

110151

Document of
The World Bank

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PROJECT PAPER

FOR

SMALL RETF GRANT

(US\$800,000 EQUIVALENT)

TO

TUNISIA

FOR A

BUILDING A NATIONAL NETWORK FOR SOCIAL ACCOUNTABILITY IN TUNISIA PROJECT

September 15, 2014

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CURRENCY EQUIVALENTS

(Exchange Rate Effective September 15, 2013)

| | | |
|---------------|---|----------------------|
| Currency Unit | | Tunisian Dinar (TND) |
| US\$ 1.00 | = | 1.77 TND |

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

| | |
|------|--|
| AfDB | African Development Bank |
| CSO | Civil Society Organization |
| EU | European Union |
| FM | Financial Management |
| GDP | Gross Domestic Product |
| GoT | Government of Tunisia |
| GPR | Grant Progress Report |
| GPSA | Global Partnership for Social Accountability |
| IAF | Integrated Assessment Framework |
| K&L | Knowledge and Learning |
| M&E | Monitoring and Evaluation |
| MOU | Memorandum of Understanding |
| NCA | National Constituent Assembly |
| ORAF | Operational Risk Assessment Framework |
| PDO | Project Development Objective |
| PETS | Public Expenditure Tracking Surveys |
| RETF | Recipient Executed Trust Fund |

| | |
|--------------------------|--------------------|
| Regional Vice President: | Inger Anderssen |
| Country Director: | Neil Simon Gray |
| Sector Director: | Robert Hunja |
| Program Manager: | Roby Senderowitsch |
| Task Team Leader: | Josef Trommer |

TUNISIA
BUILDING A NATIONAL NETWORK FOR SOCIAL ACCOUNTABILITY IN
TUNISIA
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DATA SHEET

Tunisia

Building a National Network for Social Accountability in Tunisia

Small RETF Grant Project Paper

MNA

| Basic Information | | | | | | | | |
|---|---|--------------------------------|---|---------|--|--|--|--|
| Date: | June 10, 2014 | Sectors: | Health, Education, Public Sector Governance and Public Financial Management | | | | | |
| Country Director: | Simon Gray | Themes: | Social Accountability | | | | | |
| Sector Director: | Robert Hunja | EA Category: | C | | | | | |
| Project ID: | P150877 | | | | | | | |
| Instrument: | RETF World Bank Grant | | | | | | | |
| Team Leader(s): | Josef Trommer | | | | | | | |
| Recipient: Union Générale Tunisienne du Travail – UGTT (Tunisian General Labour Union) | | | | | | | | |
| Executing Agency: Union Générale Tunisienne du Travail – UGTT (Tunisian General Labour Union) | | | | | | | | |
| Contact: | Mr. Anouar Kaddour | Title: | Head, Studies and Documentation Dept. | | | | | |
| Telephone No.: | +216 71 354 793 | Email: | Anouar.kaddour@enit.rnu.tn | | | | | |
| Project Implementation Period: 3 Years | Start Date: 9/30/2014 | End Date: | 9/30/2018 | | | | | |
| Expected Effectiveness Date: | 9/30/2014 | | | | | | | |
| Expected Closing Date: | 9/30/2018 | | | | | | | |
| Project Financing Data(US\$M) | | | | | | | | |
| <input type="checkbox"/> Loan | <input checked="" type="checkbox"/> Grant | <input type="checkbox"/> Other | | | | | | |
| <input type="checkbox"/> Credit | <input type="checkbox"/> Guarantee | | | | | | | |
| Financing Source | Amount (US\$) | | | | | | | |
| GPSA Grant | 800,000 | | | | | | | |
| Co-financing | 0 | | | | | | | |
| Total | 880,000 | | | | | | | |
| Expected Disbursements (Bank FY/US\$) | | | | | | | | |
| Fiscal Year | Year 1 | Year 2 | Year 3 | Year 4 | | | | |
| Annual | 216,000 | 216,000 | 290,000 | 78,000 | | | | |
| Cumulative | 216,000 | 432,000 | 722,000 | 800,000 | | | | |

| Project Development Objective(s) | | | |
|--|---------------------------|-------------------------------------|--|
| The development objective of this proposal is to contribute to improving the quality of service delivery and to strengthening citizens' and service providers' capacities to engage in evidence-base, collaborative problem-solving in the health and education sectors. | | | |
| Components | | | |
| Component Name | Cost (US\$) | | |
| Component 1: Information gathering and capacity building | 241,745 | | |
| Component 2: Closing the feedback loop in health and education | 116,678 | | |
| Component 3: Managing knowledge and learning, and Project coordination | 441,577 | | |
| TOTAL | 800,000 | | |
| Compliance | | | |
| Policy | | | |
| Does the project depart from the CAS in content or in other significant respects? | Yes | <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Does the project require any exceptions from Bank policies? | Yes | <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Have these been approved by Bank management? | Yes | <input type="checkbox"/> | No <input type="checkbox"/> |
| Is approval for any policy exception sought from the Board? | Yes | <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| Does the project meet the Regional criteria for readiness for implementation? | Yes | <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| Safeguard Policies Triggered by the Project | Yes | No | |
| Environmental Assessment OP/BP 4.01 | | X | |
| Natural Habitats OP/BP 4.04 | | X | |
| Forests OP/BP 4.36 | | X | |
| Pest Management OP 4.09 | | X | |
| Physical Cultural Resources OP/BP 4.11 | | X | |
| Indigenous Peoples OP/BP 4.10 | | X | |
| Involuntary Resettlement OP/BP 4.12 | | X | |
| Safety of Dams OP/BP 4.37 | | X | |
| Projects on International Waters OP/BP 7.50 | | X | |
| Projects in Disputed Areas OP/BP 7.60 | | X | |
| Team Composition | | | |
| Bank Staff | | | |
| Name | Title | Specialization | Unit |
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I. STRATEGIC CONTEXT

A. Country Context

1. Since the January 2011 revolution, Tunisia has been laying the foundational stones towards a multi-party democratic regime. The last major milestone was achieved on January 26, 2014 with the passing of the first democratic constitution by the National Constituent Assembly, after a long process of dialogue and negotiations between the major political and social forces of the country. The national dialogue process also led to the formation of a new caretaker government in early January and to the adoption of a roadmap agreed by all stakeholders for the general elections scheduled for the end of 2014. Strategic guidelines of the new government aim primarily to ensure social order while fostering on a stronger economic recovery, considered crucial to successfully complete the transition to democracy.

2. The new government has assumed implementation of the package of reforms initiated by the interim government. In the short term, the most immediate challenge for Tunisia is to ensure economic and social stability in a context of budgetary constraints and citizen demands for better jobs and access to opportunities. Key reforms under implementation include both transversal issues such as strengthening governance, transparency and citizen participation, and sector measures intended to improve the enabling environment for employment creation, fostering growth and investment, as well as strengthening human capital and the quality and effectiveness of service delivery.

3. The World Bank has been accompanying Tunisia's transition period jointly with other donors, mainly the EU, the AfDB and the French Development Agency by coordinating support for reforms. Donor support has covered a broad range of policy actions led by the Government of Tunisia (GoT) across four main policy areas, namely: (i) increasing access to public information, by making data available through the government-run Public Expenditure Observatory (*Observatoire National des Marchés Publics*), (ii) fostering competition by streamlining administrative and procurement procedures and improving the regulatory environment, and (iii) improving service delivery through targeted measures to increase service coverage and quality, particularly in the health sector.

4. The present scenario calls for sustaining and deepening these reforms. Broad social dialogue coupled with a high level of government capacity is needed to achieve such reforms. The social dialogue process reached a significant milestone in January 2013 with the signing of a new "Social Pact". The Social Pact sets in place principles for launching dialogue on key areas of reform involving social protection, regional development, employment and skills, and governance of social dialogue, namely among the Government, the labor unions (as represented by Union Generale des Travailleurs Tunisiens (UGTT) and other bodies) and the private sector (as represented by Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat (UTICA) and other bodies).

B. Sectorial and Institutional Context

5. Tunisia's social expenditure accounts for approximately 60 per cent of total public expenditure or an estimated 20 percent of GDP. Social expenditure mainly comprises education (accounting for 20 percent of total public expenditure), followed by consumption subsidies (12.9%), health (8.3%), direct cash transfers and in-kind social assistance (1.3%, of which direct cash transfers accounts for nearly 0.5%) and active labor market programs (3.9%). Similar to other countries in the Middle East and North Africa (MENA) region, safety net expenditure, a component of total social spending, is dominated by subsidies in Tunisia that primarily benefit wealthier households.¹

6. In the health sector, 95% of the population has access to health coverage, either through government schemes for poor and vulnerable groups, or through social health insurance for workers in public and private sectors served by a national health insurance fund. Despite the strong presence of health insurance schemes and increases in public health expenditures, access to and quality of health services, particularly for poor and vulnerable groups has

¹ World Bank (2013). "Social Protection Reforms Support Project", Project Appraisal Document on a Proposed Grant from the MENA Transition Fund, para. 4-8. Washington DC: World Bank.

worsened. User fees were established in public facilities to compensate for budget spending limits and out-of-pocket spending grew to nearly 45% in 2008.² Findings from equity studies have shown an increase in the number of households at risk of falling into poverty because of catastrophic health-care expenditures, further contributing to the level of inequity in Tunisia.³

7. In the education sector, the biggest challenge in Tunisia is also related to service quality and reducing inequality gaps across regions. A recent OECD study (2013) indicates that Tunisia devotes a high proportion of its overall national wealth to education. In 2008, education expenditure as share of GDP was 6.3%, which is the second highest of all countries in the region for which there is data, and above relative spending in OECD countries. Despite the high investment, the study found that “. . .The quality of learning outcomes is very low by international comparison and the numbers of unemployed university graduates have soared in recent years, shaking the public conviction that education leads to employment and leaving stakeholders and graduates with the impression that education institutions lack the capacity to provide what is demanded – by them and by the labour market.” The study also reported the existence of a high proportion of students having to resort to private afterschool instruction; in fact, students spend more learning time in private tutoring than in classroom learning. Reinforced private tutoring has not translated into improved learning outcomes, however.⁴

8. In terms of mainstreaming citizens’ voice and participation in public service delivery, such as in health and education, there have been a few initiatives led by the Government of Tunisia (GoT) consisting of online and offline users’ surveys.⁵ The World Bank has also supported small group participatory assessments on specific services (health, employment, social affairs, education) in 4 underserved governorates in coordination with the local governments. A recent World Bank evaluation indicates that progress in this domain is slow and that “The initial approach consisting of the institutionalization of participatory assessment and monitoring of each public service by citizens at the local level has been transformed to a centralized approach. The main reasons for this change are: (i) the difficulty of implementing this reform in a decentralized way, including the weak capacity of local governments; and (ii) the administration’s slow adaptation to citizen participation.” The evaluation also mentions a series of measures established by the government, such as mandating the internal audit body to carry out participatory evaluations of services and a quality certification system in the health sector using international standards.⁶

9. Sectorial transparency – mainly the proactive disclosure of health and education service and budget data by the GoT– is gradually advancing, but still very limited in terms of access to public information standards, such as timeliness and user-friendliness. Although the GoT is increasingly making available budget data in the government-run public expenditure observatory (*Observatoire National des Marchés Publics*)⁷, the information is difficult to understand and to reuse. The Ministry of Health has made available information about some health indicators, while the Ministry of Education still has to follow in this regard. Key sectorial information regarding transfers and investments at the governorate, municipal and facility level is hard to obtain and difficult to understand and reuse.⁸

10. The complexity of the reform agenda requires a coordinated investment in building the capacities of both government and civil society to engage in constructive dialogue towards solving priority governance and service delivery problems. In this context, the World Bank support program continues to focus on critical reforms intended to strengthen governance and accountability while promoting shared prosperity. It is doing so through various lending and non-lending instruments that are intended to support the latter objectives. The Second Governance,

² Saleh, Shadi S, Mohamad S Alameddine et al., “The path towards universal health coverage in the Arab uprising countries Tunisia, Egypt, Libya, and Yemen” in *Health in the Arab world: a view from within*, The Lancet (2014; 383: 368–81), accessed on May 2nd at [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(13\)62339-9/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(13)62339-9/abstract)

³ Ibid.

⁴ OCDE (2013). “Intégrité de l’éducation publique en Tunisie: réinstaurer la confiance. Résultats d’un scan préliminaire sur l’intégrité dans l’éducation en Tunisie”, pp. 55-56-59-60, Organization for Economic Cooperation and Development, accessed at

⁵ The Prime Ministry conducted a nationwide online survey regarding the general quality of 10 public services (“*The Barometer of Public Services*”) in April-May 2012, through which they received feedback from approximately 9,000 citizens. The results of the survey have been published on the Prime Ministry website in June 2012. It also completed a similar survey regarding the National Health Insurance Fund (CNAM) and in-person scorecard (800 households) in June 2012.

⁶ World Bank (2012). Implementation Completion and Results Report (IBRD-80750), Governance and Opportunity Development Policy Loan. Report No: ICR2602. Washington DC: The World Bank.

⁷ <http://www.marchespublics.gov.tn/>

⁸ Implementation Completion and Results Report (IBRD-80750), op. cit.

Opportunities and Jobs Development Policy Loan Program (GOJ-2 DPL, P132709) will support the GoT to establish the policy foundations for a more competitive business environment, a strengthened financial sector, more inclusive and accountable social services, and more transparent public governance.⁹ The Social Protection Reforms Support Project (P144674) is currently supporting the GoT to strengthen institutional capacity to design social protection reforms and improve targeting of safety net programs.¹⁰ In addition, there are two projects under implementation that are directly targeting the engagement of civil society organizations (CSOs): first, the Community Works and Local Participation project (P128427) has selected 20 proposals submitted by CSOs to implement 32 projects through contracts between the latter and the Ministry of Vocational Training and Employment (MFPE) to rehabilitate and/or upgrade infrastructure and services in the selected communities¹¹; second, the Participatory Service Delivery for Reintegration State and Peace-Building Grant project (P127212) has been piloting participatory approaches to employment generation through subprojects' financing in two Governorates¹²; and third, the Building Citizens' Capacities and State Responsiveness for an Open and Transparent Democracy (P147887), a GPSA-supported grant implemented the CSO Al Bawsala with the objective of strengthening transparency, accountability and civic engagement through piloting social accountability processes.

C. Higher Level Objectives to which Project Contributes

11. The proposed project is aligned with the World Bank's interim country strategy for Tunisia during the transition period as described in the World Bank's 2013-2014 Interim Strategy Note (ISN).¹³ The ISN responds to the country challenges and government priorities and is designed to support the transition phase until a new government is elected under the new constitution. The ISN focuses on three main areas: (i) Laying the Foundation for Renewed Sustainable Growth and Job Creation, (ii) Promoting Social and Economic Inclusion, and (iii) Strengthening Governance: Voice, Transparency and Accountability. By specifically focusing on creating a space for citizens to assess public service quality and fostering an evidence-based, problem-solving approach the proposed Project is expected to contribute to pillar III.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

12. The project's development objective is to contribute to improving the quality of service delivery and to build citizens' and service providers' capacities to engage in evidence-based, collaborative problem-solving through the creation of a participatory platform for monitoring services in two pilot sectors, health and education.

B. Project Beneficiaries

13. *The Project's main direct beneficiaries are:*

⁹ The DPL will be the second in a programmatic series of three single-tranche multi-sector operations, to support the Tunisian Government in its efforts to implement a program of social and economic reforms that will complete the transition process leading to general elections at end 2014. See the press release and project documents at <http://www.banquemoniale.org/projects/P132709?lang=fr> and <http://www.banquemoniale.org/fr/news/press-release/2014/04/29/program-tunisia-growth-economic-governance>.

¹⁰ Project Appraisal Document on a Proposed Grant from the MENA Transition Fund in the Amount of US\$4.70 million to the Republic of Tunisia for a Social Protection Reforms Support Project, November 5, 2013. Washington DC: The World Bank. Available at <http://www.banquemoniale.org/projects/P144674?lang=fr>

¹¹ Implementation Status & Results Report (Sequence 3): Tunisia Community Works and Local Participation (P128427), 02/18/2014, available at <http://documents.worldbank.org/curated/en/2014/02/18999630/tunisia-community-works-local-participation-p128427-implementation-status-results-report-sequence-03>

¹² Implementation Status & Results Report: Tunisia Participatory Service Delivery for Reintegration SPF (P127212), 02/15/2014, available at <http://documents.worldbank.org/curated/en/2014/02/18987693/tunisia-participatory-service-delivery-reintegration-spf-p127212-implementation-status-results-report-sequence-03>

¹³ World Bank (2012). Tunisia Interim Strategy Note. Report No. 67692-TN. Washington DC: World Bank. Available at <http://documents.worldbank.org/curated/en/2012/05/16433764/tunisia-interim-strategy-note-period-fy13-14>

- a. Service users and service providers (professional staff, etc.) in a sample of health (hospitals and health clinics) and education (primary and secondary schools) facilities. The project will reach out to direct beneficiaries to solicit their feedback on the quality of service delivery at the facility level through various mechanisms, such as SMS (service messaging system), participatory meetings with service users and service providers, and service quality surveys (e.g. citizen report cards).
- b. UGTT local coordinators and CSOs based in the sample of selected municipalities corresponding to the targeted health and education facilities. Local CSOs will be selected competitively to administer a citizen survey or citizen report card tool with service users; both UGTT local coordinators and selected CSOs will take part in the Project's capacity-building program which will provide them with the skills needed to perform their intermediary and facilitation roles at the local level.

14. Public sector institutions, including but not limited to the Ministries of Health, Education and Finance and their respective Regional Delegations, the Presidency of the Government of Tunisia, Public Audit Court and the National Assembly will also benefit insofar as they are expected to use the information generated by the Project to complement information available through their management information (MIS) and Monitoring and Evaluation (M&E) systems. It is expected that the feedback generated as a result of the Project will help them to take corrective measures and introduce improvements to the service delivery chain and to the budget allocation and monitoring processes.

15. ***The Project's indirect beneficiaries are:***

- c. CSOs at the regional and national level, private sector associations, media and other stakeholders that will be convened by the Project to take part in a multi-stakeholder dialogue process around the feedback generated through the social accountability tools. These organizations will be convened as part of the Project's efforts to create a national network for social accountability.
- d. Citizens in the broader Tunisian population, who are outside the targeted facilities, but who may benefit from the information and knowledge generated by the Project. The Project expects to design and implement a communications strategy that will disseminate activities and thus reach out to Tunisian citizens and key audiences.

C. PDO Level Results Indicators

16. The key performance indicators for this Project are (see Annex 1 – Results Framework and Monitoring):

- Number of health and education facilities covered by the Project
- Service access and quality indicators developed, tested and disseminated in all project's target facilities
- A services monitoring platform for users and service providers is developed, tested and fully operational

III. PROJECT DESCRIPTION

17. The project will develop a combination of social accountability mechanisms that will be used to generate feedback on a set of service indicators to be identified jointly between service users and providers at the project outset. Such mechanisms will include, *inter alia*, setting up an online platform to display users' feedback generated through SMS (service messaging system) and through other participatory mechanisms, and channeling it to public sector institutions responsible for service delivery, and setting up a mechanism to monitor public investments in health and education infrastructure. The project will be implemented in a sample of health (hospitals and health clinics) and education facilities (primary and secondary schools) that will be selected based on a set of targeting criteria to be defined at the project outset, and that will combine indicators such as poverty concentration, access to health and education facilities, level of infrastructure investments, among others.

18. The Union Générale Tunisienne du Travail (hereafter UGTT), will facilitate a participatory process by convening civil society organizations (CSOs) and service providers at the national, regional and municipal levels in a collective effort to address concrete, observable service delivery deficiencies and to agree on corrective measures to solve them. UGTT will rely on its existing network of local correspondents and on a partnership with other CSOs to mobilize service users, service providers and other key actors in this process. The project will also convene CSOs, academic and think tank institutions and the media to take part in a policy dialogue process intended to discuss critical service delivery (including service infrastructure) reforms on the basis of the information generated by the social accountability mechanisms set up by the project.

A. Project Components

19. *Component 1: Information gathering and capacity building*

This component aims to design and implement a social accountability mechanism that will gather, systematize and channel feedback on health and education service indicators, with a focus on key service inputs (e.g., availability of nurses and doctors, health equipment, school textbooks, etc.) and sector infrastructure investments (e.g., renovation and new construction of hospitals and health clinics, classroom and other education support infrastructure, etc.)

The activities will be focused on:

- (i) Gathering information on service indicators and service delivery performance and budgets, and translating such information into user-friendly reports and messages;
- (ii) Organizing a social accountability process in targeted health and education facilities for collecting, systematizing and channeling feedback through the use of participatory mechanisms, and testing and adjusting mechanisms based on pilot results;
- (iii) Implementing an information, education and communications (IEC) campaign targeted at different primary audiences, namely citizens, service users, service providers and CSOs, and particularly those located close to the Project's targeted health and education target facilities;
- (iv) Facilitating the creation of a national network for social accountability. This network will aim to foster a culture of evidence-based, collaborative dialogue and consensus-building around critical budget and sector (health and education) reforms, as well as discuss information and results generated by the Project with multiple stakeholders, including public sector institutions, academic and media organizations, and other CSOs.

20. *Component 2: Closing the feedback loop in health and education*

This component aims at opening up spaces for constructive engagement between citizens and state institutions and decision-makers, that may in turn result in concrete and observable – albeit gradual – improvements in health and education services at the facility level.

The main activities will thus be focused on:

- (i) Sharing the information gathered with relevant public sector institutions through local and national feedback channels agreed upon with such institutions;
- (ii) Following-up on public sector institutions' decisions and measures to introduce improvements to health and education service delivery processes; and
- (iii) Convening periodic collaborative policy dialogues with public sector institutions and other relevant stakeholders in the context of the national network for social accountability.

21. *Component 3: Managing knowledge and learning, and Project coordination*

This component aims to establish the Project's operational processes in ways that foster adaptive learning throughout project implementation:

The main activities will focus on:

- (i) Setting up integrated monitoring and evaluation and knowledge management systems;
- (ii) Providing continuous mentoring and technical assistance to local coordinators and CSOs involved in facilitating the social accountability process in the Project’s targeted facilities;
- (iii) Generating new knowledge through analytical and learning products – in partnership with National Network for Social Accountability stakeholders – and fostering knowledge exchange among the network’s members; and
- (iv) Carrying out the coordination, monitoring and evaluation of the Project’s activities (including audits)

B. Project Financing

22. The financing instrument elected for this project is a Recipient Executed Trust Fund (RETF) Grant. The source of financing for this Grant is the Global Partnership for Social Accountability (GPSA), housed within the World Bank. As per World Bank Trust Fund guidelines, given that this Trust Fund is smaller than US\$5 million and larger than US\$500,000 this Project is subject to World Bank procedures related to project preparation and supervision of Small RETF Grants. The Project cost is estimated to be US\$800,000 to be financed completely by the GPSA grant. Additionally, the World Bank will commit an annual Project supervision budget in the amount of US\$20,000.

| Project Costs | Total Project Cost (US\$) | GPSA Grant Financing (US\$) | WB Financing (US\$) | % GPSA Financing |
|--|---------------------------|-----------------------------|---------------------|------------------|
| Component 1: Information gathering and capacity-building | 241,745 | 241,745 | 0 | 100 |
| Component 2. Closing the feedback loop in health and education | 116,678 | 116,678 | 0 | 100 |
| Component 3. Knowledge and learning | 441,577 | 441,577 | 0 | 100 |
| Total Base Cost | 800,000 | 800,000 | 0 | 100 |
| World Bank Supervision* | 80,000 | 0.0 | 80,000 | 0 |
| Total Project Cost | 880,000 | 800,000 | 80,000 | 90.9 |

* Annual World Bank project supervision budget of US\$20,000.

IV. IMPLEMENTATION

A. Implementation Arrangements

23. **Project Implementing Agency:** The Project will be led and coordinated by the Department of Studies and Documentation of the UGTT, which will provide strategic guidance, training and support to the network of local correspondents and CSOs. The organization will also be responsible for operational activities, project monitoring, internal evaluation, and conducting research activities included in the Project.

24. **Flow of Funds:** UGTT designated account will opened at the Attijari Bank. An Indicative Schedule of Advance Payments and Final Reimbursement will be included in the Disbursement Letter. Requests for withdrawal of Grant funds will be made in accordance with a schedule of milestones (disbursement linked indicators) agreed between UGTT and the World Bank. Disbursements will be subject to the attainment of these milestones, which will be verified by the Bank team through the project’s monitoring and evaluation system.

25. Furthermore, during Project implementation UGTT will work with different local and international organizations for the following purposes: (i) **At the country level**, UGTT will convene CSOs and other stakeholders

in the framework of the national network for social accountability as described further above; and (ii) **At the international level**, UGTT will seek informal or formal partnerships with international networks and organizations that may bring expert knowledge and global knowledge exchange opportunities, especially on topics such as: design of social accountability tools; use of information and communications technologies (ICTs) for social accountability; social accountability tools in health and education; independent budget analysis and monitoring; public procurement monitoring; and M&E applied to social accountability. In this work, UGTT will also rely on the resources offered through the GPSA's Knowledge Platform.

B. Results Monitoring and Evaluation

26. UGTT and the World Bank will monitor the PDO level indicators, as well as implementation and outcomes of activities supported by each Project component (see Annex 1 for details on results to be monitored). In this context, UGTT plans to hire an M&E specialist to improve the Project's results framework and set up the Project's M&E system. A priori, the Project's M&E framework will help assess the Project's performance while helping stakeholders to reflect, learn and adjust from their experiences. UGTT plans to devise additional monitoring tools that will enable UGTT and the Bank to keep better track of the Project's progress, identify any obstacles, and to generate information that can allow adjustments in planning in a dynamic and flexible way. Given the country's limited experience in social accountability, the Project will also seek support from international experts or academic organization that may provide guidance through this process.

C. Sustainability

27. UGTT is a well-established civil society organization in Tunisia and will continue work to ensure the sustainability of the interventions implemented by the Project. Even if the Project targets a limited number of governorates, UGTT expects to expand the social accountability platform built by the Project countrywide. Furthermore, the knowledge products and learning generated by the Project are expected to outlive the four-year Project implementation period.

V. KEY RISKS AND MITIGATION MEASURES

28. The overall rating for the project is estimated as **Moderate**. A detailed description of all risks and mitigation measures is included in Annex 5: ORAF.

29. The main risks identified during project preparation are associated with the introduction of new participatory mechanisms that will require substantial technical capacities, potentially insufficient stakeholder willingness to take part in the participatory processes convened by the Project, and the delivery of activities at the national, governorate and local levels, which will require extensive coordination and facilitation skills. Various mitigation mechanisms and measures to minimize and eliminate these risks were identified.

30. The project design has taken these risks into consideration and set forth a number of mitigating measures, including: 1) setting up a Project Management Team housed within the Studies and Documentation Department, for the specific purposes of the project, who will combine technical and coordination capacities to ensure the effective coordination of the range of stakeholders and the design quality of activities; 2) carrying out inception/presentation meetings with relevant government authorities to facilitate access to relevant information as well as with stakeholders to ensure a broad-based constituency is convened and invited to discuss and participate in the project's activities, and 3) the commitment from UGTT to ensure that none of the project activities will be used (or perceived to be used) for partisan purposes during the electoral campaign in preparation for the national elections. Moreover, the proposed project has the endorsement from the Government of Tunisia and is aligned with ongoing measures to make public information available to citizens and to support citizen participation in policy dialogues around critical sectorial reforms, particularly in the social sectors.

VI. APPRAISAL SUMMARY

A. Technical

31. The principal stakeholders in the Project (including the GPSA Steering Committee, the Government of Tunisia, civil society representatives, and the World Bank) had the opportunity to comment on design aspects of activities to be supported by the GPSA Grant. UGTT took into consideration these comments when it finalized the technical design of the Project. Furthermore, the project design accounts for strong community engagement and capacity building objectives, while recognizing implementation challenges, for which risk mitigating measures were added. The UGTT will have a Project team and staff especially dedicated to this Project housed in the Studies and Documentation Department.

B. Fiduciary Capacity

32. An assessment was undertaken of UGTT's financial management and fiduciary capacity in May 2014. A copy of this assessment (i.e., the Integrated Assessment Framework (IAF)) is attached as Annex 2.

33. This project will use Grant Progress Reports (GPR) for project monitoring and supervision. The format of the GPR will be agreed with the Bank and attached to the Project file. UGTT will produce a full set of GPRs on a semi-annual basis throughout the life of the Project. They will be due 30 days after each semiannual period. Annual project financial statements will be audited in accordance with terms of reference acceptable to the Bank by an independent external auditor acceptable to the Bank, and the audit report will be submitted to the Bank not later than six months after the end of the period audited.

34. **Financial Management** activities – including accounting, budgeting, financial reporting, application and monitoring of internal controls, flow of funds, and coordination with external auditors – will be carried out by UGTT, which will be responsible implementing the project. The FM assessment concluded that proposed financial management arrangements meet the Bank's minimal requirements to manage and account for grant proceeds, and to produce timely, accurate, and reliable financial statements for general and Bank special purposes. Nonetheless, the Bank's FM Assessment established the FM risk rating as **Substantial** (see Annex 2). Moreover, a number of weaknesses were identified during the assessment, though measures were agreed with the UGTT to mitigate associated risks. These mitigating measures include: (i) a ring-fenced training on the Bank's financial management and disbursement matters, including accounting and financial reporting processes; (iii) the opening by UGTT of a segregated designated account within a commercial bank acceptable to the Bank in local currency TND to manage the grant's proceeds (note: according to Tunisian currency exchange regulations, foreign currency accounts cannot be opened for entities with the legal status such as the UGTT's); (iv) interim unaudited financial reports and the project's audited financial statements submitted to the Bank on semiannual and annual basis, respectively.

35. A Procurement Assessment was also carried out by the Bank in May 2014 (see Annex 4). The procurement risk rating for this project was estimated as **High** for a number of reasons. Within UGTT, the assistant to the program manager is handling procurement, with no individual staff member assigned to handle procurement management. Though UGTT has adequate office space to manage the project and its office is fully equipped with office and communication equipment, the agency does not have separate filing and storage space assigned for procurement documents. Procurement documents are kept under the supervision of the Finance and Administration department. In addition, UGTT does not have familiarity with World Bank procurement procedures, and there is a substantial need for training in basic procurement. To mitigate such risks, UGTT intends to hire an individual to be responsible for all procurement aspects of the project. After project launch, the World Bank also intends to organize training on Bank procurement procedures for UGTT staff.

C. Safeguards

36. The project will not have any adverse impacts on environmental and social conditions falling under the Bank's safeguard policies. Rather, it will enhance community participation, transparency and accountability. Moreover, the project is not expected to trigger any safeguards.

Annex 1
Results Framework and Monitoring
BUILDING A NATIONAL NETWORK FOR SOCIAL ACCOUNTABILITY IN TUNISIA PROJECT

Project Development Objective (PDO): To contribute to improving the quality of service delivery and to build citizens' and service providers' capacities to engage in evidence-based, collaborative problem-solving through the creation of a participatory platform for monitoring services in two pilot sectors, health and education.

| PDO Level Results Indicators | Core | Unit of Measure | Baseline | Cumulative Target Values | | | | Frequency | Data Source/ Method. Please mention specific data source /tools /methodology | Responsibility for Data Collection | Description (indicator definition etc.) |
|---|--------------------------|-----------------|--|--|--|---|--|-----------|---|------------------------------------|---|
| | | | | YR 1 | YR 2 | YR3 | YR4 | | | | |
| Indicator One: Number of health and education facilities covered by the Project | <input type="checkbox"/> | Number | 0 | At least 5 | At least 10 | At least 20 | At least 30 | Annual | List of facilities covered/M&E system | M&E Specialist and Project staff | |
| Indicator Two: Service access and quality indicators developed, tested and disseminated in all of the project's target facilities | <input type="checkbox"/> | Yes/No | No set of indicators for participatory monitoring at project start | Good practice on service indicators collected, set of indicators developed and tested | Set of indicators applied to target facilities | Set of indicators applied to target facilities | Set of indicators adopted and disseminated in all project target facilities | Annual | Note on service access and quality indicators; Project Annual Report | M&E Specialist and Project staff | |
| Indicator Three: a service monitoring platform is developed, tested and used by users and service providers in all the project's target facilities | <input type="checkbox"/> | Yes/No | No platform at project start | Initial data needs and service indicators identified and monitoring methodologies developed and piloted in at least 5 facilities | Platform adjusted based on pilot's findings and iterated | Platform is operational in at least 20 facilities | Platform is operational in at least 30 facilities and a sustainability plan is developed | Bi-annual | Project Annual and Semi-Annual Reports; Web-based platform; Project M&E instruments; Project evaluation (baseline, mid-term and end-of-project) | M&E Specialist and Project staff | |

INTERMEDIATE RESULTS

| | | | | | | | | | | | |
|--|--------------------------|--------------------------|------------------------------|--|--|--|---|-----------|---|----------------------------------|--|
| Intermediate Result (Component One): Health and education users and other stakeholders are able to access information and provide their feedback through a service monitoring platform combining different social accountability participatory mechanisms in the project target areas and at the national level by 2018 | | | | | | | | | | | |
| <i>Intermediate Result indicator One:</i> a services monitoring platform is developed based on users and other stakeholders' inputs and active contributions | <input type="checkbox"/> | Yes/No | No platform at project start | Initial data needs and service indicators identified and monitoring methodologies developed and piloted in at least 5 facilities | Platform adjusted based on pilot's findings and iterated | Platform is operational in at least 20 facilities | Platform is operational in at least 30 facilities and a sustainability plan is developed | Bi-annual | Project Annual and Semi-Annual Reports; Web-based platform; Project M&E instruments; Project evaluation (baseline, mid-term and end-of-project) | M&E Specialist and Project Staff | |
| Intermediate Result (Component One): Increased capacity of trainees (local coordinators and local CSOs) in target areas to gather citizen feedback on health and education services | | | | | | | | | | | |
| <i>Intermediate Result indicator Two:</i> Trainees acquire facilitation and participatory methodology skills to gather citizen feedback | <input type="checkbox"/> | Skills/behavioral change | 0 | Cohort 1 of trainees has used participatory monitoring platform | Cohort 2 of trainees has used PMF / cohort 1 has adjusted or improved skills as a result of continuous technical support | Cohort 3 of trainees has used PMF / cohorts 1 and 2 have adjusted or improved skills as a result of continuous technical support / | Cohort 4 of trainees has used PMF / cohorts 1-3 have adjusted or improved skills as a result of continuous technical support / A peer learning plan has been developed to make learning sustainable beyond the project's duration | Bi-annual | Project Annual and Semi-Annual Reports; Web-based platform; Project M&E instruments; Project evaluation (baseline, mid-term and end-of-project) | M&E Specialist and Project Staff | |
| Intermediate Result (Component One): Increased networking and public deliberation capacity of a multi-stakeholder network for monitoring critical health and education services | | | | | | | | | | | |
| <i>Intermediate Result indicator Three:</i> A network for social accountability made up of civil society, private sector and public sector stakeholders has been convened through a series | <input type="checkbox"/> | Skills/behavioral change | no national network exists | broad-based, multi-stakeholder convening takes place to introduce project and | multi-stakeholder network contributes knowledge, experiences and | multi-stakeholder network contributes knowledge, experiences and | multi-stakeholder network contributes knowledge, experiences and | Bi-annual | Project Annual and Semi-Annual Reports; Web-based platform; Project M&E | M&E Specialist and Project Staff | |

| | | | | | | | | | | | |
|---|--------------------------|------------|---|--|---|---|---|--------|---|----------------------------------|--|
| of policy and knowledge-exchange dialogues around monitoring critical health and education services in a participatory manner | | | | inputs are used to refine project's operational plan | networking capacity to advance project's objectives | networking capacity to advance project's objectives | networking capacity to advance project's objectives | | instruments; Project evaluation (baseline, mid-term and end-of-project) | | |
| Intermediate Result (Component Two): | | | | | | | | | | | |
| Health and education users and other stakeholders have enhanced awareness and capacity, and take effective part in a constructive dialogue around services' improvements | | | | | | | | | | | |
| Indicator One: Ratio of sampled users and service providers able to describe and to demand their rights and responsibilities and available social accountability mechanisms (disaggregated by gender) by end of Project | <input type="checkbox"/> | % | 0% - against initial nb of targeted users and SPs in target areas as per surveys at project start and on yearly basis | 20% (of pilot test sample) | 50% | 70% | 90% | Annual | Survey; Project Annual Report; Baseline, mid-term and end-of-project evaluation | M&E Specialist and Project Staff | |
| Indicator Two: Ratio of sampled users, service providers and other stakeholders that indicate they have accessed information on health and education services, including performance standards and available service feedback and complaints handling mechanisms (disaggregated by gender) by end of Project | <input type="checkbox"/> | % | 0% - against initial nb of targeted users, service providers and other stakeholders in target areas as per surveys at project start and on yearly basis | 20% (of pilot test sample, including stakeholders convened through national network) | 50% | 70% | 90% | Annual | Survey; Project Annual Report; Baseline, mid-term and end-of-project evaluation | M&E Specialist and Project Staff | |
| Intermediate Result (Component Two): | | | | | | | | | | | |
| Health and education service providers in the project targeted facilities have increased incentives to be user-oriented and responsive and proactively engage in the social accountability participatory platform | | | | | | | | | | | |
| <i>Intermediate Result indicator One:</i> Ratio of nb of targeted service providers who proactively take steps to improve users' satisfaction, access to and quality of services by end of project | <input type="checkbox"/> | % increase | 0% increase – against initial nb of SPs in target areas as per survey at project start and on yearly basis | 50% (of pilot test sample) | 50% | 25% | 10% | Annual | Survey; Project Annual Report; Baseline, mid-term and end-of-project evaluation | M&E Specialist and Project Staff | |
| <i>Intermediate Result indicator Two:</i> Ratio of nb of service providers in target facilities that have integrated users' feedback mechanisms into their own | <input type="checkbox"/> | % | 0% - against total nb of targeted SPs in target areas as per survey at project | 10% (of pilot test sample) | 25% | 40% | 60% | Annual | Survey; Project Annual Report; Baseline, mid-term and end- | M&E Specialist and Project Staff | |

| | | | | | | | | | | | |
|--|--------------------------|--------|---|---|--|--|--|-----------|--|----------------------------------|--|
| customer service monitoring systems by end of project | | | start and on yearly basis | | | | | | of-project evaluation | | |
| <i>Intermediate Result indicator One:</i> Ratio of issues and complaints discussed and taken up by health and education service providers against the total nb of reported issues and complaints | <input type="checkbox"/> | % | 0% – against initial nb of issues and complaints gathered as per monitoring on yearly basis | 25% (of pilot test sample) | 40% | 60% | 80% | Annual | Survey; Project Annual Report; Baseline, mid-term and end-of-project evaluation | M&E Specialist and Project Staff | |
| Intermediate Result (Component Three): | | | | | | | | | | | |
| Project stakeholders have increased their opportunities to learn about participatory monitoring of health and education services using social accountability tools and mechanisms | | | | | | | | | | | |
| <i>Intermediate Result indicator One:</i> Learning process defined and organized in a participatory manner with project's stakeholders and described in Project and GPSA reports | <input type="checkbox"/> | Yes/No | No learning process defined and described at project inception | Knowledge and Learning (K&L) plan developed and initial Project action-reflection events have led to learning uptake of Project staff | K&L plan and process rolled out for Project's key stakeholders and beneficiaries | K&L plan and process adjusted based on action-reflection events and connected to GPSA Knowledge Platform | K&L plan and process adjusted based on action-reflection events and connected to GPSA Knowledge Platform | Annual | Baseline, mid-term and end-of-project evaluation; K&L plan reporting included in Project's Annual and bi-annual reports | M&E Specialist and Project Staff | |
| Intermediate Result (Component Three): | | | | | | | | | | | |
| A M&E (Monitoring and Evaluation) system is developed and contributes to Project's results | | | | | | | | | | | |
| <i>Intermediate Result indicator Two:</i> Ratio of M&E reports produced as per the Project's M&E plan that inform the Project's strategy and planning of activities for the following period | <input type="checkbox"/> | % | 0% | 100% | 100% | 100% | 100% | Bi-annual | Project's Monitoring instruments; Annual and bi-annual reports; web-based platform; Baseline, mid-term and end-of-project evaluation | M&E Specialist and Project Staff | |

Annex 2
Integrated Assessment Framework (IAF)
BUILDING A NATIONAL NETWORK FOR SOCIAL ACCOUNTABILITY IN TUNISIA PROJECT

| Item | Question | Recipient Response | World Bank Comments |
|---|--|---|---------------------|
| General information on grant Recipient and grant context | Name and contact information of Recipient organization ie signatory of grant agreement (address, telephone, fax, email and website) | Union Générale des Travailleurs Tunisiens UGTT Contact : M. Anouar Kaddour, head of the studies and documentation department Phone : +216 71 354 793 Address : 16 Avenue de Carthage, 1001 Tunis, Tunisie http://www.ugtt.org.tn | |
| | Name and contact information of Recipient's implementing agency (The Recipient), if different from Recipient organization (address, telephone, fax, email and website) | | |
| | Is the Recipient a government entity (eg government department, public institute or body, state owned enterprise)? | NO | |
| | Is the Recipient a legal entity? What is the year of registration (attach statute and proof of registration) and years of operations? | YES (Labour Union) Founded in 1946 (see legal statutes attached) | |
| | Has the Recipient or its directors ever been convicted of a criminal offence? If so please provide details including dates. | NO | |
| | Does the recipient organization, the Recipient or any of its directors or staff have ownership or a stake in any firm that provides the same type of services/goods/works as will be procured under the grant? | NO | |
| | Does the Recipient have a Code of Ethics? Is it published? Are staff of the Recipient subject to a civil service code of ethics? | As part of the recruitment process, all UGTT employees must comply with the internal code of ethics, that includes core UGTT values, in addition to employees' rights and obligations. This document also describes the HR procedures and sanctions in place for employees in case of inappropriate behavior. The code of ethics is not a separate document, but scattered among several documents (statutes, work contract etc) and thus it is not published on our website but our vision, mission, and values are. Moreover, it has been decided by the latest congress (last year) to draft a separate document "internal code of ethics", which is an ongoing effort. | |

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| | Does the Recipient publish an annual or other report eg on its website? If so please attach or provide the link to the website. | Several reports, including yearly activity reports and financial reports are distributed to members nationwide through national congress (every 4 years), and shared with media organizations. Currently, the UGTT website is being improved and the new version will include digital version of most of these documents. | |
| | Does the Recipient have prior experience with WB-financed project or grant implementation: eg previous grants (years and grant amounts)? If so please specify and include project names and numbers including years of implementation. | NO | |
| | Has the Recipient entered into an MOU with the Bank for the purpose of collaborating with the Bank on activities for which they will directly receive a grant? | NO | |
| | What are the main challenges facing the Recipient that arise from the design of the project? | Two main challenges have been identified: (1) Lack of engagement of citizens (public service beneficiaries). To mitigate this risk, we are facilitating the citizen feedback mechanism by allowing simple text messaging on every local institution, in addition to web channels (2) Lack of engagement of local public institutions management: To mitigate the risk, we are creating automatic feedback loop channels by sharing frequent citizen feedback from SMS (and web) and by incentivizing public institutions through a yearly awards ceremony | |
| | Which individuals or organizations are likely to benefit from or be adversely affected by the project? Eg government, private enterprises, NGOs, others? In what way? | Benefit: Public sector institutions will receive citizen feedback : <ul style="list-style-type: none"> • 3 Sectors Ministries (Ministry of Health, Ministry of Higher Education and Research, Ministry of Education) • Ministry of finance Other institutions will benefit from sector and national studies <ul style="list-style-type: none"> • Presidency of the government • Public Audit court <ul style="list-style-type: none"> ○ National Assembly (Parliament), Specialized committees through hearings ○ Finance, planning and development committee ○ Education committee ○ Administration reform and anti-corruption committee • Regional delegations of Health and Education • Local public health and education institutions (+8000) • Tunisian citizens will benefit from mid/long term improvements of public service | |
| | What other donors are likely to be involved or in any way affected by the project? How might this project affect them positively or negatively? | N/A | |

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|-------------------------------|--|--|--|
| Fiduciary Arrangements | Does the Recipient(Implementing Entity) have secure access to the internet and does it have experience of electronic banking? | Internet : YES E-Banking: Will be implemented in future months through an internal transformational project | |
| | In what bank does the Recipient hold a bank account if any? Who is authorized to deposit and withdraw funds? | UGTT's bank account is within "Attijari Bank". Only the Secretary General and the treasurer are authorized to sign financial documents | |
| | Describe Recipient system for recording: <ul style="list-style-type: none"> (a) financial transactions, including funds received and paid (e.g. up-to-date cash book, as well as reconciled bank statements – include a sample of your Financial Management System if available); (b) complete records of procurement transactions and contract administration eg copies of public advertisements, the bidding/proposal documents, the final bid/proposal evaluation report (c) signed originals of the final contract, invoices etc. Are cross-references to pertinent files adequate and clear? | <p><u>For cash management:</u> Petty cash is limited to 300 TND (approx 180 US\$). Daily inventory is done and registered in cash books. Weekly controls are done by the assistant treasurer director. Monthly reconciliations are done and validated by the director of the finance department and attached to the monthly closing. Project advances are done on a three months basis and are justified by appropriate invoices. No additional advances can be made until the previous one is cleared.</p> <p>Bank statements are reconciled on a monthly basis. For some large projects, the reconciliations is done on a three months basis</p> <p>All financial transactions are validated by the director of the finance department and approved by the assistant secretary general for finance (elected) or the general secretary himself (elected) and controlled by the independent commission for finance control (elected by the national congress every 5 years)</p> <p><u>For procurement:</u> Each project prepares a procurement plan and/or terms of references for consultancies. Internal procedures are in place for purchase request, purchase order, validation of disbursements (including quality check of goods or services received) before commitment and payment (final validation done by assistant secretary general for finance after recommendation from procurement assistant director). Bidding process is based on competition: All procurement above 3 000 TND (approx 1800 US\$) is done on the basis of at least three quotations, or a consultation. For amounts over 10000 TND (approx 6 000 USD) a call for tenders is required. All procurement above 10 000 TND (approx 6000 US\$) is publicly advertised. The bidding process is well documented and analyzed; a selection committee is in place. All members of the committee sign a declaration of non conflict of interest. A contract is then prepared detailing the services to be provided or the good to be purchased, and the rights and obligations of the two parties.</p> | |

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| | <p>Does the Recipient have a filing system for maintaining written records of procurement, financial and contract documents? Who has access to these records? Can anyone in the office access the files during working hours?</p> | <p>All original documents (signed contracts, invoices, etc.) are filed and kept in the administrative and financial department. Only 4 persons may have access to them</p> <ul style="list-style-type: none"> - The director of the financial department - The assistant director of procurement - The assistant Sec general for finance (elected) - The president of the independent commission for financial control (elected) | |
| | <p>Does the Recipient have staff specialized in (a) financial management and (b) procurement (c) contract management? If yes, please specify the qualifications and years of experience for each.</p> | <p>In addition to elected executive assistant secretary general for finance and the president of the independent commission for financial control, UGTT permanent staff includes:</p> <p>-Director of the financial department (qualified accountant) in charge of validating all procedures (HR, procurement, finance) and reporting. Qualifications: Master in financial management, University of Tunis. Years of experience: +15 years</p> <p>-Admin Assistant in charge of cash management, treasury. Qualifications: University degree in financial management, université of Tunis. Years of experience: 10 years</p> <p>-Admin Assistant in charge of cash management, treasury. Qualifications: University degree in financial management, university of Tunis. Years of experience: 10 years</p> | |
| | <p>Does the Recipient organization have an Operating Manual that describes (a) the internal control system and (b) procurement management of the project? If yes, please attach a copy.</p> | <p>YES (See attached Guide of administrative and financial operations - Arabic version)</p> | |
| | <p>Is the accounting system computerized or done manually?</p> | <p>Computerized</p> | |
| | <p>Do standard templates (ie contract forms) exist for the type of expenditures (consulting services, goods, works) and procurement methods that will be financed by the grant? If so please attach copies.</p> | <p>YES (See attached Guide of administrative and financial operations - Arabic version)</p> | |
| | <p>How often does the Recipient produce interim financial reports? What information is included in the financial reports (such as income and expenditure tables, balance sheet, reconciled bank accounts)?</p> | <p>Financial reports are produced yearly. They include income and expenditure tables, balance sheets and reconciled bank accounts</p> | |

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| | <p>Does the Recipient have financial audit reports? If yes, please attach a copy of each of the two most recent audited financial statements (including the Management Letters from the auditors for the same periods) and procurement reports.</p> <p>Does the audit include procurement? If not, is there any form of oversight of procurement eg third party monitoring?</p> <p>Are the annual financial statements audited by an external audit firm? If so, please provide name and contact information.</p> <p>Are the audit reports public and/or published on the website? If so please provide the link.</p> | <p>YES. (See attached financial audited report 2006-2011)</p> <p>YES, the audit includes procurement.</p> <p>Two external audit firms are used: (1) Cabinet Mokhtar Khemili – 12 Bis Rue d’Autricge, 1002 Tunis Belvedere. Phone: 71793885 – cabinet-khemili@gnet.tn - (2) Union Audit Tunisie – 67, Av Alain Savary, Bloc B 1082 Tunis – Phone: 71 787 233 – uat@gnet.tn</p> | |
| | <p>What measures are in place to ensure the integrity of the (a) FM and (b) procurement process (eg regular board meetings, externally audited reports)?</p> <p>Do the evaluation committee members sign a declaration of impartiality and disclose any conflicts of interest? If so please attach a copy of the declaration.</p> | <p>The bidding process is well documented and analyzed; a selection committee is in place. All members of the committee sign a declaration of non conflict of interest.</p> <p>Financial management and procurement procedures are reviewed by our external auditor.</p> <p>Senior management team meets on a monthly basis to discuss all management issues, including procurement processes.</p> | |
| | <p>Has the Recipient procured and administered contracts of a similar type and size to the one for which it will be responsible under the grant-financed project/activity? If so, please indicate (for the last two years): (a) type of contracts (consulting firms, individual consultants, goods, works); (b) the average contract amount per each type of contract; (c) the number of such contracts per year.</p> | <p>UGTT manages a budget of 10 to 13M/year and its operations require the procurement and administration of contracts of widely varying size and types. For example, Website development contracts (5 to 20k USD), translation services (1 to 10k USD) up to contracts for building a new headquarter (more than 10M USD).</p> | |
| | <p>What experience does the Recipient have in monitoring and evaluation of projects?</p> <p>Does the Recipient have staff capable of undertaking M&E work?</p> <p>Does the Recipient already have an M&E system in place?</p> | <p>For every project it undertakes, UGTT appoints a project manager who is the first responsible of the project success. Clear goals, expected results and indicators are agreed upon with the board and donors.</p> <p>The project manager is responsible for regularly monitoring the progress towards the performance indicators. And reports to the board. Corrective action is taken whenever necessary. Final external evaluations are conducted to demonstrate achievement of the goals and objectives, the impact and sustainability of the action, and identify lessons learned and program best practices which could educate further replication of similar initiatives. Periodic reports are shared with partners and all stakeholders. Nonetheless, this methodology is rather new to UGTT and we welcome complementary training or support to strengthen this capacity.</p> | |

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| Environment and social safe-guards | How will the project affect any of the following? <ul style="list-style-type: none"> • natural habitats • forests • pest management • physical cultural resources • indigenous peoples • involuntary resettlement • safety of dams • international waterways • disputed areas • any other environmental feature • any other social group | | |
|---|---|--|--|

Annex 3

FM Assessment and Mitigating Actions

1. **Introduction & Project Background:** As a part of the preparation process of this project, an additional financial management assessment of the Union Générale des Travailleurs Tunisiens (UGTT) was performed to determine the adequacy of the financial management arrangements to: i) provide reasonable assurance that the grant proceeds will be used for the intended purposes and meet the Bank’s minimum requirements; and ii) support project implementation. The assessment was carried out by Bank staff based on a desk review and a meeting with a representative of the UGTT (Mr. Anouar Kaddour, Head of the Studies and Documentation Department), in accordance with OP/BP 10, and World Bank procedures related to project preparation of Small RETF grants (i.e., for grants more than USD 500,000 but less than USD 5 million).

2. **Executive Summary:** The Bank concluded that proposed financial management arrangements meet the Bank’s minimal requirements to manage and account for loan proceeds, and to produce timely, accurate, and reliable financial statements for general and Bank special purposes. Nevertheless a number of weaknesses were identified during the assessment and mitigating measures were agreed with the UGTT to mitigate associated risks. These mitigating measures will include, *inter alia*, the following: i) a ring-fenced training on the Bank’s financial management and disbursements matters; ii) the accounting, disbursement, and financial reporting processes, procedures and templates for the project will be described in detail in the project’s operations manual; iii) the UGTT will open a segregated designated account within a commercial bank acceptable to the Bank in local currency TND to manage grant proceeds (note: according to Tunisian currency exchange regulations, foreign currency accounts cannot be opened for entities with the legal status like that of the UGTT); and iv) interim unaudited financial reports and the project’s audited financial statements will be submitted to the Bank on semiannual and annual basis, respectively.

3. **Risk Assessment & Mitigating Measures.** On the basis of the Bank’s Project FM assessment, the overall FM residual risk is considered **Substantial**, as explained in the following table:

| Risk Type ¹⁴ | Risk Rating | Comments/Risk Mitigation Measures incorporated into project design | Residual Risk Rating |
|-------------------------|-------------|---|----------------------|
| Inherent Risk | M | | M |
| Country level | M | The Bank’s experience in Tunisia and the main conclusions of the 2010 Public Expenditure and Financial Accountability (PEFA) concluded that the legal and administrative framework for public financial management is sound and offers a solid level of assurance regarding the reliability of information and a strong control environment; however, the report also identified transparency and accountability failures. | M |
| Entity Level | M | The project will be implemented by the UGTT that has no prior experience in handling Bank-financed projects but the UGTT has acquired some experience in managing and implementing projects financed by other international organizations that this project can capitalize on. | M |
| Project level | S | The decentralized nature of the project and the multiplicity of the involved entities at the regional level may result in coordination problems, flow of information bottlenecks and reporting delays. To mitigate these risks, the UGTT agreed to prepare and put in place a Project Operations Manual that will clearly describe among others, institutional and organizational aspects, interrelationships and the responsibilities of each party, flow of information and procedures for the submission of financial reports, flow of funds and disbursements procedures. The UGTT will provide technical assistance in financial management and procurement issues for the regional branches and will, at the same time, maintain a sound control environment in the disbursement process, which will be clearly stated in the operational manual. Notwithstanding, these mitigating measures would take place during the project implementation phase, therefore, the residual Project risk is still considered substantial. | S |
| Control Risk | S | | S |

¹⁴ The **inherent FM risk** is that which arises from the environment in which the project is situated. The **FM control risk** is the risk that the project’s FM system is inadequate to ensure that project funds are used economically and efficiently and for the intended purpose. The **overall FM risk** is the combination of the inherent and control risks as mitigated by the client control frameworks. The **residual FM risk** is the overall FM risk as mitigated by the Bank supervision effort

| | | | |
|--|----------|--|----------|
| Budgeting | M | The project's budget will be embedded in the standard budgetary procedures of UGTT which offers an acceptable framework for budget control and follow-up purposes. In addition to that, manual budgets will be prepared, at the local level, for all significant activities in sufficient detail to provide meaningful tool to monitor and control budget execution and deviation. It is also important to mention that that annual project' budget will be prepared on the basis of the procurement plan which will have Bank's no objection. | M |
| Accounting | S | Project's accounting function will be done manually since the entity will not provide with a computerized accounting system. The project will use spreadsheets to record accounting and financial transactions. To mitigate the risks associated with the use of spreadsheets in registering financial information, the project will design a set of special controls summarized and will include them into the Project's Operations Manual. The document will contain a detailed description of the processes and controls that need to be followed by the staff in capturing and processing the financial information. As mitigating control, there will be a FM Specialist under the project implementing unit who will give support in the accounting tasks derived from project implementation; however, since this measure will take place during the project implementation phase, the accounting residual risk is still considered Substantial. | S |
| Financial Reporting | S | Due to the large number of entities involved and given that projects FM reports are to be prepared manually, some delays to produce and transmit IFR and financial statements might occur. To mitigate this risk the project will clearly establish, in the Operations Manual, financial management reporting responsibilities specifying what reports are to be prepared, by whom, their due date and content. | M |
| Flow of funds & disbursements arrangements | S | Flow of funds arrangements will not be complex since it only entails disbursements from the UGTT to the service/good providers, nevertheless given the high level of centralization of all project's payments, a high volume of transactions is expected which might cause considerable delays. | S |
| Internal controls | L | The UGTT have an internal financial control committee which members are elected and has a wide range of adequate internal control practices that are defined in the institution's policies and procedures which are well known by its staff. Additionally there is a clear segregation of duties for: i) authorization to execute project's transactions, ii) recording of the project's transaction, iii) paying for goods and services and iv) reception of project's goods/services. | L |
| Auditing | S | The project's external verification will be entrusted to an external auditor selected on a quality and costs based selection and the PIU will ensure the timely transmission of the audit report. The project will assure a timely fiscal year end accounting closure and a timely preparation of project's final financial statements so that they can select an external auditor within the two months after the fiscal year closure. This will allow the external auditor to plan its work ahead on time in order to have a final audit report before June 30. The project implementing unit at the central level should monitor closely the audit report submission process to ensure its timeliness. | M |
| Overall FM Risk | S | | S |

H: High; S: Substantial; M: Moderate; L: Low

Description of Project Financial Management Arrangements

4. The Project's financial management arrangements are as follows:

Implementation Entity: The project will be implemented by the Union Générale des Travailleurs Tunisiens (UGTT), which will be responsible for overall fiduciary oversight and the project's financial management arrangements. To that end, an Implementing Project Unit (Unité de Gestion du Project, UGP) should be put in place before negotiations and will have at least a part-time Financial Management Specialist. The UGTT has no prior experience working with Bank financed projects, but has acquired some experience in managing and implementing projects financed by other international organizations that this project can capitalize on.

Budgeting system: This entails the project's budget activities (i.e., commitments, payments, accruals, budget monitoring, etc.). The project's budget will be embedded in the standard budgetary procedures of UGTT, which offers an acceptable framework for budget control and follow-up purposes. In addition, manual budgets should be prepared, at the local level, for all significant activities in sufficient detail to provide meaningful tools to monitor and control budget execution and deviation. It is also important to mention that that annual project budget will be prepared on the basis of the procurement plan, which will be subject to the Bank's no objection.

Accounting system: The project will use a set of manual accounting methods, procedures and controls to gather, record, classify, analyze, summarize and present the project's financial transactions and information. The project will make wide use of excel spreadsheets to appropriately record every transaction on a periodic basis (daily or weekly). Subsidiary ledgers, with more detailed information, will be used to follow up on the project's commitments

accounts. All these records will be used to produce the project's IUFs, which need a cumulative statement since the beginning of the implementation. To enhance manual project accounting and reduce the risk of using spreadsheets, the project will design a set of special controls aiming to describe procedures to be followed by the staff in capturing and processing the financial information.

Internal Control: The UGTT has an internal financial control committee with elected members. It also has a wide range of adequate internal control practices defined in the institution's policies and procedures, which are well known by its staff. Additionally, there is a clear segregation of duties for: i) authorization to execute project's transactions, ii) recording of the project's transaction, iii) paying for goods and services, and iv) reception of project's goods/services.

Funds flow: Disbursements of grant proceeds can be made through the advance to the designated account disbursement method combined with other disbursements methods such as direct payments. A segregated designated account denominated in TND will be opened at a Commercial Bank acceptable to the Bank. The Project Implementing Unit at the central level will authorize payments on the designated account following the procedures and guidelines already in place and used for existing projects financed by other international organizations. The project implementation unit will be responsible for providing the supporting documents for eligible expenditures and will be preparing the Withdrawal Application for Designated account replenishment that should be signed by authorized signatories from the UGTT.

Financial Reporting: Interim Unaudited Financial Report (IUF): The interim unaudited financial report should be prepared by the Project Implementing Unit every six months and submitted to the bank within 45 days from the last day of the previous period. The IUF should include: (i) a statement on sources and uses of funds for the reporting period with cumulative figures including a statement on project balances of accounts, (ii) a statement on use of funds by component and expenditure category, (iii) the designated account reconciliation statement, and iv) a Subproject Statement which shows amount disbursed and outstanding balances classified by age, to follow for timely monitoring. These reports will be produced based on the reports of the Project Implementation Unit budgetary system and a parallel follow up system based on Excel sheet. The reports would include grant proceeds, government funds, as well as in-kind contributions. The template of the IUF should be included in the project operation manual annex. The IUF template will be agreed on with the Bank prior to the effectiveness.

The project's financial Statements (PFS): The project financial statements will be annually produced by the Project Implementation Unit. The PFS should include: (i) cash flow statement, (ii) closing financial position, (iii) status of commitments, and (iv) analysis of payments and withdrawals of grant funds.

Auditing: The project's financial statements including the designated account reconciliation will be audited annually by an external independent auditor, acceptable to the Bank, in accordance with internationally accepted auditing standards. The audit's Terms of Reference will be prepared by the UGTT and should be acceptable to the Bank. The TOR should cover both the audit of the financial transactions and an assessment of the internal controls. The audit will cover all project aspects, all operations implemented under the project, sources and uses of funds. It will also relate to financial transactions records, internal controls and the financial management information system. The auditor will produce: (a) an annual audit report including his opinion on the project annual financial statements, and (b) a management letter on internal controls. The project implementing unit should submit the audit report to the Bank within six months after the end of the audited fiscal year. The project's audit would be performed by an external auditor that should be acceptable to the bank.

Disbursement Arrangements

5. The disbursements of the grant proceeds can be made through the advance to the designated account disbursement method combined with other disbursements methods such as direct payments. A segregated designated account denominated in TND will be opened at Commercial Bank acceptable to the bank by the UGTT on behalf of the project implementing unit at the central level, which will authorize the payments on the designated account following the procedures and guidelines already in place and used for existing projects financed by other international organizations (such policies will be included in the project operational manual). The project implementation unit will be responsible for preparing the supporting documents for eligible expenditures and submitting the Withdrawal Application for Designated account replenishment that should be signed by authorized signatories from the UGTT.

6. The frequency of reporting on withdrawals from the DA account will be quarterly. The transaction-based disbursement approach will be used and the supporting documentation that the Bank requires from the borrower to demonstrate that grant proceeds are being used for the purposes intended will be the statement of expenditures along with the supporting documents of expenditures spent on contracts that exceeds the statements of expenditures thresholds set out in the disbursement letter, the designated account reconciliation statement and bank statement. The Withdrawal Application for Designated account advance and replenishments will be submitted by the UGTT authorized signatories through the client connection using the eDisbursement features that allows for electronic delivery, signature and timely processing of the withdrawal requests. The project implementing unit can also combine the use of the advance to designated account disbursement method with other methods such as the direct payment that can be used to pay third parties for eligible expenditures that are incurred by the project which amount is above the minimum application size that will be specified in the disbursement letter.

7. The Withdrawal Schedule defining the eligible expenditures to be financed out of the grant proceeds will be determined at a later stage of the preparation.

FM Action Plan

| No | Actions | Responsible | Due date | Status |
|-----------|---|------------------------------|---|---------------|
| 1 | The project operational manual drafting | PIU | Before negotiations | |
| 2 | The recruitment/nomination of financial management within the PIU | PIU | Before negotiations | |
| 3 | Capacity building and targeted training activities for the concerned staff at the central and regional level. | World Bank Fiduciary Team | 3 months from the recruitment of the staff. | |

Annex 4 Procurement Assessment and Mitigating Actions

1. **Introduction:** This procurement capacity assessment was carried out on the Tunisia General Labor Union (UGTT), which is the GPSA Grant recipient, on its ability to carry out procurement for the **Building a National Network for Social Accountability in Tunisia** project. The assessment was carried out by Seyoum Solomon, Procurement Accredited Consultant, GPSA, on March 26, 2014. The scope of the report focuses on UGTT's operation and its ability to follow established procedures in procurement management (following World Bank procurement guidelines), and also, to identify possible weaknesses in the organization which, unless addressed appropriately early on, may raise the level of procurement risk and cause delays in project implementation.

2. Procurement under this project will be carried out in accordance with the *Guidelines: Procurement of Goods, Works and Non Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, January 2011*; and *"Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, January 2011*, and provisions in the agreed Grant Agreement.

3. **Organization, Functions and Staffing:** The project implementing agency (i.e., UGTT) is the largest Labor Union registered in Tunisia. UGTT has six team members involved in the implementation of the project, including two health specialists, two education specialists, one budget officer and one data mining (development of information system) specialist. Currently, the assistant to the program manager is handling procurement. No staff is assigned to handle procurement management. UGTT intends to hire an individual that will be responsible for all procurement aspects of the project. UGTT does not have familiarity with World Bank procurement procedures, and there is a great need for training in basic procurement.

4. UGTT has adequate office space for its staff to manage the project and the office is fully equipped with office and communication equipment. The agency does not have separate filing and storage space assigned for procurement documents. Procurement documents are kept under the supervision of the Finance and Administration department.

5. The overall risk rating is **high**. There are also a number of issues to be addressed, as detailed below:

(a) **Procurement Planning:** There is a need to prepare a Simplified Procurement Plan for the project which will be reviewed and agreed with UGTT and the World Bank, which will be used as a monitoring tool for procurement carried out under the GPSA Grant.

(b) **Procurement Training:** A project launch workshop should be organized by the World Bank Country Office Procurement Specialist for selected staff of UGTT immediately after the signing of the Grant Agreement.

(c) **Eligible expenditures and Eligible Categories under GPSA Grant:** The following list specifies the types of eligible expenditures items that grantee is allowed to procure under GPSA grant funding. Eligible expense categories under GPSA Recipient Executed Trust Funds (RETFs) include:

Consulting services – individuals and firms

Training

Goods

Operating Costs

Others

Services (individual or firms): They are distinguished as a separate expense category for the purpose of providing clarity about the use of funds by grantees, especially since RETFs under GPSA are expected to encompass training and capacity-building activities. This category is also included as a standard category in the Simplified Procurement Plan applicable to small RETFs.

Training: Related expenses may require both the purchase of goods and contracting of consultant

Goods: includes tangible products that fall under a variety of commodity headings, including but not limited to stationery supplies, office equipment, computer hardware and software, audio visual equipment, photocopiers and printed materials. Art, furniture, carpet, vehicles and generators are excluded as eligible goods, as are any other goods indicated as ineligible under the GPSA Board Paper.

Operating Costs: cover overhead and staff costs (including staff salaries); office rental, secretarial service, transportation, basic utilities (electricity, water), and communications expenses (telephone, internet access, among others).

Grantees will be required to provide a justification of the use of funds for goods and operating costs when submitting their grant budget proposal. As explained in the Procedures for Small Recipient-Executed Trust Fund Grants, in the second paragraph above, procurement and consultant selection methods, the Bank's Procurement and Consultant Guidelines apply, which include a menu of selection and procurement methods.

Eligible Expense Categories under GPSA RETFs:

Staff costs with indirects

Associated overheads

Consultant fees – individuals and firms

Contractual services

Extended term consultants

Media, workshop, conference and meeting

Temporary Support staff costs

Travel Expenses

Equipment Costs Lease

- (d) **Prior/Post Review by the World Bank:** For procurement subject to prior review, Bank staff are responsible for reviewing relevant procurement documents and key grant recipient recommendations, and issuing a "no objection" prior to the grantee implementing the next major step in the process. The prior review process reassures the Bank and the Borrower that the procurement process is consistent with the Bank's Procurement Guidelines at key stages in the process, and provides advice to the Borrower for enhancing the quality of the documents and/or the procedures. Prior review by the World Bank will be carried out on those procurement activities that are identified as "prior review" in the simplified procurement plan.

Post procurement reviews will be carried out by the World Bank on an annual basis during project supervision missions and will be governed by the procedures as set forth in paragraph 4 of Appendix I to the relevant Guidelines. All records and documents used for the procedures of contracting, recruitment of consultant services, evaluation of awards shall be retained for subsequent examination by auditors and IBRD/IDA supervision missions.

The main objectives of post reviews are to: (i) verify that the procurement and contracting procedures followed by the project were in accordance with the agreed grant, and identify noncompliance with the agreed provisions of the legal agreement and applicable Guidelines; (ii) check that the procurement arrangements agreed with the Borrower are still in place; (iii) report contract management issues as may have been identified by the executing agency; (iv) check that technical compliance and physical completion reviews for the contracts in the selected sample have been carried out; (v) note fraud and corruption red flags and report any evidence of fraud and corruption; (vi) review and comment on contract administration and management issues as dealt with by executing agencies; and (vii) identify mitigating measures or remedies to correct procurement deficiencies and recommend them to the grant recipient.

Annex 5
Simplified Operational Risk Assessment Framework (ORAF) for small RETFs

| | | | | |
|--|--|----------------------------|--|-------------------------------|
| 1. Project Stakeholder Risks | Rating | Moderate | | |
| <p>Description:</p> <p>(a) <i>Weak incentives for constructive engagement among different stakeholders</i>, particularly of public sector institutions (PSIs) targeted by the Project. PSIs might lack the incentives to engage with the Project by collaborating with their time and sharing information that is needed to organize some of the Project's activities.</p> <p>(b) <i>Citizens may be reluctant to provide their feedback on health and education services</i>. The Project assumes that citizens, particularly health and education users, will be willing to submit their feedback through the use of SMS and by engaging in other participatory activities (e.g. interface meetings between users and service providers) organized by the Project. However, citizens may be reluctant to participate for various reasons, such as apathy and distrust, lack of time, and a mismatch between the feedback channels and citizens' capacities and opportunities to participate.</p> <p>(c) <i>Influence of political process and national elections on the Project</i>. Given that national elections are set to take place at the end of 2014, the Project might suffer from the possibility that some of its activities may be used to advance electoral messages and agendas.</p> | <p>Risk Management:</p> <p>(a) The proposed project strategy (component 2) plans to carry out a series of inception meetings with public officials from different public sector institutions (PSIs), geared towards presenting the project's objectives, and securing concrete commitments from them to establish a framework of collaboration under the project. UGTT will take advantage of the channels of communication and engagement it already maintains with the various PSIs targeted by the project; moreover, the Project team will ensure that the project's objectives are clearly explained, particularly the "constructive engagement" approach, which is conceived of as a collaborative mode of working together to analyze service and governance problems and to discuss options for finding feasible and concrete solutions to them. The Project team will also discuss with PSIs various important decisions that need to be made at the Project's outset, regarding the targeting plan (geographic and sampling of facilities), definition of main service indicators to be monitored and type of citizen feedback that would be most useful for PSIs to obtain through the Project's participatory mechanisms, as well as budget and service-delivery information needs, and potential capacity-building and participatory activities involving public officials and service delivery staff, among others. This way, the Project team will focus on aligning incentives amongst its key stakeholders so that the feedback and activities may contribute to adding value to PSIs' ongoing efforts to solve specific service and governance problems.</p> <p>(b) To mitigate this risk the Project will ensure that the feedback mechanisms are designed taking into account citizens and users' capacities and opportunities for participation, including iterations of the mechanisms to engage citizens based on corrective measures to improve the implementation of mechanisms, based on intermediate results' assessments. Additionally, the Project will take measures to engage a broad range of stakeholders in the Project, especially of local CSOs with a proven track record in their area of work.</p> <p>(c) In order to mitigate this risk, the Project will take measures to ensure that none of its activities are used for (or perceived to be used for) partisan purposes during the electoral campaign. All of the project activities will thus be organized outside the electoral agenda of activities and events; furthermore, participants at local and national events organized by the Project will represent a broad range of voices and positions.</p> | <p>Resp: Client</p> | <p>Due Date: throughout project prep/implementation</p> | <p>Status: Planned</p> |
| 2. Implementing Agency Risks (including fiduciary) | Rating: | Moderate | | |
| Capacity | Rating: | Moderate | | |

| | | | |
|---|---|--|-------------------------------|
| <p>Description:</p> <p>The Project’s introduction of new participatory mechanisms may require substantive capacities for both designing and implementing such mechanisms, including the development of a capacity-building plan for the Project’s network of local coordinators and local CSOs. Furthermore, the design of the social accountability process as a whole requires multi-disciplinary expertise as it must combine knowledge of how to design effective participatory processes with knowledge of sectorial issues (health, education, public financial management) in order to focus on concrete problems and indicators that lend themselves to being monitored/assessed through participatory processes.</p> | <p>Risk Management:</p> <p>The Dept. of Studies and Documentation at UGTT is aware of the need to ensure that the Project team possesses the required skills and expertise to design sound participatory processes. At the Project outset, a Project Management Team will be set up, which will include multi-disciplinary staff – experts in health, education, citizen participation, ICTs as well as an M&E expert-. The overall participatory approach and methodologies will be defined at the Project outset as well, and laid out in the Project’s Operational Manual, as well as in stand-alone documents that will be used by the Project team and its partners (local coordinators, local CSOs, etc.) Moreover, UGTT will also consider hiring international consultants to provide guidance on the design of the participatory mechanisms, if needed, and partnering with academic institutions to design a sound M&E and K&L systems.</p> | | |
| <p>Governance (including Fraud & Corruption)</p> | <p>Rating:</p> | <p>Moderate</p> | |
| <p>Description:</p> <p>The implementing agency will rely on/contract an important number of CSOs to perform key activities included in the project. Mismanagement and inefficiency in the use of the funds may arise under this arrangement.</p> | <p>Risk Management:</p> <p>Risk mitigating measures will consist of clear contracting parameters between UGTT and the CSOs that will include specific deliverables and timetable for which the CSO is responsible. Contracting amounts per CSO will be very low and easy to monitor. The Bank will share a contract model with UGTT for this purpose.</p> | | |
| | <p>Resp: Bank</p> | <p>Due Date: Through project Implementation</p> | <p>Status: Planned</p> |
| <p>3. Project Risks</p> | | | |
| <p>Design</p> | <p>Rating:</p> | <p>Moderate</p> | |
| <p>Description:</p> <p>The Project design requires effective coordination of activities at different geographic levels and also amongst a wide range of stakeholders, which could pose a risk. By design, the project calls for a participatory, collaborative approach across state and non-state actors and across local, governorate and national level actors. This requires effective facilitation, communications and consensus-building skills on the one hand, and an efficient management of the project’s work plan and deliverables. Weak capacities regarding the latter could result in significant project implementation delays.</p> | <p>Risk Management:</p> <p>The Project team, housed at the UGTT’s Dept. of Studies and Documentation will be led by an experienced UGTT member, who has a proven track record in coordinating multi-stakeholder dialogues and deliberation processes. He will be supported by a core Project team of experts, as well as by other UGTT members. The Project team will rely on UGTT’s large membership to select volunteer local coordinators to serve as local facilitators and as points of contact with service facilities (hospitals, schools, etc.) Moreover, the Project inception activities include convening a broad range of public, private and civil society stakeholders that will be invited to participate in the Project’s policy dialogues and to contribute their knowledge and experience through the national network for social accountability. The Project’s M&E expert will guide the Project Team in designing monitoring instruments that will enable them to keep track of the project’s activities, deliverables and to flag any potential delays due to poor coordination or to events outside the Project’s control.</p> | | |
| | <p>Resp: Client/Bank</p> | <p>Due Date: Through project Implementation</p> | <p>Status: Planned</p> |

| | | |
|---|--|---|
| Social & Environmental | Rating: | |
| Description: This project does not trigger any social and environmental safeguards | Risk Management: | |
| | Resp.: | Due Date: |
| Delivery Monitoring | Rating: | Moderate |
| Description: Due to the stakeholder, capacity and design risks mentioned further above, the project may experience delivery monitoring risks. The Project activities require a combination of facilitation and technical skills for the effective delivery of its operational plan. | Risk Management: | |
| | The project will define a realistic and achievable operational plan, with incremental milestones by year intended to grow gradually, and to learn from the initial testing of participatory approaches. Given the limited experience implementing participatory mechanisms, UGTT Project team is aware that the operational plan needs to focus on a set of deliverables that may be realistically accomplished. Concrete measures to mitigate delivery monitoring risks will thus consist of: (i) A well-defined Operational Plan, including milestones by year, calendar and deliverables; (ii) Hiring an M&E expert to help the team design an M&E system that may be used for different operational purposes, including a) Delivery monitoring, b) Course correction, c) Reflection, learning and dissemination of experience. | |
| | Resp: Client/Bank | Due Date: Through project Implementation |
| | | Status: Planned |
| 4. Overall Risk Rating | Rating: | Moderate |

