

Annual Work Plan (Cover Page)

Country: Papua New Guinea

UNCP Outcome(s):	<i>Governance and Crisis Management</i>
Expected Intermediate Outcome(s):	Provincial and Local Governments plan and manage their finances and support service delivery effectively and efficiently with increased partnership and participation of civil society and private sector.
Expected Output(s):	Output 1: Selected provinces successfully plan, manage and implement service delivery Output 2: Consultative forums facilitate the participation of civil society and private sector in decision-making at provincial and local levels and in partnership with Provincial and Local level Governments
Implementing partner:	Department of Finance
Responsible Parties and other Partners:	Department of National Planning and Monitoring; Selected Provincial Treasuries
ExCom Agency	UNDP
Participating Agencies	-

This 2008 Annual Work Plan is for the interventions carried out under the Provincial Planning and Management intermediate outcome of the Democratic Governance and Crisis Management outcome in the UNCP. In 2008 the main intervention is the Provincial Capacity Building Programme Phase II (PCaB II).

PCaB II focuses on sub-national provincial financial management issues in the context of efforts to improve service delivery and enhance the effectiveness of public programmes. The proposed goal of PCaB II is to strengthen sub-national financial management capacity in a sustainable manner.

To meet this overall goal, the three primary objectives of PCaB II are:

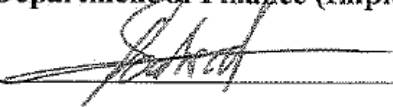
1. Effective decentralisation of financial management, by:
 - supporting efforts to roll-out the IFMS at the national level and prepare sub-national financial managers for the planned introduction of IFMS;
 - supporting the district treasury roll-out through training and capacity building initiatives.
2. Enhanced accountability and transparency, by:
 - improving the quality and timeliness of financial reporting at the sub-national level to ensure compliance with legal requirements and to provide sub-national administrations with accurate and up-to-date information on their finances;
 - supporting effective treasury management systems incorporating more effective use of ICTs.
3. Improved financial management capacity, by:
 - building sub-national capacity to implement the Public Finances (Management) Act and the Organic Law on Provincial and Local Level Governments;
 - improving strategic planning and coordination of treasury functions (within treasuries and with the administration) at sub-national levels;
 - ensuring better delivery and dissemination of training and research on sub-national financial management, drawing on the experiences of the provinces that have taken early initiatives to improve financial management.

A PCaB II Project Document (ProDoc) covering the years of implementation from 2008-2010 has been signed by government and UNDP. This 2008 AWP is based on the PCaB II ProDoc.

Programme Period:	2008-2012
Programme Component:	Provincial Planning and Management
Intervention Title:	Provincial Capacity Building Programme Phase II (PCaB II)
Budget Code:	_____
Duration:	2008-2010

Estimated annualized budget (USD): 1,538,504	
Allocated resources (USD):	
Government	74,349 (not through UNDP)
Regular	176,667
Other:	
AusAID	1,287,488
In kind contributions (USD): 75,000 (DoF)	
Unfunded budget: _____	

Agreed by Department of Finance (Implementing Partner):



Agreed by UNDP (ExCom Agency):

Josquin Baduel 5.2.05

Annual Work Plan

Year 2008

EXPECTED OUTPUTS OF UNCP ACTION PLAN's INTERMEDIATE OUTCOME (and indicators including annual targets)	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards achieving stated outputs as per UNCP Action Plan</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET			
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description	Amount (USD)	
<p>Output 1: Selected provinces successfully plan, manage and implement service delivery</p> <p>Indicators:</p> <ul style="list-style-type: none"> • Provincial, District and LLG staff in selected provinces trained/up-graded in financial management and planning • Improved financial management in selected and districts <p>2008 Targets:</p> <ul style="list-style-type: none"> • Stakeholders fully consulted and supportive of activities • Selected treasury staff members in 6 selected provinces, districts and local levels undergo initial training in financial management & planning • Selected treasury staff members in 6 selected provinces, districts and local levels trained in basic ICT skills • Initial work on development of website completed • Internship programme successfully completed • One (1) exchange study visit between two different provinces completed • 2 workshops at 2 different provincial centers held 	<p>1.1 Programme Coordination, Management and Technical Support –</p>						TOTAL ACTIVITY 1.1		367,333	
	<ul style="list-style-type: none"> • Recruitment of project management staffing positions: <ul style="list-style-type: none"> ○ Chief Technical Advisor ○ National Project Coordinator ○ Training and Coordination Support Advisor ○ Finance Administration Officer 						AusAID (Cost-Sharing)	Contractual Services – Individuals (Staff)	230,000	
							AusAID (Cost-sharing)	Learning Costs	15,000	
	<ul style="list-style-type: none"> • Purchase of project management equipment: <ul style="list-style-type: none"> ○ Vehicles ○ Lap tops ○ Stationary and other office supplies 						AusAID (Cost-sharing)	Communication and Audio Visual Equipment	5,400	
							AusAID (Cost-sharing)	Rental and Maintenance of Other Equipment (Workshops)	23,000	
	<ul style="list-style-type: none"> • Stakeholder workshop to ensure strong ownership of programme 						AusAID (Cost-sharing)	Travel	20,000	
	<ul style="list-style-type: none"> • Consultations to ensure programme is closely coordinated with other sub-national capacity-building programs (e.g. AusAID-supported PPII) 						AusAID (Cost-Sharing)	Information Technology Equipment	5,500	
	<ul style="list-style-type: none"> • Updates and consultations to ensure programme's activities support government policies and operations 						AusAID (Cost-sharing)	Equipment and Furniture (Office Supplies)	13,000	
							AusAID (Cost-Sharing)	Equipment and Furniture (Vehicles)	30,000	
	<ul style="list-style-type: none"> • Regular M&E visits to national and provincial project sites by Project Management 						AusAID (Cost-Sharing)	Facilities and Administration	23,933	
	<ul style="list-style-type: none"> • M&E visits by project management 						UNDP (Core)	Miscellaneous	1,500	
		<p>1.2 Capacity Building for Provincial Treasuries, District Treasuries and LLGs</p>						TOTAL ACTIVITY 1.2		772,331
		<ul style="list-style-type: none"> • Recruitment of Provincial Support Advisors and District & LLG Support Advisors 					AusAID (Cost-sharing)	Contractual Services – Individuals (Staff)	370,000	
							AusAID (Cost-sharing)	Rental and Maintenance – Premises	75,000	

<ul style="list-style-type: none"> • 4 workshops at 4 different district centers held • Activities and delivery of outputs benefit from regular and comprehensive monitoring and evaluation • Micro-assessment of implementing partner undertaken 	• Counterpart staff identified through introductory sessions					AusAID (Cost-sharing)	Travel	48,000
	• Training sessions conducted at Provincial Treasury level					AusAID (Cost-sharing)	Rental and Maintenance of Other Equipment (Workshops)	60,000
	• Training sessions conducted at district and LLG level					AusAID (Cost-sharing)	Vehicles	162,817
						AusAID (Cost-sharing)	Communication and Audio Visual Equipment	5,520
						AusAID (Cost-Sharing)	Facilities and Administration	50,494
						UNDP (Core)	Miscellaneous	500
	1.3 ICT support for Provincial Financial Management					TOTAL ACTIVITY 1.3		175,536
	• Recruitment of ICT and IFMS advisors					UNDP (Core)	Contractual Services – Individuals (Staff)	111,000
	• Local Area Network (LAN) maintenance and (refresher) LAN management and system administration courses conducted in the 6 provinces					AusAID (Cost-sharing)	Rental and Maintenance of Other Equipment (Workshops)	5,500
	• Courses for “training of trainers” to build up basic ICT training capacity conducted at provincial level					AusAID (Cost-sharing)	Travel	53,000
• Basic Computer Skills Training (BCST) and ICDL training conducted at provincial and district level					AusAID (Cost-sharing)	Information Technology Equipment	1,440	
• Simple ICT training manuals for use by provincial government trainers prepared					AusAID (Cost-Sharing)	Facilities and Administration	4,196	
• Development of a website for the Programme that would be used to disseminate training materials					UNDP (Core)	Miscellaneous	400	
1.4 Internship program					TOTAL ACTIVITY 1.4		146,338	
• Recruitment of internship coordinator					UNDP (Core)	Contractual Services – Individuals (Staff)	28,000	
• Consultative meetings with tertiary institutions to discuss internship programme					AusAID (Cost-sharing)	Travel	78,151	
• Identification and selection of interns					AusAID (Cost-Sharing)	Facilities and Administration	7,538	
• Induction and placement of interns to respective provinces					<i>GoPNG (not through UNDP)</i>	<i>Travel</i>	28,849	

	• Monitoring visits to interns based in provinces					GoPNG (not through UNDP)	Rental and Maintenance of Other Equipment (Workshops)	3,500
	• De-briefing workshop					UNDP (Core)	Miscellaneous	300
	1.5 Workshops and exchange study visits - Workshops at different levels					TOTAL ACTIVITY 1.5		42,000
	• Exchange study visits (“Learning From Success”) for treasury and administration officials to visit other provinces					GoPNG (not through UNDP)	Travel	12,000
	• Workshops held at provincial centers (for provincial, district and LLG staff) and 2 workshops at the district-level (for district and LLG staff)					GoPNG (not through UNDP)	Rental and Maintenance of Other Equipment (Workshops)	30,000
	1.6 Assurance and Monitoring and Evaluation					TOTAL ACTIVITY 1.6		34,967
	• Micro-assessment of Department of Finance					UNDP (Core)	Contractual Services – Individuals (Staff)	5,000
	• Security assessment					UNDP (Core)	Professional Services	20,000
	• Annual audit of AWP interventions					UNDP (Core)	Travel	6,967
	• Assurance of AWP interventions					UNDP (Core)	Miscellaneous	3,000
	• Monitoring and Evaluation of AWP interventions							
TOTAL								1,538,504

The Annual Work Plan (AWP) Monitoring Tool

Year: 2008

UNCP Action Plan Intermediate Outcome: Provincial and Local Governments plan and manage their finances and support service delivery effectively and efficiently with increased partnership and participation of civil society and private sector

Implementing Partner: Department of Finance

EXPECTED OUTPUTS OF UNCP ACTION PLAN'S INTERMEDIATE OUTCOME (and indicators and annual targets)	PLANNED ACTIVITIES <i>List all the activities including monitoring and evaluation activities to be undertaken during the year towards achieving stated outputs as per UNCP Action Plan</i>	EXPENDITURES <i>List actual expenditures against activities completed</i>	RESULTS OF ACTIVITIES <i>For each activity, state the results of the activity</i>	PROGRESS TOWARDS ACHIEVING UNCP Action Plan OUTPUTS <i>Using data on annual indicator targets, state progress towards achieving the UNCP's Intermediate Outcome. Where relevant, comment on factors that facilitated and/or constrained achievement of results including: (1)Whether risks and assumptions as identified in the UNCP, (2) M&E Framework materialized or whether new risks emerged,(3) Internal factors such as timing of inputs and activities, quality of products and services, coordination and/or other management issues</i>
Output 1: Selected provinces successfully plan, manage and implement service delivery Indicators: <ul style="list-style-type: none"> • Provincial, District and LLG staff in selected provinces trained/upgraded in financial management and planning • Improved financial management in selected LLGs and districts 2008 Targets: <ul style="list-style-type: none"> • Stakeholders fully 	1.1 Programme Coordination, Management and Technical Support			
	1.2 Capacity Building for Provincial Treasuries, District Treasuries and LLGs			
	1.3 ICT support for Provincial Financial Management			
	1.4 Internship Programme			
	1.5 Workshops and exchange study visits - Workshops at different levels			
	1.6 Assurance and Monitoring and Evaluation			

<p>consulted and supportive of activities</p> <ul style="list-style-type: none"> • Selected treasury staff members in 6 selected provinces, districts and local levels undergo initial training in financial management & planning • Selected treasury staff members in 6 selected provinces, districts and local levels trained in basic ICT skills • Initial work on development of website completed • Internship programme successfully completed • One (1) exchange study visit between two different provinces completed • 2 workshops at 2 different provincial centers held • 4 workshops at 4 different district centers held • Activities and delivery of outputs benefit from regular and comprehensive monitoring and evaluation • Micro-assessment of implementing partner undertaken 				
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Annexes:

1. Management Arrangements
2. Standard letter of agreement for provision of support services
- 2b. Universal Price List
3. Project Security Risk Assessment

Annex 1: Management Arrangements

This AWP is an integral part of the overall UNCP Action Plan and is developed to achieve the following Intermediate Outcome: “*Provincial and Local Governments plan and manage their finances and support service delivery effectively and efficiently with increased partnership and participation of civil society and private sector.*” This AWP supports the activities required to achieve the 1st output, namely “*Selected provinces successfully plan, manage and implement service delivery.*” The Implementing Partner is the Department of Finance (DoF).

The UNCP Action Plan provides the overall legal framework and the relevant management arrangements, which apply unaltered to this Annual Work Plan (AWP). This AWP is based on the UNCP-AP and the earlier Provincial Capacity Building Programme Phase II Project Document. The DoF as the Implementing Partner for this AWP, takes on the responsibility to achieve the defined output and appropriately use all resources that are made available. To do so, the DoF obtains guidance and support from the AWP Steering Committee.

The AWP Steering Committee comprises of senior representatives of DoF, DNPM, DPLGA, AusAID and the UN System. The decision making governing body of this AWP is the AWP steering committee. In due course, beneficiaries like other Ministries and Departments, Central Government Units, as well as donors, that benefit from implementation of this AWP will join this committee as key stakeholders.

The DoF prepares substantive progress reports on a quarterly basis and submits these for review and approval to the AWP Steering Committee. Within the context of the Harmonized Approach to Cash Transfers (HACT), DoF will manage the implementation of this AWP and, in accordance with the UNCP Action Plan, ensure appropriate agreements are prepared and signed with a Responsible (third) Party, in cases where the implementation of certain activities is being outsourced. The DoF will use the form called Funds Authorization and Credit Expenditures (FACE) to financially report on the AWP, also on a quarterly basis. Depending on the cash transfer modality, this quarterly financial report includes the request for funds for the next quarter. Also, the agreement, the achievement of the results envisaged by the outsourced activities, and the appropriate use of resources, remain the responsibility of the DoF.

As an initial step to implement HACT, each Implementing Partner and thus the DoF is subject to a Micro Assessment conducted by a selected audit firm, for which agreement by DoF is already obtained. By signing this AWP, DoF reaffirms its commitment to the micro-assessment and the subsequent recommendations, including decisions pertaining to the appropriate cash transfer modality and assurance activities.

Where deemed appropriate, DoF as the Implementing Partner can request UNDP to provide support services for the AWP, for which relevant details are described in the attached ‘Standard Letter of Agreement for Provision of Support Services’ (Annex 2a). The cost of these services will be charged to the AWP budget according to the Universal Price List for Support Services (Annex 2b).

Annex 2a: Standard Letter of Agreement for Provision of Support Services

LETTER OF AGREEMENT BETWEEN UNDP AND THE GOVERNMENT OF PAPUA NEW GUINEA FOR THE FOLLOWING INTERMEDIATE OUTCOME IN THE UN COUNTRY PROGRAMME ACTION PLAN:

“Provincial and Local Governments plan and manage their finances and support service delivery effectively and efficiently with increased partnership and participation of civil society and private sector.”

Dear Secretary Yer,

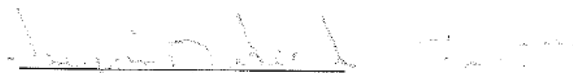
1. Reference is made to consultations between officials of the Government of Papua New Guinea (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for above Annual Work Plan (AWP). UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant project document, as described.
2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly.
3. In addition, the UNDP country office may provide, at the request of the designated institution/Implementing Agent, the following support services for implementation activities:
 - (a) Identification and assistance with and/or recruitment of project personnel;
 - (b) Procurement of goods and services;
 - (c) Access to UNDP-managed global information systems, including rosters of consultants and providers of development services
4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. If the requirements for support services by the country office change during the life of a programme or project, the annex to the project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.
5. The relevant provisions of Article 1 of the SBAA between the Government of Papua New Guinea and UNDP signed on the 7th April 1981 (the “SBAA”), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally executed project or programme through its designated institution/Implementing Agent.
6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.
7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be in accordance with UNDP corporate rules and price lists as they apply.


8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

10. If you are in agreement with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for this project.

Yours sincerely,


Signed on behalf of UNDP
Dr. Jacqueline Badcock
Resident Representative


For the Government of Papua New Guinea
Mr. Gabriel Yer
Secretary
Department of Finance

Annex 2b: Universal Prince List of the provision of support services by the UNDP Country Office (PNG=mid-low cost)

Service	High Cost	Mid-High Cost	Mid-Low Cost	Low Cost
Payment: disbursements, journal voucher, credit voucher <u>per individual transaction:</u> create request (70%), approve & process (20%), post and file voucher (10%)	\$18.00	\$16.00	\$15.00	\$8.00
Staff Recruitment Package: - Selection: advertising (20%), short-listing (40%), interviewing (40%) <u>per request</u>	\$212.30	\$212.30	\$172.50	\$91.00
- Contract: contract issuance, UNJPF/MIP enrollment, payroll setup <u>per request</u>	\$87.00	\$55.50	\$55.50	\$46.00
Consultant Recruitment Package: advertising (20%), short-listing & selection (40%), contract issuance (40%) <u>per request</u>	\$168.00	\$32.00	\$32.00	\$16.00
Recurring Personnel Management: file maintenance (10%), extension, promotion, entitlement management (80%), leave monitoring (10%), <u>per year & person</u>	\$110.00	\$65.00	\$65.00	\$40.00
Issuing IDs (UN PL, UN ID, etc.)	\$12.30			
Local Drivers' License: full process from submission of request to receipt	\$35.00	\$35.00	\$25.75	\$11.50
Accreditation w. Government: full process, including submission of forms	\$28.25	\$28.25	\$15.35	\$11.00
Vehicle Registration: full process from submission of request to receipt	\$62.00	\$55.00	\$55.00	\$11.65
Visa Requests (excluding Government fees): including submission of request and security clearance	\$30.00	\$30.00	\$19.00	\$12.50
Ticket Request: booking, purchase	\$22.75	\$22.75	\$17.50	\$10.50
Travel Authorization	\$10.15			
Hotel Reservation	\$5.30			
F10 Settlement	\$12.65			
Procurement Process: identification/selection (50%), contracting (25%), follow-up (25%)	\$279.00	\$127.00	\$127.00	\$79.00
Procurement Simple (low value, local): identification/selection (50%), issuing Purchase Order (25%), follow-up (25%)	\$45.80			
Disposal of Equipment: full process, including disposal action and crediting	\$45.50			
Custom Clearance: from submission of forms to receipt of goods	\$58.00	\$58.00	\$46.50	\$43.00
Shipment Arrangements	\$212.00	\$48.65	\$48.65	\$48.65
Fellowship Package: identification of fellow, contacting, entitlements	\$101.60	\$101.60	\$53.75	\$29.40

Annex 3: Project Security Risk Assessment

As per the decision of the UN Security Management Team in Port Moresby, each project or Annual Work Plan is to be exposed to security risks and is subject to security assessment. This assessment is to be undertaken in early 2008. While the current Annual Work Plan has allocations for security measures on a specific budget line, the amount allocated may have to be revised and potentially increased following the security risk assessment, depending on the measures such an assessment may deem necessary. In the event that such increased security allocations are necessary, the AWP will be revised and endorsed by the AWP steering committee before the revised AWP is signed.