, it will also include training of staff on M&E and Grants Management manuals.

ASP-RSPN has also planned to implement training programs on PPRA rules & regulations for the provincial and district level staff. These programs will be implemented in KP, Balochistan and Sindh during the current year, after formal approvals of CB plans. Expertise of PPRA Islamabad in conducting federal level trainings at National Institute of Procurement will also be utilized in this regard. ASP-RSPN plans to hold Training of Trainers in partnerships with ASP-LUMS. The master trainers will then be used to roll out training programs in provinces.

Assignment-Wise Indicators details for the current period:

Indicator	Assignment Specific Details for current quarter	Remarks and Issues
2.1.1 Number of training programs developed	AHAN Training programs have been developed on policies and procedures of Financial management, Human Resource and Monitoring and evaluation.	Three (03) training programs have been developed.

Indicator	Assignment Specific Details for current quarter	Remarks and Issues
	<p>FPPRA Training of Trainers (ToT) is planned to build capacity of officials from FPPRA, BPPRA, SPPRA and KPPRA at LUMS in the next quarter</p>	
2.1.2 Number of individuals who benefited from training	No new trainings conducted during the quarter. However, individuals from AHAN would attend the trainings in Jan 2014	
2.1.3 Number of trainings conducted	No new trainings conducted during the quarter. However, four trainings on FM, HR, Procurement and M&E are planned for the next quarter at AHAN	The training dates have been finalized for AHAN. Three trainings will be conducted in January and one in February 2014
2.2.1 Number of individuals who receive on-the-job assistance, refreshers and coaching	Nil. No new individuals	On-the-job assistance continued for SBEP during the reporting quarter
2.2.2 Number of consultants provided for short term technical assistance	AHAN: 3, FPPRA: 1, PaRRSA Phase-II: 1,	In total five (05) new consultants/ experts hired for short term technical assistance

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 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. One new research assignment has been approved for current year by USAID. ASP-RSPN has already shared a number of research topics along with Concept Notes with USAID for final approval. Keeping in view the scope of Cooperative Agreement, following areas of research may be taken up:

- Public-Private Partnerships in the social sector of Pakistan
- Study on linkage of Donor Funded projects to the new accounting system (PIFRA)

Based on the last year's experience with no Research assignment approved by USAID, ASP-RSPN plans to take up the matter of formulation of a 'Steering Committee' for discussing and finalizing research areas of significance to both USAID and GoP. This has also been indicated in the Cooperative Agreement. ASP-RSPN, RSPN, USAID's OFM and other relevant Technical Offices will have representation in the committee. The USAID's Technical Offices can play an important role in the identification of potential research areas which may be of their interest. ASP-RSPN will share a complete composition of the proposed Steering Committee along with the detailed ToRs and meetings' periodicity.

During the current reporting period ASP-RSPN has made no progress as no research topic was approved. However, it continued to pursue with the relevant government departments including CGA & Planning Commission for implementation of the conducted researches; intended towards adoption of the ASP proposed recommendations by the government departments.

Assignment-Wise Indicators details for the current period:

Indicator	Assignment Specific Details	Remarks and Issues
3.1.1 Number of research studies conducted	Nil	No new topics assigned by USAID
3.1.2 Number of reforms/ recommendations developed	Nil	

Indicator	Assignment Specific Details	Remarks and Issues
3.1.3 Number of Policy Advocacy activities carried out	<p><u>DAGP</u></p> <p>A workshop on “Strategic Plan” developed for DAGP is planned in the coming quarter</p>	No advocacy activity has been carried out in this quarter.
3.1.4 Number of policy level institutions receiving policy reform recommendations or attending advocacy events	Follow-up sessions on completed CB interventions held with HSA for ensuring compliance with the developed policies and procedures	

3. Project Implementation

Role of Central Program Office & Provincial Program Offices

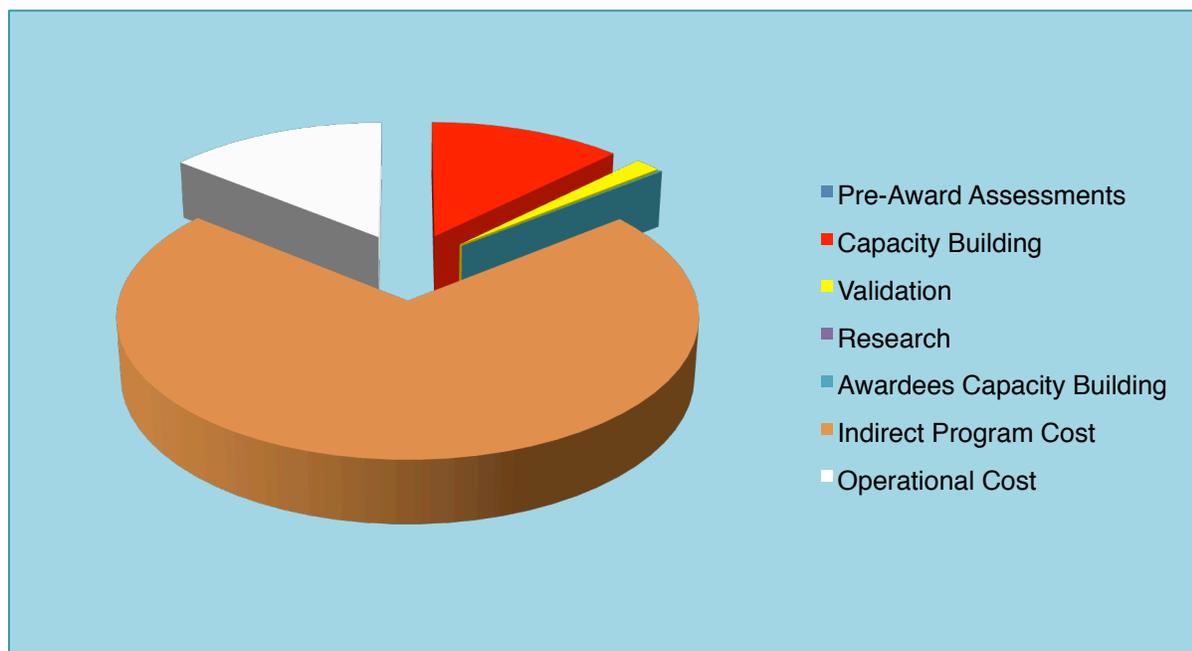
ASP has a Central Project Office (CPO) based in Islamabad and four Provincial Project Offices (PPOs) in Lahore, Karachi, Quetta and Peshawar. The role of the CPO is to implement four components of the program and provide strategic guidance, technical back stopping, financial management, contract management and donor coordination. The provincial units are responsible for coordination, monitoring and implementation of activities at the provincial level. During the reporting quarter, the CPO and PPOs remained fully functional as per their mandates.

Like the Central Program Office (CPO) at the federal level, the PPOs also have an important role as being the field face of ASP-RSPN at the provincial level and act as catalyst in smooth implementation of activities. The PPOs perform varied functions including but not limited to participation in strategic meetings, finalization of planned deliverables by consultants/firms, arrangement and participation in discussions/ meetings with the institutions; gathering departments' policies/procedures documents, identification of potential expert human resource and facilitation to ASP-LUMS in getting nominations from the provincial departments.

During the last quarter, all PPOs remained actively involved in direct execution of activities at the provincial level. The PPO in Khyber Pakhtunkhwa and Sindh ensured their continuous presence during on-the-job technical assistance phase in PaRRSA, MSDP and SBEP. Likewise, provincial office in Punjab is managing the capacity building interventions of AHAN. The office continued its engagement with government functionaries and other organizations to build a positive image of the project. The PPO in Balochistan remained involved in seeking nominations from provincial departments for training at LUMS and responding to requests from CPO on capacity building related requirements. Capacity Building of Balochistan PPRA is also being managed by the provincial team and also gearing up to take Validation exercises for Small Grants Program.

4. Financial Progress for the period October to December 2014

The following graph reflects an overview of the expenditures (in US Dollars) against the Program Components/Sectors during the 1st quarter of Year-4 (Oct 2013 – Dec 2013). An expenditure of US \$ 543,947 was made against the ongoing activities.



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

Budget Heads	Expenditure in USD			
	Oct-13	Nov-13	Dec-13	Qtr.1 Total
Pre-Award Assessments	-	-	-	-
Capacity Building	20,575	12,663	35,066	68,304
Validation	-	8,905	-	8,905
Research	-	-	-	-
Awardees Capacity Building	575	-	233	808
Indirect Program Cost	145,837	118,109	124,906	388,852
Operational Cost	21,027	18,317	37,733	77,077
GRAND TOTAL	188,013	157,995	197,938	543,947

Annex – I: Component Wise details of assignments as of December 31, 2013

S. #	Name of Assignment/Institution	Status
Assessments		
1	83 Assessments under Third Party Validation of CDCP	Completed
2	Pre-Award Assessment of NESPAK	Completed
3	Pre-Award Assessment of National Highway Authority	Completed
4	Pre-Award Assessment of Abacus Consulting Pvt. Ltd.	Completed
5	Pre-Award Assessment of Halcrow Pvt. Ltd.	Completed
6	Pre-Award Assessment of National Development Consultants Pvt. Ltd.	Completed
7	Pre-Award Assessment of A.A. Associates Pvt. Ltd.	Completed
8	Pre-Award Assessment of Echo West Consulting Pvt. Ltd.	Completed
9	Pre-Award Assessment of Qavi Engineering Pvt. Ltd.	Completed
10	Pre-Award Assessment of EA Consulting Pvt. Ltd.	Completed
11	Pre-Award Assessment of Matracon Pvt. Ltd.	Completed
12	Pre-Award Assessment of Izhar Construction Pvt. Ltd.	Completed
13	Pre-Award Assessment of Marie Stopes Society	Completed
14	15 Assessments under IPAF for current year	To be done by USAID
15	Mehran University of Science & Technology Jamshoro	On Going
16	Agriculture University Faisalabad	On Going
15	6 remaining Pre-Award Assessments for current year	Not assigned
Capacity Building		
1	Pre-Obligation/Project design support to MSDP Sindh	Completed
2	Pre-Obligation/Project design support to SBEP	Completed
3	Project design support to Agriculture dept KP; Command Area Development Program of Gomal Zam Dam	Completed

S. #	Name of Assignment/Institution	Status
4	Project design support to Health dept Sindh; JIMS	Completed
5	Higher Education Commission	Completed
6	Health Services Academy	Completed
7	Phase-I of Capacity Building support to PaRRSA	Completed
8	Strategic Planning in 6 departments of KP	Completed
9	Small and Medium Enterprise Development Authority	Completed
10	KP Public Procurement Regulatory Authority	Completed
11	Internal Audit in KP	Completed
12	Sindh Public Procurement Regulatory Authority	Completed
13	Secretariat Training Institute	On Going
14	Balochistan Public Procurement Regulatory Authority	On Going
15	Federal Public Procurement regulatory Authority	On Going
16	Department of Auditor General of Pakistan	On Going
17	Aik Hunar Aik Nagar	On Going
18	WAPDA Administrative Staff College	On Going
19	Phase-II of Capacity Building support to PaRRSA	On Going
20	Sixteen (16) remaining CB assignments for current year	Not assigned
Validation		
1	Trust for Democratic Education and Accountability	Completed
2	Abacus Consulting Pvt. Ltd.	Completed
3	Municipal Services Program, KP	On Going
4	Three (3) Power Generation Companies (GENCOs)	On Going
5	36 Small Grants and Ambassador Fund Program NGOs	On Going
6	65 remaining Validations for current year	Not assigned
Research		

S. #	Name of Assignment/Institution	Status
1	Assignment Account/Revolving Funds Account	Completed
2	Planning Process in GoP sector	Completed
3	Project Management Unit's approach	Completed
4	Institutional Performance Assessment Framework/PFM Assessment Framework	Completed
5	One (1) research for the current year	Not assigned
Awardees Capacity Building		
1	General Training Component	Completed
2	Development of Policies & Procedures for RSPN and NRSP	Completed
3	IT Infrastructure development for NRSP	Completed
4	SAP B-1 implementation for ASP-RSPN	Completed
5	Software for ASP-RSPN	Completed
6	Capacity Building plan for RSPN	To be approved