

 <p><b>United Nations Development Programme</b> <b>Solomon Islands</b></p>	<p><b>BACK TO OFFICE REPORT (BTOR)</b> Submitted by: Gaylyn Puairana</p> <p>Date Submitted: 13/2/2019</p>
<p><b>1. Practice Area: Accelerating Program Implementation (API) 2.0</b> <b>2. Service Line: N/A</b></p>	
<p><b>3. Mission Period:</b> 2<sup>nd</sup> Feb to 10<sup>th</sup> February including travel dates</p>	
<p><b>4. Type of Service/Mission</b> Participation in the Accelerating Programme Implementation Workshop, organized by the Regional Bureau Asia Pacific, -Bangkok Regional Hub for the Asia-Pacific Region</p>	<p><b>5. Client(s)</b> UNDP Solomon Islands</p>
<p><b>6. Purpose of Mission</b> To participate in the Accelerating Programme Implementation (API), organized by the Asia-Bangkok Regional Hub for the Asia-Pacific Region</p>	<p><b>7. Documents, Materials, Resources from Mission.</b></p> <ul style="list-style-type: none"> <li>• API agenda, and presentations</li> </ul>
<p><b>8. Mission Member(s) (include consultants if any)</b> Gaylyn Puairana</p>	<p><b>9. Annexes</b></p> <ul style="list-style-type: none"> <li>• Mission Agenda</li> </ul>
<p>Brief background of and key take-a-ways from the Mission:</p> <p><b>Day 1: 4<sup>th</sup> February 2019</b></p> <p><b>Opening and setting the scene</b></p> <p>The aim of the 4 days workshop is to equip participants with knowledge and ideas on how to boost delivery in their projects/across CO project portfolios and how to become better at designing projects for execution in the future, through a mixture of presentations, peer learning and group work exercises.</p> <p>To help Asia-Pacific COs break out of the cycle of their large projects under-delivering. As the first step, the training involves CO programme and procurement staff and project personels from the Cos around the Asia and Pacific Regions.</p> <p>Following the workshop, the Bureau will offer to field a number of integrated BRH support missions to COs during Q1-2 to directly work with their programme, operations and project teams on addressing implementation bottlenecks on-site. Priority for the missions will be given to COs that predominantly use the DIM or NIM with CO support modalities and have 2019 delivery targets above \$18 million.</p> <p>Topics include:</p> <ul style="list-style-type: none"> <li>• Context setting</li> <li>• Enablers: 2018 POPP changes to accelerate delivery – what are they, how are they being used in COs and what difference do they make</li> <li>• Roadblocks: What are the most pervasive issues that COs are facing that keep derailing project execution, and how can they be tackled</li> <li>• Procurement is your best friend: what does it take to make it work well</li> <li>• Planning and managing effective project personnel structures</li> <li>• Managing complexity in project execution (high volume/risk and complex procurement; non-procurement): how to deal with it and when/where to go for help</li> <li>• Action planning: commitments and milestones.</li> </ul> <p><b>Key messages during the opening remarks:</b></p> <p>“Stay relevant, learn quick and faster, be creative, share solutions and learn together”.</p>	
<p><b>Session 1: Snapshot of RBAP Performance 2018 and lessons Learned</b></p>	
<p><b>Key discussion points:</b></p>	

The objective of this session was to discuss achievements, lessons learned and feedbacks on the 2018 key performance indicators for the RBAP.

Discussions were on how we see ourselves, KPIs, staffing, financials, vertical funds, patterns of expenditures, and audits.

One of the issues was a lot of delivery was increase in the last quarter of 2018. There was no ownership. Some of the bottlenecks are:

- Lack of planning and involvement of procurement, human resources and finance for budgets in the project designs and even the activities.
- AWP's not developed in time and multi-year works plans are almost absent;
- Future pipelines are limited, and financials resources are not available for execution;
- Nationally implemented projects limit speed of implementation.
- Lack of understanding on programming instruments and clarity in business processes.

Some suggested solutions or ways to make it better:

- Focused trainings at CO levels to help resolve wicked problems;
- Remote and in-country support to the country offices and project teams;
- Integrate missions to develop pipeline projects including pipeline development fund
- National staff capacity building, including SDG boot camps planned in 2019
- Encouraging innovation in all areas of work including digitization of work processes.

#### **Key take-a-ways:**

- Robust planning (Whole office approach especially involve Procurement and HR in designing of programmes and activities.
- Setting monthly and quarterly targets
- Realistic internal estimates
- Identification of nice program partners and modality
- Weekly delivery dashboard by management
- Big tickets items initiated at the beginning of the year.
- Procurement plans, decentralized approaches and better understanding of the programme and strong linkages with government counterparts.

#### **Sessions 2: Procurement as an enabler for programme delivery**

##### **Key discussion points:**

Objective of this session: Strengthen the use of Procurement to accelerate programme delivery-ways and means to achieve the objectives.

Trend of purchase orders (PO) from 2016 to 2019 presented. It shows an accumulative increase of PO mostly with consultancy services-firms, ICs-International, NGOs/CSOs engagement and IC Nationals.

A lot of requisitions and PO created at the last quarter of the year. 41% of the delivery takes place in the last quarter of year.

##### **Key take-a-ways:**

Project designs should be done between programme and operations teams. This will result in projects design more tangible and implementable as the project staff and operations.

Project should have Procurement plans in place. Work with the Procurement team as they more knowledgeable of the Procurement process and timelines for the Procurement activities. It would be great if staff knows especially project the UNDP rules and procedures.

Staff capacity -projects, partners are very important for project implementation.

POPP does not fit for all projects, it is general and needs to be adopted. Therefore, CO must be creative, plan, have more resources and well plan.

### **Session 3: Planning for effective Implementation of projects**

#### **Key discussion points:**

This session focused on the importance of AWP, procurement planning and human resources planning. The discussions were on vertical fund (VF) and non-VF projects.

The related bottlenecks to delivery in 2018 were discussions. These issues were gathered from a survey done by the RBAP towards end of 2018 includes:

- Poor MYWP/AWP-level planning
- Flawed project design and approval process
- Lack of staff capacity UNDP rules and procedure)
- Lack of guidance from CO level
- Lack of collaboration/consultation and support inside UNDP CO;
- Issues with partners and IP.
- Lack of resources to deliver.

Vertical funds

Discussion on the key GEF Policy updates as follows:

- Cancellation policy (FSP 12 months to submission now 18 months to CEO endorsement and MSP – 8 months to submission 12 months to CEO endorsement, Child Project – 6 months before programme commitments date to submit and 18 months of PFD approval to CEO endorsement)
- Fee disbursement:
- Project closure: New GEF target= 12 months between TE and financial closure.

Some key issues to improve on:

- Make sure Agency counterparts involved in key dialogue relevant to their responsibilities
- Do not require an endorsement letter to be provided before accepting to work on a project idea
- Make sure OFP/Ministry fully aware of details on costing/budgeting and agreements in place from early on
- UNDP is responsible for ALL personnel deployed- staff and consultants.

#### **Key take-a-ways:**

To know whether the change is happening or going to happen, we need to be clear on what change we want to see.

**DAY TWO: 5<sup>th</sup> February 2019**

### **Session 4: Ethics and Integrity issues in UNDP/ Procurement**

#### **Key discussion points:**

Session objective: Provide a refresher on corporate policies on ethical and integrity.

Discussion points includes:

- General definitions of key concepts;
- Why focus on Ethics in Procurements;
- Impact on the organization of a Procurement which poorly executed and well executed;
- Common ground for Ethical Behaviors in UNDP;

- UNDP Working Principles in the Procurement process;
- Due Diligence;
- Risks to avoid and to watch for;
- Conflicts of interest;
- Fraud as an ethical breach;
- Some best practices when working with suppliers;
- Mechanisms to work to promote ethical behaviors in procurements; and
- Post-employment restrictions.

#### **Key take-a-ways**

- Always better to understand the UNDP rules and procedures of procurement- refer to POPP to begin with.
- Complete separation with UNDP and personal activities;
- Must better to comprehensive to all things that we do in planning, procurements and our work;
- Make sure not to lose public trust and damage our name- Bad reputations.
- Always discussion with someone in the office if you unsure.
- Always document discussions on Procurements.

### **Session 5: Streamlining Business Practices – UNDP Programme and Project Management 2019**

#### **Key discussion points:**

- Programing Re-write;
- How we deliver results with partners;
- Three things to know about the PPM;
- Reduces burden;
- Eliminated some requirements;
- Reduced frequency of project requirements;
- Streamlined requirements;
- Other improvements-options to deliver on the programme
- Development services;
- Multi-country projects;
- UN Joint Programmes;
- Enegement Facility;
- Enterprise Risk management policy

This session focused on UNDP PPM. UNDP is a programme which deliver policy advice, strengthen capacities, help partners access development financing, protect biodiversity, support people to access jobs, create partnerships all through our programming. In doing this, we have three levels of programming: Global, Regional and country. At the global programming, the projects managed by BPPs and other units, contributing to the strategic plan. There are five regional programmes (Asia Pacific, Africa, Arab States, Europe and the CIS and the Latin America and the Caribbean. There are 138 CPD covering 164 countries and territories. This level we deal with National development priorities, CCA, UNDAF and CPD. There is no more country Programme Action Plan (CPAP).

Given the UNDP PPM prescriptive content was in place for 15 years, with only ad-hoc improvement made, programming re-write required. The changes help UNDP to be more agile and responsive development partners in a world that is changing rapidly.

The Programme and Project Management (PPM) policies and procedures have been re-written from end-to-end. The changes help UNDP to be a more agile and responsive development partner in a world that is changing rapidly. In this new approach will:

- **Reduces burden.** Many requirements were streamlined. Country offices estimate that the changes will reduce time burden by approximately 33 days per year per programming staff person. Some requirements were eliminated such as : concept note, pre-PAC not require, No LPAC for initiation plans, project QA with notes and attendance upload on PM module, satisfies LPAC minutes requirement; eliminated separation issues and lesson logs, remove special

procedures for large equipment components, remove need for DIM approval by RBx (approval is by RR, in consultation with RBx) and remove requirement for special report from trainees.

Reduced frequency of project requirements such as lowered minimum frequency of: output verification to annual, project boards to annual, project reports, to annual and project QA under implementation every other year. However, we also need to meet donor requirements and require abiding to their regulations and procedures.

- **Improves flexibility.** New ways to deliver results with diverse partners enable UNDP to work more effectively on cross-border solutions, in crisis settings and more. These approaches will also help staff to work in a more integrated manner.
- **Bolsters innovation.** The changes make it easier to revise programmes and projects based on learning and experimentation. The PPM fully integrates new UNDAF guidance and delivering as one. It enables new partnerships with the private sector, IFIs and more, and introduces innovative financial instruments.

#### **Programming instruments and project type:**

Development Services was briefly discussed. Which a partner is accountable for design and oversight. UNDP is only accountable for quality of service provision. This included: fees for services to the private sector, government, CSOs, UN or other partners; MA (Managing Agent only) such as UNDO's roles in Common Humanitarian funds and IFI (Implementing all or part of project of IFIs).

In comparison with the stand development projects, the development services allow UNDP to work differently with partners for the SDGs especially the private sector.

The PPM re-write introduces new/enhanced financial instruments, such as: **Performance Based Payments:** New type of agreement with a Responsible Party to provide funding upon the verified achievement of an agreed measurable development result. It provides greater flexibility and incentives to responsible parties to achieve results. **Low Value Grants:** Expands purpose of micro-capital grants and clarifies requirements.

**Contingent Repayment Clauses:** Enables UNDP to receive payments from a grantee when the grantee generates a revenue stream and/or reduction in costs following receipt of a UNDP grant.

**On-Granting:** Enables low value grants to be made by a partner institution in a project following an assessment of the partner to confirm it has the capacities and systems to effectively undertake a grant making role.

#### **Session 6: Working with NGO/CSO partners**

##### **Key discussion points:**

The session objective was to clarify which options projects have to work with NGO/CSO partners, including available engagement modalities and their purpose, legal instruments to use, selections of partners, risk management considerations, and financial management and accounting procedures.

There is a high number of CSOs/NGOs partner with RBAP, but their share in delivery was low in 2018. Only 4% of the RBAP's programme delivery in 2018. UNDP can work with NGOs/CSOs as an/a:

- **Implementing Partner (IP):** When a NGO/CSO is best placed to deliver based on evaluation of prospective partners including assessment of capacities (subject matter experience, expertise, comparative advantages; project requires extensive use of participatory methodologies and/or facilitation of dialogue involving communities, civil society; govt agencies unable or unwilling to carry out project activities; works in remote or conflict-prone area where few other partners can operate). **The section method is programmatic and financial ceiling is none. HACT only applies when funding is greater than \$300k.**
- **Responsible Party (RP):** When an NGO/CSO is best placed to provide goods and/or services to the project, carry out project activities and/or produce outputs using the project budget, based on a written agreement with the UNDP as IP under DIM or RP when providing support services to NIM. RPs are used to take advantage of their specialized skills, to mitigate risk and to relieve administrative burdens. RPs are directly accountable to UNDP in accordance with the

terms of their agreement. **Selection method is programmatic or competitive. Financial ceiling is none. HACT applies >\$300K.**

- **Grantee (Low Value grant):** LVGs to NGOs/CSOs are intended to generate & solicit development solutions. LVGs are used to engage with stakeholders who have a unique/distinct perspective on a development challenge (they represent populations excluded from the devt. process, or have legitimacy/exposure to a devt. Challenge). Grantee is not required to have existing capacities to implement activities – no capacity assessment. UNDP typically has a long-term strategic interest in the development stakeholder benefitting from the LVG. Financial ceiling ≤\$150K per grant; \$300K cumulative total per programme cycle.

#### **Key take-a-ways**

Implementation modalities can be through DIM, NIM with CO support and NGO implementations.

### **Session 7: Harmonized Approach to Cash Transfer (HACT)**

#### **Key discussion points:**

This session provided a refresher on HACT and take stock HACT implementation in the region and what it takes to become fully HACT compliant.

HACT is an inert-agency framework endorsed by UN Development group in 2014 superseding the previous framework adopted in 2005. It is used as reference for capacity development of IPs/RPs. HACT is part of Year-end Assertion. Offices issuing cash transfers to IPs or RPs, should confirm following completion of:

- Macro assessment for the current programme cycle;
- Micro assessment for partners who have received cash transfers during the year; and
- Spot checks and programme visits for partners who received cash transfers during the year.

HACT compliance key requirements:

- Complete macro assessments;
- Conduct risk assessments through micro assessments; create micro assessment plan and update annually;
- Select cash transfer and implementation modality based on IP risk rating;
- Carry out assurance activities and update plan annually;
- Revised modality based on assurance activity findings; and
- Assessment and implement capacity development needs.

#### **DAY 3: 6<sup>th</sup> February 2019**

### **Session 8: Legal Issues in contracting**

#### **Key discussion points**

To understand the role and responsibilities of the UNDP's legal support office and some procurement issues that have been raised, and mechanism to do it better.

- notably for the purposes of ensuring the conformity of all of the UNDP's institutional agreements (with the Government and its various divisions) and commercial agreements (with its suppliers and other partners).
- carries the authority or capacity in particular to support the Country Office, its branches and its projects in connection with all legal issues, to introduce or approve deviations from institutional and commercial agreements, to advise on all legal issues, to prevent, manage and settle legal disputes, claims and other complaints, to interpret legal clauses and provisions relating thereto, to ensure that the contracting process is carried out in accordance with the organization's rules and procedures and to advise on all legal issues affecting the organization, among other things.

### **Session 9: Lessons learned from audit of COs and projects**

### **Key discussion points**

This session focused on the historical review, recurring issues and key findings on PPM from country office and project audits, current audit issues, discussions on some ways to improve from the issues. On the historical reviews, there are observations that continues and have never been improved such as the HACT not fully implemented in from 2015 and in 2018 still not implemented in 2018, direct contracting not justified/frequent use and so on.

Some of the recurring issues and key findings on PPM from Country office and project audits are: PB meetings not held; Field visits not undertaken; Inadequate/absent or non-documentation of project field visits; No mechanisms for project data collection; Risk management-risks not logged, monitored or mitigation actions identifying in terms of project monitoring and assurance. Project implementation delays including approach pf AWP's and over -ambitious; HACT implementation and requirements not undertaken, project closure delays and not within timeframe, financial instruments such as LOA, RPAs not adequately managed.

The current audit issues more like the recurring issues mentioned above. In relation to programme management observations issues included; project risks not recorded in Atlas, project implementation delay/extension;

There was strong emphasis on the financial Rule No. 121.05/POPP, that UNDP staff should always refer to in terms of procurement and project management.

### **Key take-a-way**

- Always better to work honestly for an honest day`s pay.
- Staff to familiarize themselves with POPP.

### **Session 10: UNDP`s new Budget Model**

#### **Key discussion points**

Levan Bouadex, RBEC present on the UNDP`s new resources allocation model. The objective is to provide understanding for the participants on the new model that being implemented starting in 2019 and its underlying principles including the need to deliver on projects to sustain the model.

#### **Key take-a-way**

### **Session 11: Tracking the new budget Model through Stream**

#### **Key discussion points**

The Operations Advisor, RBA present on the tracking the new budget model through stream. Stream is UNDP`s key corporate tool for monitoring the implementation of UNDP`s new budget model, and it has been used since 2018 to set and monitor key financial targets for COs. This session aims to help acquaint participants with the purpose and key reports Stream, as well as planned enhancements of the tool that will be rolled out in 2019. A hand-on demonstration of Stream and how to use the different functions that its offers was done.

### **Session 12: Enchaining Partnerships-Focus on Private Sector/Fee for services and bidding on development contracts.**

#### **Key discussion points**

The Partnership Specialist (RBAP) and Regional Partnerships Specialist (BERA) presented on the enhancing and continuing development partnerships by UNDP, focusing on private sector opportunities including fee for services and opportunities for "bidding" on development contracts.

Percentage of 87% of the RBAP Delivery is traditional donors +verticals funding (GEF/GCF/MP). There is need for urgent diversification of funding and private sector strategic sizeable partnerships needed.

### **Session 13: Interface with GSSU-Feedback on recurrent common issues**

**Key discussion points:** In the first full year of services after financial transaction clustering was rolled out in all RBAP COs, GSSU has identified a number of recurrent common issues when being asked to process requests for payments by COs, including directly by projects. This session will provide an overview of the issues, and give participants an opportunity to discuss directly with GSSU and RBAP. The session format will be a presentation followed by plenary discussion.

### **Day 4: 7<sup>th</sup> February 2019.**

### **Session 14: Management Services Reviews- an update**

**Key discussion points:** Participants were provided with an update on the ongoing review of the management services area in UNDP and given the opportunity to ask questions.

**Session 15: Open House Questions**

Open session for participants to raise any issues in plenary with the resource persons from RBAP and BMS

**Session 16: Action Planning.**

**Main key discussions points**

- API should be tailored down to COs.

**Follow-up Action Matrix**

<b>Actions to be taken</b>	<b>By Whom</b>	<b>Expected Completion Date</b>
Facilitate the information-sharing session for UNDP staff based in Honiara.	Gaylyn Puairana	

**13. Distribution List (BTOR sent to): UNDP Solomon Islands Country Office team.**



