

# AFRICAN DEVELOPMENT BANK GROUP



## THE QUALITY ASSURANCE IMPLEMENTATION PLAN (2019-2021)

A 10 Point Plan to Raise the Bar on Quality and Results

DECEMBER 2018

## ABOUT THIS PAPER

### DRAFT FOR COMMENT — SUBJECT TO FINAL VALIDATION

This draft for comment sets out a 10-point priority implementation plan to enhance the quality and developmental impact of Bank Operations. It was elaborated on the basis of the commitments made in Management’s Response to BDEV’s Evaluation on Quality Assurance and has benefitted from extensive contributions from . The proposals presented in this paper — actions, deadlines, accountabilities and costing — are all **tentative and are subject to final validation by Senior Management**. This paper will be finalised in February 2019 in the light of further comments and consultations. It will be presented to CODE for information on 29 January 2019.

This paper sets out a 10-point plan to enhance the quality and developmental impact of Bank Operations (Section A). It presents the operational details for implementing these actions and includes a clear and prioritised sequence of time-bound deliverables covering the short- to medium-term (2019-2021). The 10 actions have been organised under five areas for reform (Sections B to I):

- ① Upgrading skills of operational staff.
- ② Improving project preparation.
- ③ Assuring higher quality at entry.
- ④ Delivering enhanced results.
- ⑤ Improving planning, budgeting and information.

This Implementation Plan also describes the monitoring arrangements Management is establishing to track and disclose progress in implementing the actions (Section G). A timeline is summarised in Annex A and their costs presented in Annex B.

The priorities and actions outlined in this paper are informed by Management’s diagnosis of the Bank’s quality assurance and management systems. This diagnosis undertaken as part of the Development and Business Delivery Model (DBDM) reforms was aimed at addressing the key issues identified in BDEV’s 2016 **Comprehensive Evaluation of Development Results** (CEDR). The diagnosis was adjusted and further refined in the light of BDEV’s 2018 **Evaluation on Quality Assurance** that provided greater attention to issues related to quality at entry and supervision.<sup>1</sup>

This Implementation Plan makes a distinction between public sector operations and non-sovereign operations (NSOs).<sup>2</sup> While it includes actions that will improve the quality of both public sector and NSO operations, it focuses primarily on public sector operations. A diagnosis of private sector operations is currently underway and will inform a separate NSO Implementation Plan scheduled in the second half of 2019.

<sup>1</sup> This implementation plan outlines in significant operational detail the time-bound actions management is taking in response to the key recommendations made in both evaluations—the 2016 CEDR and the 2018 evaluation on Quality Assurance—and discussed in the respective management responses.

<sup>2</sup> This distinction is based on the premise that quality assurance tools and processes are different for sovereign and non-sovereign operations.

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## A. INTRODUCTION AND OVERVIEW

It is difficult to overstate the significance of quality assurance for the African Development Bank (“The Bank”) because, ultimately, it is the quality of operations that determine the Bank’s impact on development. This is why, Management over the past few years has initiated several measures to strengthen the quality of its operations. The adoption in 2016 of the new Development and Business Delivery Model (DBDM) provided an opportunity to enhance the Bank’s responsiveness to the needs of Regional Member Countries (RMCs) and ensure that the Bank’s interventions lead to better results for its clients.

As part of these reforms the Bank has undertaken its own assessment of operational quality. While the DBDM reforms are helping to enhance the Bank’s role as a trusted partner that is closer and more responsive to its clients, several mechanisms and processes in the current delivery system need to be strengthened to increase the effectiveness of the reforms. Based on this assessment, Management has elaborated a programme of 10 priority actions that will significantly enhance the quality and impact of Bank operations. The 10 actions have been organised under five areas for reform (Figure 1 overleaf):

- ① Upgrading skills of operational staff.
- ② Improving project preparation.
- ③ Assuring higher quality at entry.
- ④ Delivering enhanced results.
- ⑤ Improving planning, budgeting and information.

This Implementation Plan operationalises these actions and includes prioritised, sequenced, costed and time-bound deliverables covering the short- to medium-term (2019-2021).

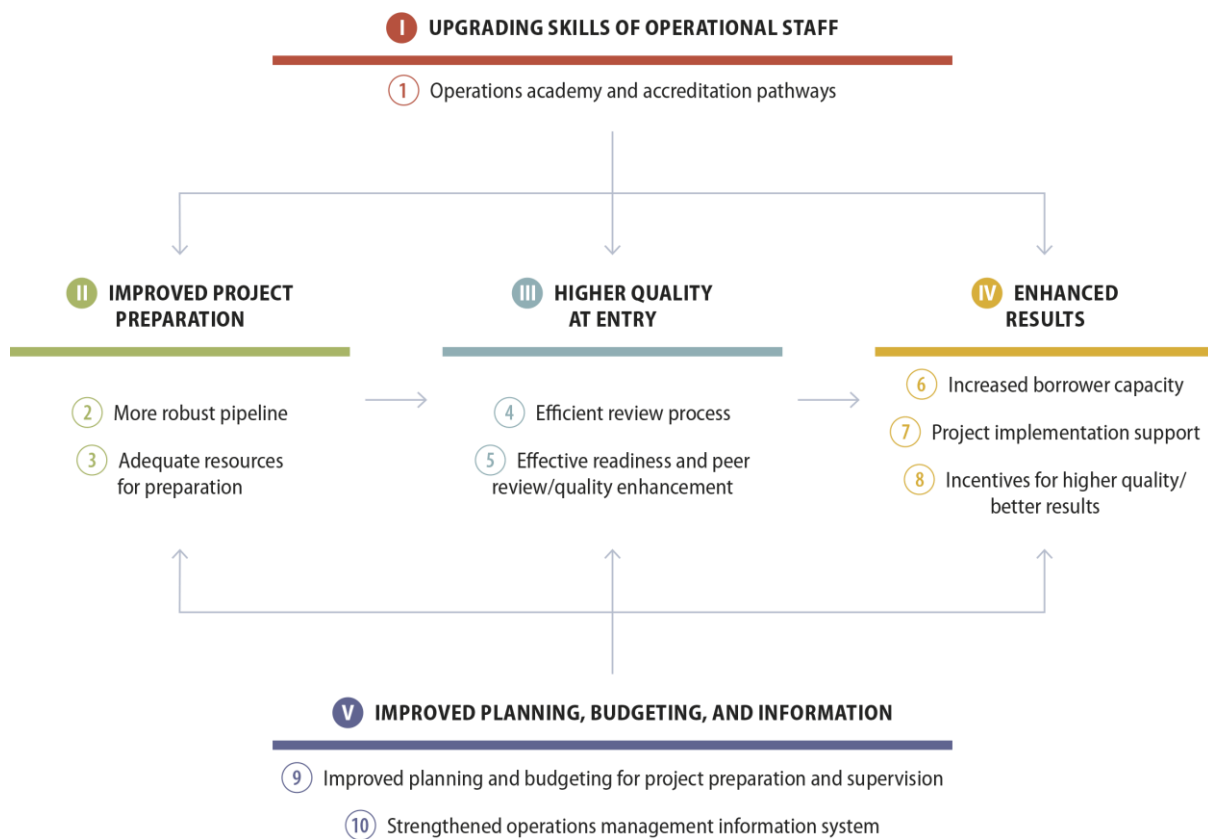
① **Upgrading skills of operational staff.** Experience shows that quality starts with the technical expertise, experience and project management skills of the task manager and the skills mix of the task team. Management’s assessment of operational skills and experience of operational staff — many of whom are new to the Bank — points to the need for greater investment in staff operational skills training. A more systematic approach to upgrading the skills of its operational staff and managers is at the core of the Bank’s plan to enhance quality and results. To this end, Management will develop an Operations Academy to train staff in operational skills. Gateway training will be mandatory for all operations staff and will be further strengthened by a system of accreditation for all task managers and investment officers as well as groups of staff in other key operational roles.

② **Improving project preparation.** High impact projects require a robust pipeline followed by sound project preparation. Management has already introduced a checklist to ensure that indicative operations meet minimum readiness standards; and will revisit the Operations Manual criteria for including a project in the Indicative Operational Programme (IOP), ensuring that the criteria being used to select projects for inclusion in the IOP are consistent across projects, sectors and regions. Inclusion in the IOP will trigger the allocation of the administrative budget resources required to develop the Project Concept Note (PCN). Management’s analysis points to the need to expand and facilitate better access to funds for project preparation, more in line with other MDBs. In addition, Management will ensure that all project teams are appropriately staffed and resourced.

③ **Assuring higher quality at entry.** Quality at entry of projects is, arguably, the single most powerful determinant and predictor of development impact — The higher the quality at entry, the higher the likelihood of achieving the project development objectives. Currently, the Bank seeks

to assure quality by subjecting all projects to a sequential peer review, readiness review, Country Team review and finally a review by the responsible Vice President or the Operations Committee. This review process occurs first at the PCN stage, and then at the Project Appraisal Report (PAR) stage. In line with the new Delegation of Authority Matrix (DAM 2018), Management plans to combine the current sequential review processes into a single concurrent review at each of the PCN and PAR stages. At each of these two stages there will be a single quality-focused meeting at which the different quality review inputs are considered together. In addition, the reviews will combine the two related but distinct objectives of “quality assurance” and “quality enhancement”. Management will also examine the timing of the review meetings, with a view to ensuring that guidance is provided early enough allow for substantive course corrections. The meetings at PCN stage will provide a Go/No Go decision for project preparation, and the meeting at PAR stage will provide focused guidance on steps that must be taken in the course of appraisal for the project to be presented to OpsCom and, subsequently, for Board approval.

**FIGURE 1. REFORM OBJECTIVES**



The readiness and peer reviews have been the fundamental pillar of the quality assurance process. Initially the readiness review was implemented as a central function independent of the Complex originating the project, but in 2014 the responsibility for managing it was shifted to the originating Complex. Management’s diagnosis shows that the current system does not ensure that the review is independent, or that it is conducted by staff with adequate technical expertise. The reviews focus predominantly on compliance and on improving project documents, rather than on technical feasibility. Peer reviewers bring uneven technical expertise, and do not always have the time required for a meaningful review. The reviews are also not aimed at supporting task teams with advice for enhancing quality.

Management will restore overall responsibility for the readiness reviews to a central unit to ensure independence and quality, revamp the instrument to ensure a sharper focus on evaluability and readiness for implementation, backed with appropriate technical and operational expertise and, importantly, resources to help task teams to enhance quality. At the PAR stage, the review will seek to ensure that all the institutional, financial and procurement arrangements for the first year are in place before Board presentation to prevent delays in effectiveness and disbursement. In addition, focused terms of reference and guidance for the peer reviewers' role will be developed and will include an explicit focus on making recommendations to enhance technical quality and project design. Quality enhancement support to task teams will aim at strengthening all aspects of project quality including the development rationale of operations, the quality and realism of logframes, and project design.

④ ***Delivering enhanced results.*** The Bank's institutional culture favours approval over quality and results. Over the past few years, the Bank has made marked progress in results measurement and reporting, but incentives and organisational key performance indicators (KPIs) continue to emphasise lending and disbursement targets. In operations, for example, staff incentives still tend to reward new lending approvals and lending volume. To address this challenge, Management will launch an initiative to transform the approval culture into one that incentivises and focuses on results and development effectiveness, reinforcing the message that it is vital to ensure that all projects emphasise quality of outcomes and results over lending volumes. To this end, Management will make sure that KPIs better emphasise quality and results, and will embed quality in the performance evaluations for staff and managers.

Results ultimately depend on effective implementation. There is evidence of insufficient attention by task teams to the assessment of implementation capacity during project preparation and the Bank has been able to provide only limited support in this area. Management will give greater attention and resources to enhancing borrower project management and implementation capacity. The Bank will adopt a more proactive approach to supervision to enhance the likelihood of achieving development objectives. Management is reorienting project supervision as "implementation support"—support to project management units/execution agencies in RMCs to help remove bottlenecks or capacity deficits, and ultimately progress towards desired development results. These directions are well supported by the continuous approach to supervision now enabled by increased in-country presence — not only of task managers, Country Programme Officers and Country Managers, but also spearheaded by an Implementation Support Manager in each region.

⑤ ***Improved planning, budgeting and information.*** Unlike many comparators, the Bank has not integrated its information systems for budget and project planning, nor has it yet rolled out standard cost coefficients to allocate administrative budget to operational tasks. In tandem with the planned SAP upgrade, the Bank is working to improve and link its systems for planning, programming, budgeting and monitoring. The budgeting aspect will include the development of cost coefficients for different stages in the project cycle, differentiated by levels of risk, and different lending modalities as the basis for resource allocation. The Bank is also developing a single Operations Portal that integrates and provides ready access to information about project implementation in real time to facilitate project management and oversight by task teams and managers.

Taken together the actions and reforms outlined in this paper will also contribute to strengthening a culture of performance, accountability and stronger internal governance. The subsequent sections of this paper elaborate on the five areas of reforms.

## B. UPGRADING SKILLS OF OPERATIONAL STAFF

**Challenges at hand.** In an institution such as the African Development Bank, the most important asset is the staff and its knowledge. Lessons from experience and evaluations show that quality starts with the technical quality, experience and project management skills of the task manager, as well as the skills mix of the task team. The Bank seeks to recruit and retain the best people but many operational staff are new to the Bank and have uneven familiarity with, and experience in, preparing and supervising projects in an IFI environment. Investing in operational staff skills through relevant training is essential to equip new staff and keep current and up-to-date the skills of other staff to deliver, to perform at their best and also to apply the Bank’s quality standards and processes consistently. The Bank is committed to a step change in its current training efforts toward establishing a more systematic approach to upgrade these skills. To this end, it is planning to roll out a comprehensive and mandatory *Operations Academy* including a series of accreditation pathways associated with selected job streams over the next two years.

**Objectives and scope.** The new approach to operational training is aimed at achieving three mutually reinforcing objectives:

- Equip operational staff — both new and old — with the knowledge and tools they need to deliver consistent quality in the Bank’s operations and, in doing so, increase their impact on development.
- Support the development of a culture of quality from the first months the staff joins the institution.
- Support clearer career development pathways, and thus promote higher staff motivation and engagement, through training tailored to specific job categories.

The better-equipped staff members are, the easier it is to hold them accountable to transparent and consistent standards. Overall, investing in staff in this way will provide value-for-money for the institution itself and for its operations.

With these objectives in mind, the Bank will roll out the comprehensive and ambitious Operations Academy project, which draws from Bank’s own experiences in training as well as the successful experience of peer institutions. The Academy will become the central pillar of training for all Operations staff. It will supplement — not replace — specific training in sectors, priority themes and specialised functional areas (e.g., procurement). The launch of the Operations Academy provides an opportunity to bring improved governance to the Bank’s training efforts that are currently delivered by different units. In particular, it will clarify what training is mandatory for which career tracks.

The Operations Academy comprises two components: i) a “Gateway” component, which will be compulsory for all Operations staff, and ii) specific Accreditation Pathways.

*The Operations Gateway.* The Operations Gateway is the first phase of the Operations Academy project and will comprise a series of online learning modules. The IT platform for this type of learning is already in place, and some content has already been drafted. One module (on the existing readiness review system for public sector operations) has been piloted with staff across the regions. The coverage of the Gateway modules and of each of the Accreditation Pathways is to be finalised by a cross-departmental Curriculum Steering Committee, which will bring specific expertise to bear on a broad ranging syllabus.

Completion of the online Operations Gateway will be mandatory for all new operations staff.<sup>1</sup> In addition to new staff, existing operations staff will also be required to take the Operations Gateway training (They will be given a set period within which they must complete the Gateway training). The Gateway will be relevant for all types of operations staff, providing an overview of both sovereign and non-sovereign operations. Indeed, ensuring that staff working in these two different areas have at least a foundational understanding of the other *will support cross working in practice*, especially where NSOs and SO come together within country programmes. Progress will be monitored in the context of reviewing whether staff pass their probationary period (new recruits) and during performance appraisal and contract renewal (existing staff).

*Accreditation Pathways.* The second phase of the Operations Academy project is to deliver a number of accreditation pathways for selected job-streams. The initial focus will be on four streams: i) Task Managers for sovereign operations, ii) Investment officers for non-sovereign operations, iii) Country Program Officers and, iv) Country Managers. Other streams may be covered in a third phase. Accreditation will become a requirement to take up relevant positions, enforced by the HR department. Staff already in these positions will be given a set number of months within which to complete the accreditation in order to continue in their position.<sup>2</sup> The main tool for each accreditation will be online learning modules, complemented with in-depth face-to face training for new staff.

*Other accreditation streams.* Depending on progress of the first two phases, a third phase of the Operations Academy project would then be designed covering other streams. These modules will build on ongoing training efforts such as the Country Programming and Portfolio Management Workshop and the Country Manager Exchange, and the broad range of training provided on issues such as procurement, administration and finance and project management.

**Implementation steps.** While the Quality Assurance Department (SNOQ) will be the institutional lead for the project, its success will depend on cross-departmental collaboration, including from technical departments (from procurement to quality assurance) providing content, and both IT and HR functions providing support. The IT Department (CHIS) has already put in place the platform via which staff will be able to access Operations Academy, and in which their learning progress will be recorded. Given the technology dimension of the project, CHIS will continue to remain engaged in the project. The HR team will play a pivotal role in ensuring staff go through the training as agreed and that Managers enable them to do so.

#### BOX 1. THE OPERATIONS ACADEMY WILL BE ROLLED OUT IN THREE PHASES

##### PHASE 1: DEVELOPMENT OF GATEWAY MODULES

- Roll out will be phased by region and/or complex.
- Each unit will have a six-month period to ensure that all PL operations staff take the Gateway. They will also be asked to provide feedback to help improve the content for future roll-out phases.
- The first group should have completed the Gateway by December 2019. All PL operations staff will have completed it by June 2020.
- From December 2019, all new operations staff will be expected to complete the Gateway within 3 months of taking up their post.

##### PHASE 2: ACCREDITATION PATHWAYS

- Task Manager Accreditation (public sector) will be rolled out in a similarly phased manner. There are around 275 staff that will need to go through the training. Seasoned Task Managers may be able to

<sup>1</sup> It will supplement, not replace the general staff induction, which covers a whole range of generic and practical issues.

<sup>2</sup> Exceptions may be agreed for persons close to retirement.



complete the accreditation based on the online courses, without the face-face training.

- For the CPO and Country Manager accreditations the approach will be different. For the CPOs – There are around 45 staff concerned, and it will be possible to roll out the training in all regions.

- For the Country Managers – the Country Manager accreditation is expected to be supplementary, meaning that the person must have already completed both the gateway and one of the two accreditation pathways before embarking on the Country Manager training.

- Investment Officer Accreditation (NSO) will need to be launched also in phases, similar to the Task Manager Accreditation

### PHASE 3: OTHER ACCREDITATION PATHWAYS

- Other accreditation pathways will only be launched based on success of the previous ones.

- Regular maintenance and updating of Operation Academy

Roll out of the Operations Academy will follow a planned, phased approach (Box 1), and will necessarily be different for existing and new staff. All existing operations staff should have completed the Gateway in the first 12 months after its launch, i.e., by June 2020. Newly recruited staff will be added into programmes, as planned with their line manager on joining. A phased roll out will also be essential for accreditation pathways in light of the large numbers of existing staff to be accredited (96 investment officers, 275 Task Managers, 45 CPOs and 35 Country Managers).

**TABLE 1. KEY STEPS: UPGRADING THE SKILLS OF OPERATIONAL STAFF**

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
1. OPERATIONS ACADEMY GATEWAY			
1.1	<b>Launching the platform</b> for use by all Bank staff	[Q2 2019]	[SNOQ/RDVP]
1.2	<b>Private sector modules</b> will be prepared to target specifically Investment Officers in charge of non-sovereign operations	[Q4 2019]	[SNOQ/PIVP]
1.3	<b>Task manager pathway</b> launched to certify staff as apt to lead operations management	[Q4 2019]	[SNOQ/RDVP]
1.4	<b>Pathways for Country Programme Officers and Country Managers</b> established to provide common knowledge to the same job family in countries	[2020]	[SNOQ/RDVP]
1.5	<b>Other streams</b> developed	[2021]	[SNOQ/RDVP]

\* Items in square brackets are tentative and subject to validation by Management.

**Resource implications.** Implementation of the above initiatives entails upfront development costs, recurring delivery costs and, importantly, costs in the form of time that staff will commit to undertaking and completing the training. Summary estimates of upfront development costs and recurrent costs are provided in Annex B and will be revisited as part of annual budget planning each year. These costs relate to the first two phases only, given that the third phase will be planned for following successful execution of the prior phases. They are also conservative, particularly with regard to the staffing required to develop and run the programme.

It is estimated that the Gateway — compulsory for all operations staff and recommended for others — will account for around three working days of time. The accreditation pathways will involve a more significant time commitment totalling 2-3 weeks. On acceptance onto an Accreditation Pathway, this will be factored in to each staff member's annual objective setting and time planning. This will fit well into the Bank's general guidance that staff should invest up

to two weeks per year of their time in training and personal development. Ensuring that staff are able to carve out this time in practice has been a challenge. In the case of Operations Academy training, there will be no room for negotiation or push back from managers.

### C. IMPROVING PROJECT IDENTIFICATION AND PREPARATION

**Challenges at hand.** The Bank's pipeline of projects is typically large but not as robust as it needs to be, with many projects in the pipeline ending up not being included in the lending programme. Projects are expected to enter the Bank's pipeline through the preparation of a Project Brief that describes the RMC's demand for the proposed project; explains the project's consistency with the country strategy and conformity with Bank/RMC policies and priorities; and notes the availability of financial resources. The responsible manager is expected to review the Project Brief before the project is included in the pipeline. Management's diagnosis shows that this process is no longer being followed systematically and thus the step intended to filter the pipeline down to a reasonable number of projects is missing. As a result, staff efforts and budget resources are dispersed over a very large number of projects, many of which do not make it into the lending programme.

A second step in the process is project preparation where a sound approach matters for quality at entry, effective implementation, and development impact. This step requires considerable resources for actual project preparation as well as an investment of staff time, budget and other resources. Management is aware that the Bank is falling short in this respect, in part because the Bank lacks a system of budget coefficients for allocating resources to undertake proper project preparation. Actual allocation of internal resources by the Bank for project preparation is well below that of other MDBs. Furthermore, many task managers are stretched thin and task teams are not equipped with the required mix of skills.

Although the Bank has a number of fragmented trust fund facilities that can be used for financing project preparation, compared to other MDBs the amounts available from these sources are small and fall well short of requirements, particularly for preparing large projects. In addition, each facility has its own time-consuming approval processes. These factors combine to limit the resources for preparing projects thus further constraining the robustness of the pipeline as well as the quality of project designs.

**Objectives and scope.** The primary objectives of reform in this area are to ensure a stronger portfolio of Bank-funded projects and a more technically and financially sound preparation process, which in turn would lead to higher development impact for RMCs based on:

- A robust pipeline and Indicative Operational Programme (IOP).
- Well-prepared projects based on ready access to preparation funding and adequate investment of staff time and expertise.

Management will emphasise the consistent use of the Project Brief as a prerequisite for any project to be added to the IOP. To this end, Management will revisit the Operations Manual criteria for including a project in the IOP, ensuring that the criteria are applied consistently across projects, sectors and regions. Inclusion in the IOP will trigger the allocation of the administrative budget resources required to develop the PCN. A "go" decision at the PCN review (Reform area III) will trigger the inclusion of the project in the Bank-wide Programme Processing Schedule (BPPS) and allocation of budget for further processing; the budgets will be based on appropriate coefficients adjusted for project complexity (Reform area V).

Managers of the originating units will be responsible for ensuring that all project teams are led by experienced task managers and are appropriately staffed and resourced. Managers will help task

managers strengthen task teams by drawing on staff from different parts of the Bank, with special attention to ensuring the timely availability of specialised staff to address fiduciary, safeguard, and other corporate requirements. While increasing the number of staff in key functions may be necessary, Management is exploring opportunities for staff reallocation and reassignment to ensure that all project teams are appropriately resourced.

The Regional Complex (RDVP) has already introduced a checklist accompanied by a categorisation (A – B – C) of the readiness of operations to transition from the IOP into the lending programme. The lending program will be managed tightly with an over-programming “buffer” of about 30% above the lending target.

Management’s analysis also points to the need for RMCs to access trust funds and other facilities for project preparation, in line with the practice at other MDBs. Management is exploring a number of avenues to help meet this need:

- Encourage RMCs to fund project preparation from own resources.
- Build preparation funds into projects where follow-on projects are anticipated.
- Review existing Trust Funds to streamline processes for easier access.
- Channel funding from global facilities to which the Bank is accredited.
- Seek expansion of the resources of MIC TA Fund and the PPF for ADF countries.
- Train operational staff as part of the Operations Academy (Reform area I) so that they are knowledgeable about Trust Funds and Bank facilities and associated policies and processes.
- Undertake a reform of the Trust Fund policy to bring it more in line with other MDBs and shift toward multi-donor Trust Funds which follow Bank processes.

These Trust Funds and facilities would continue to be used also to support the development of RMC project management and implementation capacity (Reform area IV).

**Implementation steps.** The implementation steps set out below concern primarily public sector operations.<sup>3</sup> They require coordinated action from a range of complexes and departments with RDVP responsible for:

- Consistent application of the Project Brief system.
- Management of the IOP and the Lending Programme.
- Staff training focused on project preparation and the effective use of Trust Funds and related Bank facilities.

The budget department (SNPB) will work with RDVP on the introduction and use of budget coefficients for project preparation. The resource mobilisation department (FIRM) will take the lead in conjunction with RDVP in the steps required with respect to Trust Funds and related Bank facilities including to make the case for replenishing the MIC TA Fund and the PPF.

**TABLE 2. KEY STEPS: IMPROVING PROJECT PREPARATION**

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
2. BUILDING A ROBUST PIPELINE FOR BUSINESS DEVELOPMENT			

<sup>3</sup> As noted in the section above (About this paper), detailed analysis and actions for NSOs will be set out in a separate paper quality assurance implementation plan currently scheduled in the second half of 2019.

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
2.1	<b>Project briefs reinstitutionalised</b> for enhanced screening of projects early during preparation	[Q1 2019]	[RDVP]
2.2	<b>Project categorisation</b> introduced to better select projects in the Indicative Operational Programme	[Q2 2019]	[RDVP]
2.3	<b>Indicative Operational Programme</b> effectively managed, controlling over-programming	[Q3 2019]	[Bank-wide]
<b>3. INCREASING THE RESOURCES FOR PROJECT PREPARATION</b>			
3.1	<b>Reallocation</b> of Task Managers based on the right-sizing exercise	[Q2-Q4 2019]	[SNVP]
3.2	<b>Project task teams</b> adequately staffed with appropriate training	[Q3 2019]	[Bank-wide]
3.3	<b>Better access to funds</b> by implementing budget coefficients to allocate resources for project preparation	[2020]	[SNPB/RDVP]

\* Items in square brackets are tentative and subject to validation by Management.

**Resource implications.** The most significant call on donor resources/Bank income would be to replenish the MIC TA Fund and the PPF. The amount required will be assessed by Management in the coming months. Annex B provides a summary of the cost estimates associated with the other actions, which will be revisited as part of annual budget planning each year.

#### D. ASSURING HIGHER QUALITY AT ENTRY

**Challenges at hand.** The current quality assurance process entails a sequential peer review, readiness review, country team review and finally a review by the responsible Vice President or the Operations Committee at both PCN and PAR stages. Management's diagnosis of the process points to several areas for improvement:

- The process is inefficient, with too many sequential steps — Peer Review, Readiness Review and Country Team Review.
- The current system of readiness review does not ensure that the review is independent; adequately covers all the predictors of project success; and fully addresses factors that determine readiness for implementation.
- Peer reviewers bring uneven technical expertise, and there is little evidence that the reviewers provide advice to enhance the quality of the project. There are no clear criteria to determine who is qualified to perform this role and the required time investment, and the overall process lacks strong standards to which reviewers can adhere.
- The timing of the reviews limits the scope for fundamental revisions/adjustments and leads to a focus predominantly on compliance and on improving project documents, rather than on technical feasibility.
- There is no explicit provision of resources and time for the peer reviews and in support of quality enhancement when needed; this leaves project teams to contend with issues without benefiting from vital knowledge to strengthen project quality.
- The degree to which comments and recommendations provided by reviewers are effectively acted upon varies.

**Objectives and scope.** In order to address these challenges, the main objectives of the reform of the review processes are to:

- Streamline the review process with a view to improving efficiency and effectiveness.
- Improve the quality of the reviews to focus on the critical determinants of project success, and strengthen their independence.
- Provide for quality enhancement in addition to quality assurance.
- Ensure that task teams can benefit from the guidance provided by reviewing the timing of the review meetings.
- Strengthen accountability for quality and results, in line with the DAM.

In line with the recently issued DAM, the current sequential review processes will be replaced by concurrent reviews. The reviews will be consolidated and considered together at a single quality-focused meeting of the Technical Quality Assurance Committee (TQAC), which will replace the meeting of the Country Team at two critical stages.<sup>4</sup> The different quality review inputs will be considered together at both the PCN and PAR stages by TQAC. There will be a provision to adjust the process based on project complexity and risk with simple, low risk projects benefitting from a fast-track approach.

The readiness and peer reviews have been and will remain the fundamental pillar of the quality assurance process. Management is planning to move the responsibility for the readiness reviews back to a central unit under the Senior Vice-President's direct authority to ensure independence and quality. The Readiness Review will be re-engineered to focus on key drivers of performance drawing from good practices across MDBs. The review will focus on: strategic relevance and alignment to country strategies and Bank priorities; sound results framework accompanied by effective monitoring and evaluation to ensure a strong focus on results throughout implementation; and implementation readiness. The review at PCN stage will emphasise the first of these dimensions and at PAR stage the other two dimensions: results frameworks and implementation readiness.

Peer reviews will follow clear, specific terms of reference to ensure that they add value and are consistent across projects. Peer Reviewers will no longer be selected by the task team and will be drawn from an agreed roster of staff with the required expertise principally coming from sector complexes. For complex projects additional peer reviewers could be selected from outside the Bank. Managers will be required to ensure that the peer reviewers have time to conduct effective reviews. The Peer Review role will be recognised as centrally important, and be part of the sector experts' core work programme.

In addition, quality enhancement support will be provided to task teams. In addition to addressing specific areas identified by the Readiness and Peer Reviews, the support will aim at strengthening the development rationale of operations, the analysis that underpins project design, and the quality and realism of logframes, and making sure that the right indicators are in place to track progress and assess outputs and outcomes (see also Box 2). Inputs for quality enhancement will be provided through: hands-on support to project teams on quality and technical challenges; sharing proven solutions from similar operations; and coaching of task teams.

#### **BOX 2. HOW LOGICAL FRAMEWORKS WILL BE CONSISTENTLY STRENGTHENED**

Put simply, development projects are well designed and executed when they achieve their intended development objectives within the timeframe and resources that were agreed and set out in project documents and the logical framework. In this connection, the purpose of the logical framework is not only

<sup>4</sup> Different provisions are in place for NSOs with the introduction of a Technical Investment Committee (TIC).

to summarise the logic of intervention (or theory of change) but also to help task teams think through project design by clarifying the objectives and the logic of intervention that guides project design.

This is why logical frameworks are the centre piece of a well-designed project. One of the objectives of the revamped Readiness Review will be to provide central support to operational teams to improve the design of operations and how their logic is captured in the project logframes. It will achieve this objective in three ways.

First, by centralising the Readiness Review of PCNs and PARs it will ensure that consistent standards of quality are applied to all operations.

Second, by assessing and scoring logical frameworks against these standards, central support will identify those operations that require additional support before they are ready for further review.

Third, It will make available to operations a body of expertise that will help task teams improve the design of the project and the logical framework that underpins it. In doing so, it will also capitalise good practice and disseminate it across operations.

As a result, the quality, consistency and realism of logical frameworks is expected to significantly improve following the introduction of this new approach

Management will examine and adjust the timing of the meetings of TQAC to ensure that task teams can benefit from the guidance provided and have the time to reflect it in the design of the concerned projects. The Chair of the meeting will be responsible for ensuring that the decisions made are specific enough for the team to adopt and are properly recorded in a decision note. The meetings at PCN stage will provide a Go/No Go decision for further project preparation and appraisal, and the meeting at PAR stage will provide focused guidance on steps that must be taken in the course of appraisal for the project to be presented to OpsCom and, subsequently, for Board approval.

**Implementation steps.** Implementation of these changes requires not only that these revised processes are fully elaborated but also that they are embedded in Bank's systems and disseminated to staff. Accordingly, implementation steps will include:

- Elaboration of the revised processes in discussions that draw on staff and managers across Operations.
- Finalization of the terms of Reference for TQAC.
- Reflection of the changes in a Presidential Directive (to supersede the existing PD) and in the DAM.
- Revision of the Operations Manual.
- Strengthening of the staffing and resources of SNOQ.

**TABLE 3. KEY STEPS: ASSURING HIGHER QUALITY AT ENTRY**

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
4. STREAMLINING THE REVIEW PROCESS			
4.1	<b>Strengthened process</b> by streamlining review stages and enhancing the review function through the Technical Quality Assurance Committee	[Q1 2019]	[RDVP]
4.2	<b>Revised Operations Manual</b> that takes into account the enhance review function and streamlined process	[Q3 2019]	[SNSP]
5. STRENGTHENING AND RESOURCING THE READINESS REVIEW AND THE PEER REVIEW			

5.1	<b>Revamped Readiness Review</b> template and terms of reference for both concept and appraisal stages	[Q2 2019]	[SNOQ]
5.2	<b>Readiness Review and Peer Review</b> fully operational and feeding decision meeting of the Technical Quality Assurance Committee	[Q4 2019]	[SNOQ/RDVP]
5.3	<b>Adequate staffing</b> allocated to conduct the Readiness Review and Peer Review functions	[Q4 2019]	[SNOQ/RDVP]

\* Items in square brackets are tentative and subject to validation by Management.

**Resource implications.** Implementation of the above initiatives entails costs in staffing up SNOQ as well as to resource the quality enhancement function. It will also require additional time inputs from the designated peer reviewers. Annex B provides a summary of the cost estimates, which will be revisited as part of annual budget planning each year.

## E. ENHANCING DELIVERY OF RESULTS

**Challenges at hand.** Loan approval culture is an issue that has plagued Multilateral Financial Institutions and the Bank in particular, for a long time. In 1994, the “Knox Report” led by a Task Force on Project Quality for the Bank<sup>5</sup>, noted an organisational culture dominated by “anxiety to meet annual lending targets.” The emphasis on approval of new projects, also evident today, detracts from both, attention to quality in the course of project preparation and appraisal and a focus on the ongoing portfolio under implementation, which ultimately drives results.

Despite a series of reforms on quality and results undertaken over the last decade, recent evaluations have provided evidence that the Bank’s progress towards a culture of development effectiveness has been mixed. Factors believed to have undermined these efforts can be summarised as follows:

- Institutional KPIs are largely skewed towards lending volumes with limited emphasis on adherence to quality standards and inadequate attention to quality dimensions against which to measure implementation performance and development results.
- Quality Assurance is not adequately integrated in the Bank’s accountability framework and its performance evaluation system. Accountability processes place insufficient focus on quality throughout the project life cycle. The performance evaluation system is yet to fully incorporate objective measures of performance on quality standards and development results achieved by operations teams. Similarly, line managers are not systematically held accountable for quality checks at entry and supervision to ensure successful project implementation and achievement of development objectives.
- Quality assurance reviews and ratings lack sufficient candour, objectivity and relevance to drive behavioural changes and trigger corrective measures to improve quality and development results. Inflated scores at entry, supervision and on completion limit the effectiveness of KPIs to positively impact quality and development effectiveness.
- There is insufficient attention given to the borrower’s project management and implementation capacity and where gaps are identified, the Bank is not always in a position to provide support to bridge these gaps (see also Action Areas II and III).
- Standards for supervision frequency and quality, Implementation Progress Reports (IPR) and Mid-Term Review (MTR) are not consistently met and task managers have limited

<sup>5</sup> The Quest for Quality , 2014

time to dedicate adequate attention for tailor-made support to the implementation of each project. This means that task managers often supervise projects with a compliance-check approach with limited proactive follow-up on problems identified during implementation, instead of providing proactive implementation support. They also face the challenge of not being able to call on the right expertise to address identified implementation bottlenecks. Often, project supervision benefits from limited attention or follow-up from line Managers.

- Insufficient attention to staff incentives supporting a favourable culture and behaviour towards quality and results have limited the full implementation of reforms. While poor performance is regularly tracked in the Bank's delivery reports, opportunities for recognising, celebrating, internalising and learning from good quality design and successful implementation remains limited.

**Objectives and scope.** The main objective of this priority is to enhance the effectiveness of the Quality Assurance Implementation Plan by:

- Establishing and nurturing an organisational culture centred on quality and results.
- Enhancing borrower project management and implementation capacity based on a rigorous assessment to be carried out in the course of project preparation and the provision of resources and staff support required to bridge any gaps (see also Reform Area II).
- Reorienting supervision away from a passive, compliance approach to pro-active support to effective implementation.

Management recognises that upgrading Bank skills, resources and processes will not effectively enhance the quality and impact of Bank Operations unless these reforms are supported by a conducive culture and behaviour.

Management will consolidate recent progress made in strengthening accountability of Senior Management in key priority areas. For 2018, a consistent set of KPIs was designed for Operations Vice Presidents and Director Generals (see Box 3) to deliver the Bank's strategic priorities, and are reflected in Executive Performance Agreements (EPA) of Vice-Presidents and Director Generals to foster leadership and joint accountability on corporate priorities, including on quality of implementation.



**BOX 3. TOP LEVEL KPIS OF OPERATIONAL COMPLEXES**

For 2018, a consistent set of KPIs was designed for Operations Vice Presidents and Director Generals to deliver the Bank's operations priorities:

1. Strengthening business development by establishing a robust pipeline of operations
2. Delivering on the Bank's annual lending targets
3. Mobilising and committing co-financing resources
4. Improving the quality and development impact of the portfolio of operations.
5. Enhancing process efficiency in operations delivery

Performance against these Top Level KPIs are reflected in Executive Performance Agreements (EPA) of Vice-Presidents and Director Generals to foster leadership and joint accountability on corporate priorities, including on quality of implementation.

In order to further strengthen synergies between operational complexes, break-down silos and, more generally to nurture a culture of cooperation and team-work, joint KPIs have been assigned to Pilot Complexes for leading delivery of operational targets and co-pilot Complexes for supporting delivery.

As noted under Reform Areas II and III, task teams will be required to assess borrower implementation capacity as part of project preparation.

The top level KPIs will be further enhanced to strike a better balance between speed of delivery on one hand, and quality of implementation on the other. The next step will be the cascading of the top level targets down to line managers and task managers to provide a clear line of sight for delivery of key operational priorities, with particular attention to quality of implementation support. The same indicators and targets will be applied for the purpose of performance evaluation of staff and managers to ensure an integrated and focused approach to quality assurance. Progress toward these indicators will be tracked through the Monthly Operations Status Meeting (MOS) and the Delivery Dashboard.

Instituting a culture of quality requires a delicate balance between accountability and learning. Promoting a safe learning environment leads to greater understanding, appreciation and buy-in of quality standards. In support of the Operations Academy initiative presented under Reform Area I, Management will provide further opportunities for drawing critical lessons on project implementation by resuming and enhancing the Annual Portfolio Performance Review (APPR). Management will also develop a staff incentives programme, involving rewards for excellence and innovation in project design, project implementation and project restructuring.

Management will support the reorientation of supervision to implementation support and higher quality of supervision through two major initiatives. First, an Implementation Support Guidance Note will clarify standards for supervision for operational staff and emphasise a proactive and tailor made approach to project implementation. This will require cross-department collaboration and a team approach to provide tailor made project support covering general implementation issues, fiduciary safeguard, procurement, quality assurance tools, etc. The guidance note will also update standards and criteria for project supervision and completion including clear criteria for the type and frequency of supervision, taking account of project complexity and risk. It will complement the Operations Manual (Volume II).

Second, the Results Reporting System (RRS, see also Reform Area V) will automate important project implementation data — progress made on key indicators in the logical framework, overall implementation progress, and status of Project Completion Reporting (PCR). The RRS will provide real time information to line managers and enhance accountability for supervision, IPRs and MTRs while concurrently simplifying and streamlining reporting requirements thus easing the burden of task managers. It will also facilitate more effective portfolio reviews and planning exercises while also providing useful information that would improve the design of new operations. The RRS will also include the launch of two companion dashboards to: track the

quality of the Bank's portfolio of ongoing operations, and prepare reports on aggregate operations results.

These directions are well supported by the continuous approach to supervision now enabled by increased in-country presence — not only of task managers, country programme officers and country managers, but also spearheaded by an Implementation Support Manager in each region. The above actions will be supplemented by the provision of training in these areas as an early Phase 1 priority within the Operations Academy (Reform Area I).

**TABLE 4. KEY STEPS: ENHANCING DELIVERY OF RESULTS**

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
<b>6. SUPPORTING BORROWER CAPACITY DEVELOPMENT</b>			
6.1	<b>Guidance note</b> on carrying out Implementation Capacity Assessments	[Q1 2019]	[RDVP]
6.2	<b>Training in capacity assessments</b> implemented	[Q2 2019]	[RDVP]
6.3	<b>Roll-out</b> in Regional Implementation Support units to deliver support to project management units in RMCs	[Q3 2019]	[RDVP]
<b>7. MOVING FROM SUPERVISION TO SUPPORT OF PROJECT IMPLEMENTATION</b>			
7.1	<b>Enhanced accountability</b> provided through reporting in the Results Reporting System	[Q4 2019]	[SNDR/SNOQ]
7.2	<b>Implementation support guidance note</b> issued to project task teams	[Q4 2019]	[SNOQ/RDVP]
7.3	<b>Operations manual</b> updated to reflect the enhanced focus on implementation support	[2020]	[SNSP]
<b>8 EMBEDDING A CULTURE OF QUALITY AND RESULTS</b>			
8.1	<b>Top level KPIs</b> reflect a greater balance between quality and operations efficiency	[Q1 2019]	[SNVP]
8.2	<b>KPIs cascaded</b> across the institution to reflect the enhanced focus on quality for all operational staff	[Q4 2019]	[Operations Complexes]
8.3	<b>Staff awards</b> instituted to provide staff with recognition for delivering high quality and impact projects	[Q4 2019]	[SNDR/SNOQ]
8.4	<b>Performance evaluation system</b> revised to emphasise incentives for quality	[Q4 2019]	[CHHR]
8.5	<b>System for performance evaluation</b> is fully functional and implemented for all operational staff	[2020]	[CHHR]

\* Items in square brackets are tentative and subject to validation by Management.

**Implementation steps.** The Senior Vice-President's Complex (SNVP) will be responsible for updating the top level KPIs and will guide the Operations VPs in cascading these down to managers and staff. They will also develop the staff incentives to promote a culture of quality and results. RDVP will develop the Capacity Assessment Guidance note and the Implementation support guidance note, with the support of SNOQ, as needed. The Results Reporting System has been developed and will be launched by the Corporate Performance Department (SNDR) and CHIS.

**Resource implications.** Initiatives under Reform Area IV will be implemented primarily by leveraging existing resources. Estimates of the required additional external consultancy support are presented in Annex B.

## F. IMPROVING PLANNING, BUDGETING AND INFORMATION

**Challenges at hand.** The Bank's system for planning and budgeting for operational activities, monitoring delivery and expenditures as well as for managing information and knowledge are of paramount importance to ensure that Bank resources are effectively and efficiently deployed in support of the High 5 development agenda, as well as to promote accountability for delivery and expenditures. Over the past years, the Bank has put in place a number of separate systems in this area.

Budgets for operational outputs are allocated through the Strategic Resources Assessment Software (SRAS). The programming and delivery of outputs is intended to take place through the Bank-wide Program Processing Schedule (BPPS); utilisation of staff time to deliver outputs is recorded and monitored through the Activity Time Recording System (ATRS); and operational documents are intended to be managed from the Enterprise Content Management (ECM) system. Delivery vis-à-vis the Board is captured in the Board Rolling Agenda (BRAG).

These systems provide some useful information in their own domains. However, their utility is limited by missing inter-linkages, gaps and shortfalls in use/compliance:

- SRAS is not linked to BPPS thus resulting in inconsistencies between the two systems that undermine accountability for delivery and use of the budget.
- Budget allocations are not based on any standard cost coefficients and are not related in a meaningful way to the prospects of delivery of outputs.
- Costs are often recorded to incorrect project/output codes with no provision for verification and correction.
- Staff costs, which represent two-thirds of total costs, are not accurately recorded due to gaps in the compliance with ATRS related to the lack of clear incentives for staff and managers to ensure compliance and accuracy.
- A large proportion of operational documents continue to be managed on a standalone basis with only limited use of ECM.

Management is taking the opportunity of the transformation of its SAP platform to SAP S4/HANA (see Box 4) to address some of the systems-related challenges combined with measure to improve compliance and utilisation.

**BOX 4. SAP TRANSFORMATION PROGRAMME**

In line with the Bank's Digital Strategy covering 2017-2020, The Bank is embarking on a transformation program of its current SAP platform to adequately support the new Development Business and Delivery Model and the achievement of the High 5s.

It established to this end a project called WAKANDA—Work with Agility and Know-how to Advance the Nimble Development of Africa. This project has a dedicated governance structure aiming at creating business awareness to adopt the new SAP platform throughout operations management.

This platform and upgrade to SAP S/4HANA will accelerate the Bank's digital transformation and enhance data discipline as well as a culture of service excellence, agility and innovation through communication. This will form the cornerstone of the Bank's ability to fully harness the power of data and the digital age.

**Objectives and scope.** The implementation plan in this area is aimed at achieving the following objectives:

- Budgeting of operational activities based on standard budget coefficients to provide adequate budgets for the preparation and support of implementation of projects to high quality standards
- An information technology platform connecting existing information systems including SRAS, BPPS, ATRS and BRAG for enhanced operations management
- An operations portal for end-to-end tracking of all project management activities and documents from pipeline development to results monitoring and project completion — a one stop shop for project task managers to complete, access and update project documents
- Scaled up capabilities for data management and business analytics with a Bank-wide data warehouse capable of mining data from various sources across the integrated system to support management information and exceptions reporting
- A client portal providing borrowers and partners a resource and transaction space to streamline reporting, perform transactions and enhance operations effectiveness
- Staff and managers trained and motivated to use the systems appropriately

The Bank will leverage the wealth of information on project preparation cost that it has to plan and budget for operational outputs in the future, starting with the Indicative Operational Programme. The information on out of pocket costs — currently, the basis for budgeting — will be supplemented by data on staff time and cost involved. This will build on ongoing efforts to improve the use of the ATRS to generate more accurate information about expenditures on different aspects of Bank activities. This will be supported by staff training and measures that motivate staff and managers to provide inputs to and use the ATRS.

The Bank is preparing to launch the Results Reporting System (RRS) combined with the move from preparing documents on text files, to preparing them within online platforms (see Box 5). The new Operations Portal will build on the RRS and become the one stop shop for project task managers to complete and update all key project documents, from identification to completion. This will make it the central platform for project clearance and documentation. Task managers will be able to prepare each project document from within a system, starting with the Project Brief, to the Concept Note, Appraisal Report and what the RRS already covers—the Implementation Progress and Results Report (IPR) and the PCR.

**BOX 5. THE RESULTS REPORTING SYSTEM (RRS)**

The RRS embodies the Bank’s commitment to make technology a facilitator in improving the quality of operations. Planned for launch in January 2019, this system will provide line managers with real-time information on strategic metrics of operational quality.

By automating key steps in the preparation of quality assurance documents — results-based logical framework, Implementation Progress and Performance Results report and Project Completion Report — the RRS will simplify and streamline reporting exercises for task managers. It will also put the Bank in a position to harness newly available data to improve operations design, portfolio reviews and planning exercises.

With the RRS, the Bank is leveraging the capabilities and ubiquity of its SAP information system — the Bank’s IT backbone — enabling access to its interface for task managers across its Africa-wide network. The Bank plans to transition the RRS as part of the upgrade to SAP S/4HANA.

To ensure that the system helps to improve overall project design and quality, the portal will also include information/data related to quality assurance reviews to enable tracking of improvements made from the concept to appraisal stage. Likewise, the operations portal will capture project documents which are key to its management, including its Environment and Social Assessments, as well as financial and procurement documents — all of which are already stored in SAP. A user-friendly interface will provide greater incentives for data entry and retrieval.

To harness the available operations data, the Bank will develop a state-of-the-art enterprise data warehouse, providing the foundation for reporting and data analysis. The warehouse will be the central repository of data from multiple sources. It will store, cleanse, transform and catalogue data for creating analytical reports. Time currently spent on reconciling custom spreadsheets will be put to use for more comprehensive analysis to better inform decision-making. The RRS will underpin the Delivery Dashboard regularly presented to Senior Management and feed into the Bank’s Annual Development Effectiveness Review and the Retrospective Review Report.

Building on its integrated system, operations portal and data warehouse, the Bank will expand access to clients and other development partners by making available relevant reports and documents in a timely manner; a “client connection application” to allow clients to perform transactions such as disbursements and clearance.

**Implementation steps.** The key implementation steps to be taken are:

- Design and implementation of standard coefficients to enable adequate budgets for operational outputs.
- Launch of the Results Reporting System.
- Interconnection of Bank operations information systems in conjunction with the upgrade of SAP to S4/Hanna.
- Phased implementation of the Operations Portal extended to the “Client Connection Application.

Effective Implementation will require collaboration across a number of SNVP units as well as the Operational Complexes and CHIS.

**TABLE 5. KEY STEPS: IMPROVING PLANNING, BUDGETING AND INFORMATION**

STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
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STEPS	DELIVERABLES	DEADLINE*	DEPARTMENT*
9. STRENGTHENING PLANNING AND BUDGETING FOR PROJECT PREPARATION AND SUPERVISION			
9.1	<b>BPPS and SRAS integrated</b> for enhanced ability to monitor and manage the processing of operations before approval	[Q1 2019]	[CHIS]
9.2	<b>Training and incentives for effective ATRS</b> provided to better record and monitor staff time spent in preparing and supervising projects	[Q2 2019]	[SNPB]
9.3	<b>Enhanced planning and budgeting</b> informed by reliable ATRS data	[Q4 2019]	[SNPB/RDVP]
9.4	<b>Analysis to set budget coefficients</b> based on historical data on cost of project preparation and supervision	[Q1 2019]	[SNPB/RDVP]
9.5	<b>Use coefficients to formulate 2020 budget</b> to ensure adequate resources for project preparation and supervision	[Q4 2019]	[SNPB]
10. WORKING TOWARDS AN INTEGRATED OPERATIONS PORTAL			
10.1	<b>Launching the Results Reporting System</b> for all sovereign operations allowing teams to report throughout the project cycle online	[Q1 2019]	[SNDR]
10.2	<b>Results Reporting System</b> implemented with all task managers trained to its use and real time reporting on strategic metrics	[Q4 2019]	[SNDR]
10.3	<b>Proof of concept</b> prepared on the design of a new operations portal	[Q4 2019]	[CHIS/SNDR]
10.4	<b>Portal fully operational</b> with operations staff able to input data and prepare reports from a single system	[2020]	[CHIS]
10.5	<b>Client Connection Application</b> implemented to allow countries and donors to track data pertaining to projects and trust funds	[2021]	[CHIS/RDVP]

\* Items in square brackets are tentative and subject to validation by Management.

**Resource implications.** Implementation of the above initiatives entails upfront development costs and, importantly, costs for staff training in the use of the systems. Summary estimates are provided in Annex B and will be revisited as part of annual budget planning each year.

## G. TRACKING IMPLEMENTATION OF THE PLAN

This section sets out a clear framework of accountability to track progress in implementing the reforms described in this paper. By the time this implementation plan is final in the first quarter of 2019, the reforms will have been operationalised with clear time-bound actions, resource implications and responsibilities agreed by the departments that are in charge of implementing and rolling out these reforms.

The involvement of all departments is critical to delivering the level of ambition set out in this action plan. To ensure transparency in measuring contributions towards the reforms, operational targets will be tracked in an interactive online dashboard with monthly updates on progress made.

This online dashboard will be made available to Management and Board members to put accountability at the core of improving quality assurance at the Bank.

**ANNEX A. IMPLEMENTATION PLAN TIMELINE [TENTATIVE AND SUBJECT TO FINAL VALIDATION]**

PRIORITY ACTIONS	KEY DELIVERABLES FOR SPECIFIC ACTIONS					
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2020	2021
<b>I. UPGRADING SKILLS OF OPERATIONAL STAFF</b>						
<b>1. UPGRADING THE SKILLS OF OPERATIONAL STAFF</b>						
1.1. Operations Academy Gateway		Platform launched for by all Bank staff		Private Sector Modules		
1.2. Accreditation Pathways				Task Manager	CPO	Other streams
<b>II. IMPROVED PROJECT PREPARATION</b>						
<b>2. BUILDING A ROBUST PIPELINE FOR BUSINESS DEVELOPMENT</b>						
2.1. Compliance with Project Brief	Project brief re-institutionalised					
2.2. System for managing robust IOP	Project Categorisation introduced	IOP managed with control of over-programming				
<b>3. INCREASING THE RESOURCES FOR PROJECT PREPARATION</b>						
3.1. Rightsizing of Task Managers	Analysis of Task Manager Right sizing	Reallocation of Task Managers	Reallocation of Task Managers	Reallocation of Task Managers		
3.2. Adequate staffing of task teams	Formulation of proposals		Staff Training			
3.3. Better access to funds					Coefficient-based budgeting of project preparation	
<b>III. BETTER QUALITY AT ENTRY</b>						
<b>4. STREAMLINING THE REVIEW PROCESS</b>						
4.1. Strengthened process	Presidential Directive / DAM		Revision of OM			
<b>5. STRENGTHENING AND RESOURCING THE READINESS REVIEW AND THE PEER REVIEW</b>						
5.1. Strengthened RR and Peer Review		Revised RR Template		Fully Operational		

PRIORITY ACTIONS	KEY DELIVERABLES FOR SPECIFIC ACTIONS					
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2020	2021
		ToRs for Peer Review agreed				
5.2. Adequate staffing				Staffing allocated		
<b>IV. ENHANCED RESULTS</b>						
<b>6. SUPPORTING BORROWER CAPACITY DEVELOPMENT</b>						
6.1. Supporting implementation with Capacity Assessment		Training in capacity assessment	Roll-out in Regional Support units	Development of Guidance Note		
<b>7. MOVING FROM SUPERVISION TO SUPPORT OF PROJECT IMPLEMENTATION</b>						
7.1. Enhanced accountability				Portfolio reporting with RRS		
7.2. Guidance on implementation				Implementation Support guidance note	Operations manual revised	
<b>8. EMBEDDING A CULTURE OF QUALITY AND RESULTS</b>						
8.1. KPIs emphasising quality	Updated Top Level KPIs			Cascading of KPIs		
8.2. Staff incentives programme				Staff recognition awards	Enhanced performance evaluation system	
<b>V. IMPROVED PLANNING, BUDGETING AND INFORMATION (V)</b>						
<b>9. STRENGTHENING PLANNING AND BUDGETING FOR PROJECT PREPARATION AND SUPERVISION</b>						
9.1. Integrated planning & budgeting	BPPS & SRAS inter-connected	Training and incentives for effective ATRS		Enhanced planning and budgeting based on ATRS data		
9.2. Budget coefficients	Analysis to set budget coefficients			Use coefficients to set budget		
<b>10. WORKING TOWARDS AN INTEGRATED OPERATIONS PORTAL</b>						
10.1. Results Reporting System	Launch RRS			RRS fully operational		
10.2. Operational Portal				Proof of concept	Portal fully operational	Client Connection Application



**ANNEX B. ESTIMATED COSTS OF IMPLEMENTING THIS PLAN [SUBJECT TO FINAL VALIDATION]**

ACTIVITIES	2018	2019	2020	RECURRENT
<b>1. OPERATIONS ACADEMY</b>				
Development and Management of the Operations Academy Gateway	Existing resources	Additional [X] PL Staff	Additional [X] PL Staff	Steady state staffing
E-learning specialist firm	UA 300k	UA 500k	UA 500k	UA 50k
<b>2. BUILDING A ROBUST PIPELINE FOR BUSINESS DEVELOPMENT</b>				
Strengthened operations pipeline and reallocation of task managers	Existing resources	Existing resources	Existing resources	
<b>3. INCREASING THE RESOURCES FOR PROJECT PREPARATION</b>				
Training costs for effective training of project task teams	Existing resources	UA 300k	UA250k	
Short term experts to implement budget coefficient	Existing resources	UA 200k	UA 100k	
<b>4. STREAMLINING THE REVIEW PROCESS</b>				
Staff time cost only				
<b>5. STRENGTHENING AND RESOURCING THE READINESS REVIEW AND THE PEER REVIEW</b>				
Readiness Review team		Additional [X] PL Staff		Steady state staffing
Quality Enhancement Support team		Additional [X] PL Staff		Steady state staffing
<b>6. SUPPORTING BORROWER CAPACITY DEVELOPMENT</b>				
Staff supporting borrower capacity, implementation and incentives	Existing resources	Existing resources	Existing resources	
Training costs to support capacity assessment	Existing resources	UA 50k	UA 50k	
Short-term support to regional implementation units	Existing resources	UA 100k	UA 100k	
<b>7. MOVING FROM SUPERVISION TO SUPPORT OF PROJECT IMPLEMENTATION</b>				
Staff time cost only				
<b>8 EMBEDDING A CULTURE OF QUALITY AND RESULTS</b>				
Staff time cost only				
<b>9. STRENGTHENING PLANNING AND BUDGETING FOR PROJECT PREPARATION AND SUPERVISION</b>				
Budget management, planning and consolidation		UA 1,250k		
<b>10. WORKING TOWARDS AN INTEGRATED OPERATIONS PORTAL</b>				
Operations portal including integration of BPPS in SAP, and client access		UA 2,450k	UA 1,650k	
Project team (staff/ short term)	Existing resources	Existing resources	Existing resources	
Training costs on the use of the Operations Portal	Existing resources	UA 120k	UA 500k	
Enterprise software company to develop the Operations Portal	Existing resources	UA 350k	UA 500k	