

QUARTERLY PROGRESS REPORT

Intermediate Outcome: **PROVINCIAL PLANNING AND MANAGEMENT**

Annual Work Plan: **Provincial Capacity Building Programme Phase II**

Year/Quarter: **2011/2**

Intermediate Outcome [<i>type Outcome number</i>]			Available Budget (USD)	Unfunded
Provincial and Local Governments plan and manage their finances and support services delivery effectively and efficiently with increased partnership and participation of civil society and private sector.			1,945,576	871,302
Output code	Resources mobilized and added this quarter	Donor	Total Available Budget (USD)	Unfunded
3.1	0		1,542,700	686,302
3.2	0		104816	95,000
3.3	0		298060	90,000
TOTAL			1,945,576.00	871,302.00
Name of Annual Work Plan		Provincial Capacity Building Programme Phase II		
Implementing Partner		Department of Finance		
Responsible Parties		None		
UN agencies participating in the AWP		UNDP		
AWP ID Codes		ATLAS AWARD ID: 00049258		
Cash Transfer Modality		Direct Cash Transfer		
Date last AWP Steering Committee meeting		11th July 2011		
Donors (sources for Non-Core)		AusAID, GoPNG (not through UNDP)		
Date		Date		
Signature Implementing Partner: 		Signature Head of UN Agency 		
Name 		Name 		

I Key challenges

Challenges last quarter (Qtr 3, 2010)	Recommendations	Follow up by	Has the challenge been addressed? <i>If not, please elaborate on next steps.</i>
Although not a challenge in itself, the audit report for the 2009 year was completed in the 2nd Quarter. The report did note improvement in various aspects of the project however it also identified issues that need to be addressed.	Issues and their related recommendations mentioned in the audit report are implemented by those responsible.	PCaB II Project Team, UNDP and FMIP management	Work throughout the year was undertaken to address issues raised in the audit report. The 2010 audit exercise will confirm what recommendations were implemented.

New challenges	Recommendations	Follow up by
Delay in fund transfer from donors has meant expenditure incurred in first quarter has been from government funding	Donor funds to be transferred for 2nd quarter	UNDP
Implementation of the new Integrated Financial Management System (IFMS) by Dept. of Finance will result in a transition in 2011 from the old PGAS/Quick Book system to the use of IFMS for project expenditure.	Continued efforts will be focused on ensuring the transition to the use of the new IFMS system has minimal impact on the implementation of the programme	FMIP; Programme Finance and Admin

II Results Table

Output 3.1		Selected Provincial and District Treasuries have the capacity to prepare and submit accurate financial reports and statements on time.
Overall assessment	On track	
Description of assessment	<p>With the release of funding from GoPNG, Capacity building activities has progressed successfully in quarter two in the pilot provinces which has contributed significantly towards achieving the intermediate outcomes as per the AWP of 2011. The site based advisors have continued to focus in their primary role of offering mentoring, coaching and on the job training to treasury staff on financial reports and other areas of financial management. There is evidence of transfer of knowledge and skills to the mentees as they are being assessed through the various assessment tools such as completed tasks and post tests. Consequently, data obtained and presented during the midterm review workshop reflected that there is tremendous improvement in the submission of mandatory reports in the pilot provinces compared to in 2010. From these presentations, 85 – 95% of all mandatory reports are submitted on time except for two LLG accounts in Milne Bay and a few accounts in Morobe Province. Respective advisors in these provinces will attend to these outstanding reports in the next two quarters. The technical support provided by the Training Coordination Support Advisor has also contributed significantly to these progress and achievements</p>	
Annual Deliverables	Appreciation	Comments - only when delayed
4 Steering Committee meetings held which review progress of PCaB II programme and make decisions affecting implementation when required	On track	
On-going financial procedure and two non-financial workshops on-the-job training sessions conducted at sub-national level for government staff	On track	
Output 3.2		Interns have the capacity to seek and obtain entry level positions in the public service
Overall assessment	On track	
Description of assessment	<p>The running of the intern programme is traditionally planned for the final quarter of the year. However the Internship Programme Support Advisor has assisted in other areas of the programme, including revising the programme's M&E framework and</p>	

	related tools.	
Annual Deliverables	Appreciation	Comments - <i>only when delayed</i>
Initiatives related to graduate programme	On track	
Output 3.3	Integrated Financial Management System (IFMS) operational in selected pilot province	
Overall assessment	On track	
Description of assessment	<p>There is on-going support and on the job coaching/mentoring going on for IFMS Application to users from 3 pilot government agencies which include the Department of Finance, Treasury and the National Planning and Monitoring. Apart from this, advisors are also providing support in most technical areas. This include:</p> <ul style="list-style-type: none"> • Providing Technical/Application Support to users at IFMS & FMIP • Setting up of IFMS File Server <ul style="list-style-type: none"> ○ Creation of application folders ○ Mapping of Network Drives – to users profile • Setting up of IFMS DP into the Data-Centre, working closely with staff from DOF (ICTD-Networks) /Citrix – (Ongoing) <ul style="list-style-type: none"> ○ Testing of IFMS with each upgrade hot fix. 	
Annual Deliverables	Appreciation	Comments - <i>only when delayed</i>
IFMS training given to key users	On track	
ICT training and on-going technical support in PCaB II supported provinces for selected treasury staff	<p>With the release of funding from GoPNG Basic ICT training has commenced in this quarter in the pilot provinces. However the training has slightly changed from 2010. During the planning workshop in March, advisors have agreed to re-strategized and offer basic and tailored ICT courses to key users first to cater for the workbook and Annual Financial Statements. The key users include Provincial & District Treasurers and the Accountants. A total of 73 officers have under gone this training and have gained some knowledge and skills in the use of workbook and can confidently compile AFS using the new template introduced by AFSD with the use of the control sheet.</p>	

III Resources

Total Outcome 3 Provincial Capacity Building								
	SOURCES AVAILABLE				EXPENDITURES			
Type of funding:	Core Available	Non-Core Available	AusAID	Total Sources Available	Core	Non-Core	AusAID	Total Expenditure
Output 3.1	180,000.00	30,000.00	1,332,700.00	1,542,700.00	-	184,107.00	-	184,107.00
Output 3.2	-	104,816.00	-	104,816.00	-	12,686.00	-	12,686.00
Output 3.3	-	298,060.00	-	298,060.00	-	28,577.00	-	28,577.00
TOTAL	180,000.00	432,876.00	1,332,700.00	1,945,576.00	-	225,370.00	-	225,370.00

IV Risk Management

#	Description	Category	Probability & Impact (1 = low and 5 is very high)	Counter-measures / Management response	Owner	Author	Date Identified	Last Update	Status
1	Remoteness of PSA/DLSA network	Operational	P = 5 I = 3	Purchase of ICT communication equipment and bringing team together in Port Moresby more frequently	CTS	CTA	Q1 2009	Q1 2011	Adequate ICT technology in use by PSAs/DLSAs; team has held planning meeting in POM; NPC has begun field visits
2	Poor cooperation with other parts of government/lack of commitment by	Organisational	P = 3 I = 3	Ongoing consultations with Financial Training Branch	CTS/NPC	NPC	Q1 2009	Q1 2011	Continued consultations and regular meetings been held

	other parts of government			and PPII. Also liaison with PDFMD.					
3	Exchange rate fluctuation	Financial	P = 3	Exchange rate is monitored to ensure there is no major impact on the Annual Workplan and budget	UNDP/CTS	UNDP	Q1 2008	Q1 2011	Budget and exchange rates monitored. PGK has strengthened against USD and therefore will impact on funds held by UNDP for the programme.
			I = 4						
4	High counterpart staff turnover and failure to retain trained officers	Organisational	P = 3	Any issues with counterpart staff turnover to be brought to the attention of project management. Designation of a counterpart and an understudy for each field advisor.	CTS/NPC/PSAs	NPC	Q1 2008	Q1 2011	Has not eventuated
			I = 5						
5	Project staff at Provincial level undertaking tasks that are outside of their TOR	Other	P = 3	Discussions to be held between programme management and relevant Provincial Treasury officers to ensure that the TOR of the PSA and/or DLSA is clearly understood.	CTS/NPC/PSAs	NPC	Q1 2008	Q1 2011	Staff have completed personal work plans and were reminded to adhere to them during the planning workshop
			I = 3						

6	Security and safety issues in the provinces	Security	P = 2	This is an on-going risk to the programme. Any security issues are to be reported to programme management	CTS/NPC	NPC	Q1 2008	Q1 2011	Staff reminded of security and safety
			I = 3						
7	Old and dysfunctional project vehicles could result in injury	Operational	P = 2	Programme vehicles maintained regularly and old vehicles disposed off following guidelines	CTS/NPC /FAO	NPC	Q1 2009	Q1 2011	On-going
			I = 3						
8	Operating within project budget with project financial resources stretched as project activities are ramped up	Financial	P = 2	Careful weekly monitoring of expenditures.	CTA	CTA	Q2 2009	Q1 2011	On-going monitoring
			I = 4						
9	Project implementation delayed due to need for better administrative and financial management.	Organisational	P = 3	Hiring of administrative assistant.	Steering Committee	CTA	Q2 2009	Q1 2011	Assistant Administrative Associate is assisting with administrative and financial management
			I = 3						