

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

Report No.: ISDSC13216

**Date ISDS Prepared/Updated:** 09-Jun-2015

**Date ISDS Approved/Disclosed:** 05-Apr-2016

### I. BASIC INFORMATION

#### A. Basic Project Data

<b>Country:</b>	Swaziland	<b>Project ID:</b>	P152528
<b>Project Name:</b>	IMPROVING PUBLIC SECTOR PERFORMANCE PROJECT (P152528)		
<b>Task Team Leader(s):</b>	Barbara Kasura Magezi Ndamira		
<b>Estimated Appraisal Date:</b>	10-May-2016	<b>Estimated Board Date:</b>	05-Jul-2016
<b>Managing Unit:</b>	GGO13	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	General public administration sector (100%)		
<b>Theme(s):</b>	Administrative and civil service reform (40%), Managing for development results (30%), Participation and civic engagement (10%), Education for all (10%), Health system performance (10%)		
<b>Financing (In USD Million)</b>			
<b>Total Project Cost:</b>	25.00	<b>Total Bank Financing:</b>	25.00
<b>Financing Gap:</b>	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
International Bank for Reconstruction and Development			25.00
Total			25.00
<b>Environmental Category:</b>	C - Not Required		
<b>Is this a Repeater project?</b>	No		

#### B. Project Objectives

To improve public financial management and performance management in selected ministries in Swaziland

#### C. Project Description

- The proposed project is an Investment Project Financing operation financed by a US\$25

million IBRD loan over a five year period. The project is designed to reflect the strategic areas of the National Development Strategy (1997-2022), currently under revision. Additionally, it draws from subsequent strategic documents such as the Poverty Reduction Strategy Action Plan (2008), the PFM Action Plan (2012), the National Development Plan (2014-2017) and the Program of Action 2013-2018. More importantly, it is designed to facilitate the government's renewed focus on improved public sector performance through the Business Process Re-engineering Initiative in the Prime-Minister's Office. The project strategy is three-fold. The first is to focus on actionable interventions that address key management challenges in selected ministries to unblock constraints that hinder the performance of their mandates (especially those related to human resource management and financial management). The selected ministries are among the strategic ministries whose functions are described in the government's definition of first work status; three of them (education, agriculture and health) account for nearly half of the total number of civil servants, and there are also in the process of undertaking their own reform initiatives linked to improving frontline service delivery.

2. The project will provide support for activities that can improve the out-put of ministries and value for money. It will focus on a core set of ministries to support "turn around" in the way in which staff and financial resources are allocated and managed. By addressing these constraints, the ministries could be better prepared to unleash their organizational potential to deliver their mandates fully, by strategically (and productively) deploying their human resources and managing their finances adequately in pursuit of their respective mandates. It is expected that this initial intervention could create the basis for additional good management practices to be mainstreamed into the management of selected ministries. Participating ministries have been identified by the government based on its strategic priorities as outlined in the Plan of Action 2013-2018 (Vision 2020). They include the Ministries of Education; Health; Agriculture; Public Works; and Public Service.

#### Component 1: Human Resource Management (US\$ 9 million)

##### Sub-Component 1.1: Improved Human Resource Management

3. This sub-component aims to build the capacity of participating ministries to efficiently manage their human resources. Main activities include: (1) Conduct a Functional Review of human resource management in selected ministries to identify capacity and efficiency gaps; (2) Review the allocation of tasks in selected ministries; and design and implement a simple work-flow management system, incorporating unit and staff work plans from strategic plans; (3) Strengthen quality management in ministries, and improve functions and task structure, including reporting and evaluation of core ministerial functions; (4) Develop HR capacity and systems in each ministry, in collaboration with the Civil Service Commission to strengthen supervision of ministry staff; (5) Update HR management modules compatible with existing HRMIS to improve HR management and payroll controls; and (6) Conduct semi-annual sample payroll audits to determine compliance with establishment register; update personnel records; and report deficiencies.

##### Sub-Component 1.2: Improved Human Resource Planning and Development

4. This sub-component will support the planning and development of human resources in participating ministries. Main Activities include: (1) Support an assessment of the SIMPA (infrastructure, accommodation, staffing, curricula, instructional approaches, management and HR systems, and financing); (2) Develop and implement a program for in-service training of civil servants, including senior managers; and (3) Establishment of the Executive Cadre of civil servants aimed at preparing Director level civil servants for leadership positions in the public sector.

## Component 2: Strengthened Public Financial Management (US\$ 8 million)

### Sub-Component 2.1: Improved Public Financial Management

5. This sub-component aims at improving the financial management infrastructure as well as strengthening the capacity of the staff for financial management. Main Activities include: (1) Acquisition of hardware and software for Financial Management Information System (FMIS); and capacity building to maintain, use and audit the new FMIS environment; (2) Development and implementation of a risk management system, development of a risk management framework and consultations with ministries, facilitation of risk assessment workshops, and the development of risk registers; (3) Implementation of an internal audit framework consistent with the International Standards for the Professional Practice of Internal Auditing; and (4) Capacity building of auditors in the Office of the Auditor General in the execution of Performance and Value-for-Money audits.

### Sub-Component 2.2: Strengthened Public Procurement

6. The aim of this sub-component is to support the improvement of procurement standards in Swaziland, as well as to improve the value for money of government purchases. Main activities include: (1) Develop a customized electronic procurement system: The electronic system will incorporate modules for bidding, framework agreements for common-use items, procurement information management, and systematic disclosure of procurement data to facilitate 'evidence-based' decision making; (2) Support establishment of procurement cadre and professionalization of public procurement. The activities will include establishment of procurement thematic courses and certification programs with local institutions for sustainable capacity building arrangement, sector-specific training of government staff in public procurement; and development of a strategy towards the establishment of a multi-grade procurement officer category in the country's public service, with promotion and career development possibilities within the procurement function; (3) Support to the Swaziland Public Procurement Authority (SPPRA): This will include capacity building of SPPRA staff by training on public procurement, procurement auditing, regulation etc. and by establishing twinning arrangements and visits to other countries having track records of effective procurement regulatory functions; and (4) Development Impact Monitoring and Evaluation. This will be conducted jointly with the Development Impact Monitoring and Evaluation (DIME) team of the World Bank and SIPRA. It will involve the implementation of randomized control trials to understand the extent to which: training of health facility staff in medical stock forecasting; and audits of the medication distribution chain reduce the stock out rates and the leakage of drugs in Swaziland's health facilities. It will also measure effects on the usage of health facilities and relevant health outcomes.

### Sub-Component 2.3: Strengthened Public Investment Management

7. The objective of this sub-component is to improve the management of the government's capital budget. Main activities include: (1) Establish the Public Investment Management Unit; conduct PIM assessment to guide the implementation of reforms in the area of public investment management; review the required laws and regulations for multi-year appropriations for multi-year investment projects and identify required changes to the budget law; (2) Conduct a detailed review and stock-taking exercise of the existing public investment portfolio and preparation of a criteria and methodology for prioritizing and rationalizing the existing public investment portfolio; and (3) Build capacity within Ministry of Economic Planning and Development and other line Ministries in the

relevant areas of public investment management.

### Component 3: Improved Statistical Capacity and Policy Coordination (US\$6 million)

#### Sub-component 3.1: Statistical Capacity Building

8. The objective of this sub-component is to improve the quality of data available for policy making. Main Activities include: (1) Strengthening the institutional capacity of the CSO; (2) Developing a national framework for management of official statistics; (3) Development of methodologies and Survey Design; (3) Acquisition of software development for data entry; (4) Technical Assistance in conducting the field work and quality assurance; and (5) Development of an in-service training program for government statistics in collaboration with the Swaziland Institute of Management and Public Administration.

#### Sub-component 3.2: Policy Planning, Coordination and Implementation

9. The aim of this sub-component is to support the operations of the office of the Prime Minister. Main activities include: (1) Undertake a functional review of the Cabinet Secretariat to address both capacity and structural gaps that undermine its ability to coordinate government policy formulation and implementation; (2) Strengthen capacity for policy development, implementation, monitoring and evaluation: Support strengthening the Policy and Program Coordination Unit (PPCU) to provide advisory support to the Cabinet Secretariat through improved policy formulation; policy research and coordination; (3) Support the development of a Government Communication Strategy and dissemination of Cabinet decisions, strengthen outreach of the PM's office to ministries and other stakeholders; and (4) Strengthen coordination and implementation of performance targeting by developing systems for monitoring government performance in key agreed target areas; monitoring implementation of key Cabinet decisions and for monitoring performance of Principal Secretaries.

### Component 4: Project management and monitoring (US\$2 million)

10. This component will support the day to day management of the project to ensure proper adherence to the Bank's fiduciary and project management guidelines.

#### Sub-component 4.1: Project Management

11. This sub-component will finance the costs associated with project implementation such as stakeholder engagement, change management, monitoring and evaluation, financial management and procurement activities provided as part of project management. Main activities include: (1) Stakeholder engagement workshops; (2) Financial and procurement services; (3) Training and capacity building; and (4) Monitoring and evaluation of project activities.

#### Sub-component 4.2: Citizen Engagement

12. This sub-component the project will finance a citizen engagement activity building on the existing Smart Partnership program that the government is currently implementing. Participating ministries will be supported to conduct a series of citizen engagement activities to proactively communicate their programs with various citizen groups, civil society coalitions, and other stakeholders and to receive feedback from citizens about service quality and deficiencies. Main

activities include: (1) Implementation of Customer Satisfaction Surveys; and (2) Holding of Quarterly Smart Partnership Forums.

**D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

N/A

**E. Borrowers Institutional Capacity for Safeguard Policies**

N/A

**F. Environmental and Social Safeguards Specialists on the Team**

**II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/ BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/ BP 7.60	No	

**III. SAFEGUARD PREPARATION PLAN**

**A. Tentative target date for preparing the PAD Stage ISDS:** 15-Sep-2015

**B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

N/A

**IV. APPROVALS**

Task Team Leader(s):	Name: Barbara Kasura Magezi Ndamira
<b><i>Approved By:</i></b>	

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 05-Apr-2016
Practice Manager/ Manager:	Name: Guenter Heidenhof (PMGR)	Date: 05-Apr-2016