



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF THE
PUBLIC SECTOR MODERNISATION PROJECT
APPROVED ON MARCH 24, 2016
TO THE
KINGDOM OF LESOTHO

GOVERNANCE

AFRICA

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ABBREVIATIONS AND ACRONYMS

GDP	Gross Domestic Product
HRM	Human Resources Management
HRMIS	Human Resources Management Information System
IP	Implementation Progress
ISR	Implementation Status Report
LCMHS	Lesotho Continuous Multipurpose Household Survey
M&E	Monitoring and Evaluation
MDP	Ministry of Development Planning
MOET	Ministry of Education and Training
MOH	Ministry of Health
MTR	Mid-term review
NID	National ID
NSDP II	National Strategic Development Plan II
PDO	Project Development Objectives
PIM	Public Investment Management
PIU	Public Financial Management Reform Secretariat
PPP	Public Private Partnership
PSIC	Public Sector Investment Committee
PSID	Public Sector Investment Database
PSMP	Project Development Objectives
SOE	State Owned Enterprise



BASIC DATA

Product Information

Project ID P152398	Financing Instrument Investment Project Financing
Original EA Category Not Required (C)	Current EA Category Not Required (C)
Approval Date 24-Mar-2016	Current Closing Date 24-May-2020

Organizations

Borrower Ministry of Finance	Responsible Agency Ministry of Development Planning, Ministry of Public Service
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Project Development Objective (PDO)

Original PDO

The Project Development Objective (PDO) is to strengthen strategic-level planning, and to improve efficiency in the fiscal and human resource management of Selected Ministries.

Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-57720	24-Mar-2016	15-Apr-2016	25-May-2016	24-May-2020	10.00	5.23	4.93

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

- 1. A mid-term review (MTR) on the Public Sector Modernization Project (PSMP) was carried out in June 2018.** The review confirmed the relevance of the Project Development Objectives (PDO), as well as the overall adequacy of the project's institutional and implementation arrangements. The review noted adequate progress towards implementation of project activities across components and achievement of agreed results. The overall progress towards achievement of the PDO and Implementation Progress (IP) are rated as Moderately Satisfactory as recorded in the Implementation Status Report (ISR, approved on May 31, 2019). This assessment is being made on actual achievement of results (outputs and outcomes) that are facilitating achievement of the PDO.
- 2. Project implementation reflects progress achieved or well underway across all components (see Box 1 below).** The project faced periods of slow disbursement due to the volatile political situation and legislative elections during 2017. Further, fragmentation of support into a number of activities across multiple ministries and departments has made coordination on the government side, as well as supervision on the World Bank side more challenging. The June 2019 supervision mission noted achievement of several key project milestones on the one hand, and slower than anticipated implementation of several activities under Component 1 and Component 2 on the other. Out of the US\$10.00 million, the project has committed US\$5.58 million (56 percent); \$5.23 million (52 percent) has already disbursed. The project funds available (not committed) under the project are \$4.4 million (44 percent of total funds). Further, there are no outstanding project audits.
- 3. An official government request to restructure the project was received on November 8, 2018.** The project is being restructured to (i) reallocate project amounts between components; (ii) streamline existing project activities and add new activities that contribute to the PDO; (iii) revise the Results Framework to better align all project indicators and expected outcomes with the supported activities and overall project objectives; and (iv) given that current implementation arrangements are working well, and based on an official request received in May 2018, amend the legal covenants to eliminate the mandatory requirement for a deputy project coordinator.



Box 1. Public Sector Modernization Project: Progress by Component

Component 1: Strategic Planning and Fiscal Management

Component 1.1 provides support to strengthen strategic level planning and improved efficiency and fiscal management: (i) preparation of the National Strategic Development Plan II (NSDP II) (ii) carrying out a public expenditure review and development of wage bill modeling (iii) improving public investment management and (iv) updating and revising the Ministry of Development Planning (MDP) strategic plan.

During the first two and a half years of project implementation, wage bill and pension forecasting models, as well as an expenditure analysis tool (BOOST) have been developed, and a training program implemented. A public expenditure review was completed, with significant government contributions to chapters on macroeconomic forecasting, wage bill management, and pensions management. The NSDP II has experienced significant delays but is nearing completion with finalization expected in the first quarter of 2019. Updating the MDP strategic plan has been ongoing since mid-2017. The plan will go into effect once approved by the Ministry of Public Service. With regard to public investment management, a skills audit, functional and organizational review of the Public Sector Investment Committee (PSIC), and upgrading of investment appraisal guidelines have been carried out, and a training program implemented. Further support to strengthening the skills of the Department Project Cycle Management, PSIC, as well as key authorities from the Budget Department and the planning cadre in line ministries is ongoing.

During the second year of project implementation, the Government requested support to improving transparency and accountability of State Owned Enterprises (SOEs). Given the impact of SOE on planning and fiscal management and alignment of the request with C1 objectives, technical assistance has been initiated and is progressing well. The SOE Annual Report (2016/17) is complete, a draft SOE policy has been drafted, the legal review is nearing completion.

Component 1.2 includes support to expenditure planning and execution for Ministry of Health (MOH) and Ministry of Education and Training (MOET). However, by year three of the project, activities under this sub-component have not started.

Component 2: Strengthening of Human Resources Management (HRM)

Component 2 comprises three subcomponents: (i) establishing a HRMIS to reduce irregularities and discrepancies in HR and payroll records for the whole government; (ii) reviewing and redefining HRM and payroll processes, controls and practices, and implementing the improved practices; (iii) improving HRM practice in the MOH and MOET.

A technical committee with representation from MOPS, MOET, MOH, MOF, and MOHA was established to manage reforms under Component 2 and is facilitating strong coordination across ministries. To establish the National ID (NID) as the unique identification number for the human resource management and payroll system, the committee carried out a rapid results initiative to issue NID to civil servants and civil pensioners and record their NID number in the HRMIS (Resource Link). To identify payroll irregularities, a biometric census of civil servants, civil pensioners, and village health workers was carried out between 2018-2019. The final results are being analyzed by the enumeration firm; in parallel, the technical committee is developing an action plan to address red flags and update human resource records in the HRMIS.

A review of HR business processes is well underway and will result in specification of functional requirements for the HRMIS. Recruitment of technical assistance to assess Resource Link to identify operational, functional, and system design challenges is ongoing. Combined, these two inputs will put government in a position to re-implement core modules of Resource Link, as well as implement modules such as 'recruitment' and 'establishment management.' Technical assistance to improve establishment management is progressing well with the following draft deliverables submitted: teachers career structure; teaching service establishment management policy; strategy for managing substitute teachers; and functional and organizational structure for schools. An advisor has been hired to review the performance management system for the public and teaching services, as a change management expert is being recruited to assist the MOPS implementing proposed reforms.

Component 3: Improving Statistical Capacity

Component 3 comprises support to (i) improving the quality of national accounts statistics and (ii) improving poverty and social statistics. The project has provided support to the Bureau of Statistics to develop Quarterly Gross Domestic Product (GDP) estimates; complete a new round of the Lesotho Household Budget Survey (LHBS) with improved methodology. The Poverty Profile Report is complete, with the full HBS report expected in September 2018.

Component 4: Strategic Implementation Support



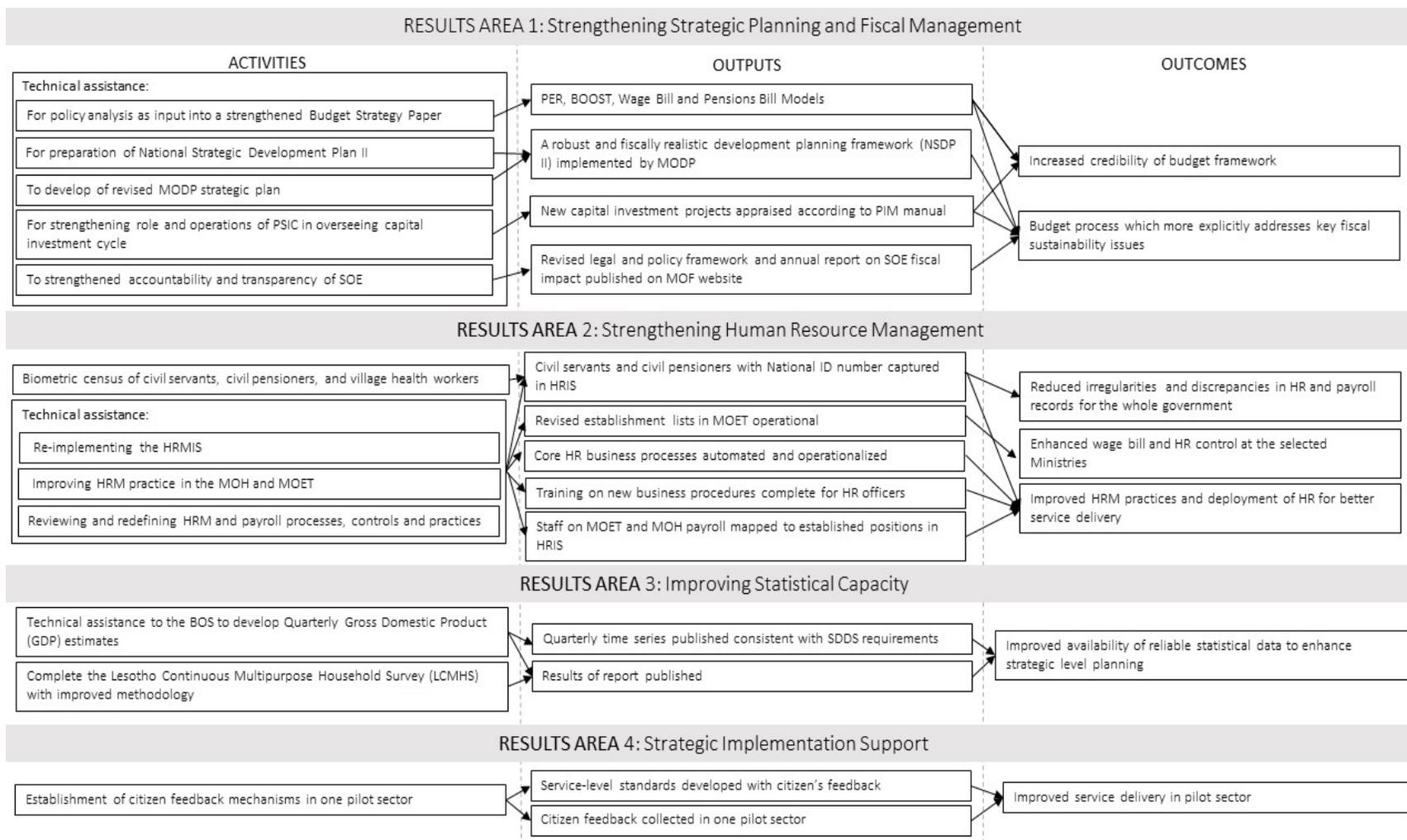
The main areas of support under Component 4 remain the same. This component includes activities to strengthen capacity for policy formulation and coordination in the Office of the Prime Minister. Under this component, the project is supporting the OPM to establish a mechanism for citizen feedback management in priority service delivery sectors. Technical assistance is ongoing, with government expected to launch a pilot in August 2019.

4. Reallocation of funds between sub-components will streamline project activities to align with government priorities and better contribute to the PDO. Fragmentation of support into a number of small activities across multiple ministries and departments has made coordination on the government side, as well as supervision on the WBG side more challenging. Restructuring will consolidate resources around activities that are gaining more traction. It will consolidate support under Component 1 (Strategic and Fiscal Management) around public investment management and strengthening oversight and accountability of state owned enterprises. The main areas of support under Component 2 (Strengthening Human Resource Management) will remain unchanged. With regard to Component 3 (Improving Statistical Capacity), the Bureau of Statistics confirmed that production of quarterly Gross Domestic Product (GDP) estimates and adapting the Household Budget Survey methodology to the Lesotho Continuous Multipurpose Household Survey (LCMHS) are priorities. As the development of a business registry is being supported under the Private Sector Competitiveness Project (P144933), it was agreed to drop this activity from Component 3. Resources dedicated to the business registry will support the other activities in this component. Establishment of citizen feedback mechanisms in a priority service delivery sector has been identified as a ‘quick-impact’ activity to be included under Component 4 (Strategic Implementation Support).

5. Revision of the Results Framework will better align all indicators and expected outcomes with the supported activities and overall project objectives (see Figure 1: Theory of Change below). No change to the PDO (“to strengthen strategic-level planning and to improve efficiency in the fiscal and human resource management of Selected Ministries”) is required. However, there is a need for a closer relationship between actual activities supported and results monitored, which will be attained through the proposed changes to the Results Framework.



FIGURE 1. THEORY OF CHANGE





II. DESCRIPTION OF PROPOSED CHANGES

Project Components

The proposed changes to the project components will not impact their formulation, objectives, or budget allocations. Revision, additions or removal of certain activities are done to better align activities with the PDO and to reflect the needs that are being identified on the ground as implementation progresses.

Component 1: Strategic Planning and Fiscal Management

6. **The project restructuring will consolidate support under Component 1 around transparency and accountability of SOE and public investment management.** As discussed and confirmed during missions in June 2018, July 2018, October 2018, and June 2019, strengthening Public Investment Management (PIM) and transparency and accountability of SOEs are key priorities for the Government of Lesotho.

7. **Remaining support to PIM scales up financing of existing activities and will focus on the following main areas:** (i) Strengthen and upgrade the PSIC decision procedures and guidelines/manuals (ii) Strengthening the skills of key authorities to carry out their assigned roles and responsibilities through in-country clinics, short courses, and on the job training. Technical assistance will include a special focus on the links between Public Private Partnerships (PPP) and PIM in Lesotho, for example aligning PSIC decision procedures with PPP regulations.

8. **Support to improved transparency and accountability of State Owned Enterprises is a new activity under Component 1.** During the second year of project implementation, the Government requested to provide support to improving transparency and accountability of SOEs under C1 of the PSMP. Given the impact of SOE on planning and fiscal management and alignment of requests with C1 objectives, technical assistance was initiated in year two of the project and is progressing well. Remaining support to SOEs will focus on the following main areas: (i) Regular performance monitoring; the reporting capacity of the SOE unit; (ii) Development and implementation of a national SOE Policy and Program; and (iii) Identification and implementation of measures to professionalize and improve the effectiveness of SOE senior management and boards in Lesotho.

9. **Restructuring will reallocate resources from Component 1.2 to support activities under Component 1.1.** Activities under this Component 1.2 (Expenditure Planning and Execution in MOH and MOET) have not started. To improve coordination and supervision, as well as to align project activities with government priorities, resources under this C1.2 will be reallocated to C1.1 in support of transparency and accountability of SOE and PIM, as well as finalization of NSDP II. C1.1 will maintain a focus on planning in MOET and MOH, for example, through strengthening the skills of the planning cadre in health and education to carry out their assigned roles and responsibilities related to PIM. An overview of proposed reallocation is provided in Annex 1.

Results indicators for this Component have been updated in the results framework to better capture the outcomes of these activities.



Component 2: Strengthening of Human Resources Management (HRM).

The main areas of support under Component 2 (Strengthening Human Resource Management) will remain unchanged. Indicators for this component have been updated in the results framework to better capture the outcomes of these activities.

Component 3: Strengthening National Statistical Capacity

10. **Restructuring will drop “Development of a Business Statistics Database” from Component 3.1.** The project envisions strengthening data collection for and development of a business statistics database for Lesotho. However, this activity is currently being supported by Lesotho Second Private Sector Competitiveness and Economic Diversification Project (P144933). It is, therefore, being removed from the PSMP. Resources allocated to this activity will be redeployed in support of other activities under Component 3.2 (Improving Poverty and Social Statistics).

11. **Restructuring will reallocate resources from sub component 3.1 to sub component 3.2.** Implementation of quarterly GDP proved more cost effective than initially anticipated, with the BOS requiring two days of backstopping per quarter. At the same time, the resources required to run and analyze the results of the HBS are higher than anticipated.

12. **Redesign of high frequency household survey.** The first round of the HBS survey was launched in January 2017 and successfully completed in February 2018. The Poverty Profile is complete, with the full HBS report expected in September 2019. After the first round of the household survey, it was agreed to adapt the methodology to ensure cost effectiveness and sustainability, enabling the government to continue this work beyond the project close.

13. **Indicators for this component have been updated in the results framework to better capture the outcomes of these activities** (see table below).

Component 4: Strategic Implementation Support

14. **Component 4 includes support to a quick win for service delivery, as well as strengthening coordination at the center of government.** The Office of the Prime Minister has requested support for establishing a mechanism for citizen feedback management in priority service delivery sectors, including health. Technical assistance is ongoing, with government expected to launch a pilot in August 2019.

Results Framework

15. **The Results Framework is being adjusted to reflect the reduced breadth and depth of engagement, as well as to be more closely aligned with activities, the project activities, PDO outcomes, and to ensure measurability and consistency in how progress is measured.** The proposed project restructuring ensures that the results indicators that are measurable, relevant, and outcome oriented. Several indicators (at PDO and intermediate level) have been modified. During the midterm review, it was agreed to review PDO indicators to better capture outcomes of the project; include intermediate indicators to measure the results in the area of



SOEs and PIM under Component 1; and add additional intermediate indicators to capture progress under Component 2.

16. The changes to the Results Framework, captured in the table below, were extensively discussed and agreed upon with project beneficiaries during the MTR and follow-up interactions. The framework was formally shared with the client as part of the November 2018 restructuring mission Aide Memoire, and the Project Implementation Unit has been monitoring these indicators for the last eight months.

Changes to the Legal Covenant

17. **Elimination of deputy-project coordinator position.** The legal covenant requires recruitment of a deputy project coordinator. This position remained unfilled during the first two years and a half of project implementation. The adequacy of current arrangements was documented in the last three ISR and the Government has therefore requested to drop this No change to disbursement categories is required.

III. SUMMARY OF CHANGES		
	Changed	Not Changed
Results Framework	✓	
Disbursement Estimates	✓	
Legal Covenants	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓



Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates
Yes

Year	Current	Proposed
2016	0.00	0.00
2017	1,500,000.00	1,000,000.00
2018	3,500,000.04	2,500,000.00
2019	3,000,000.00	2,700,000.00
2020	1,999,999.98	3,800,000.00
2021	0.00	0.00
2022	0.00	0.00

LEGAL COVENANTS

Loan/Credit/TF	Description	Status	Action
IDA-57720	Finance Agreement :Recruitment of staff for the PFM secretariat in the Ministry of Finance Description :The Recipient shall recruit, no later than three (3) months after the Effective Date: (i) a deputy Project coordinator, (ii) a procurement officer and (iii) a monitoring and evaluation expert for the PCU, all with	Partially complied with	Revised



	terms of reference, qualifications and experience acceptable to the Association. Due Date :24-Aug-2016		
Proposed	Finance Agreement :Recruitment of staff for the PFM secretariat in the Ministry of Finance Description :The Recipient shall recruit, no later than three (3) months after the Effective Date: (i) a procurement officer and (ii) a monitoring and evaluation expert for the PCU, all with terms of reference, qualifications and experience acceptable to the Association	Complied with	
IDA-57720	Finance Agreement :Adoption of the Project Operational Manual (POM) Description :No later than two (2) months after the Effective Date, the Recipient shall adopt the POM, in form and substance acceptable to the Association, for the purpose of implementing the Project. Due Date :24-Jul-2016	After delay complied with	No Change



Results framework

COUNTRY: Lesotho

Public Sector Modernisation Project

Project Development Objectives(s)

The Project Development Objective (PDO) is to strengthen strategic-level planning, and to improve efficiency in the fiscal and human resource management of Selected Ministries.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
To strengthen strategic level planning (Action: This Objective is New)						
New capital investment projects appraised according to PIM manual (Percentage)	0.00	0.00	0.00	50.00	75.00	75.00
Action: This indicator is New	Rationale: Restructuring will allocate additional resources to PIM to update appraisal guidelines and support implementation.					
To improve efficiency in the fiscal management in selected ministries (Action: This Objective has been Revised)						
Consistency of sectoral budget allocations with NSDP forecasts (Percentage)	0.00			8.00	7.00	5.00
Action: This indicator has been Marked for Deletion	Rationale: Propose to delete this indicator. It is beyond the scope of NSDP II to propose sectoral budget allocations.					
Credibility of budget framework (Percentage)	10.00	10.00	10.00	9.50	9.00	8.50



Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
To improve efficiency in the human resource management in selected ministries (Action: This Objective is New)						
Irregular HR and payroll records corrected/removed (Percentage)		0.00	0.00	0.00	50.00	75.00
Action: This indicator has been Revised	Rationale: Revised targets. Irregularities are defined as anomalies with fiscal impact.					
Vacancy rate based on the revised establishment list in MOH and MOET(TSD) (Percentage)		31.00	33.00	25.00	15.00	5.00
Action: This indicator has been Marked for Deletion	Rationale: Indicator did not adequately capture C2 objective of strengthening establishment controls.					

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 1. Strategic Planning and Fiscal Management						
Revised Institutional Plan implemented by MDP (Text)		N/A	Review implementation of original strategic plan	Draft revised institutional plan complete	Revised institutional plan approved and under implementation	Revised institutional plan under implementation
Action: This indicator has been Revised	Rationale: Updated unit of measure from Y/N to text					



Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
Comprehensive facility budget developed in MOH and MOET (Yes/No)	No	No	No	Yes	Yes	Yes
Action: This indicator has been Marked for Deletion	Rationale: <i>This indicator was intended to measure progress against sub-component 1.2. This sub-component is being dropped.</i>					
Budget execution rate in MOH and MOET is improved at district level (Percentage)	75.00	0.00	75.00	85.00	85.00	85.00
Action: This indicator has been Marked for Deletion	Rationale: <i>This indicator was intended to measure progress against sub-component 1.2. This sub-component is being dropped.</i>					
Annual report on SOE fiscal impact published on MOF website (Text)	No data available	No data available	Financial statements collected	Annual report on SOE fiscal impact published on MOF website	Annual report on SOE fiscal impact published on MOF website	Annual report on SOE fiscal impact published on MOF website
Action: This indicator is New	Rationale: <i>Restructuring will formalize inclusion SOE oversight under the project.</i>					
PIM manual updated and operational (Text)	No data available	Review of current institutional arrangements complete	PIM manual updated and adopted	Training on PIM manual for PSIC and relevant MODP, MOF staff complete; PIM manual updated to align with PPP policy	PIM manual operational	PIM manual operational
Action: This indicator is New	Rationale: <i>Restructuring to allocate additional resources to PIM to update appraisal guidelines and support implementation</i>					



Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 2. Strengthening Human Resource Management						
Performance Based Management introduced (Number)		0.00	0.00	0.00	3.00	5.00
Action: This indicator has been Marked for Deletion	Rationale: Dropping to better align component to results and activities.					
Training on new business procedures complete for HR officers (Percentage)		0.00	0.00	0.00	0.00	50.00
Action: This indicator has been Revised	Rationale: Proposed change to indicator “training gap report based on the revised qualification in selected ministries completed” to align with objectives of C2					
Of which are women (Percentage)		0.00	0.00	0.00	0.00	75.00
Action: This indicator is New	Rationale: Adding sub-indicator to ensure gender ratio of trainees is considered and monitored within relevant activities					
Reduction in numbers of temporary teachers (Percentage)		0.00	10.00	20.00	30.00	40.00
Action: This indicator has been Marked for Deletion	Rationale: This focuses on recruitment or letting go temporary teachers. Indicator above on MOET staff mapped to establishment list better captures objective of project.					
Revised establishment lists in MOET operational (Text)		No revised establishment list in MOET	No revised establishment list in MOET	No revised establishment list in MOET	Review of establishment in MOET complete	Revised establishment list in MOET operational



Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
Action: This indicator is New	Rationale: <i>Inclusion of this indicator to reflect progress toward PDO indicator on establishment controls</i>					
Core HR business processes automated and operationalized (Percentage)		0.00	0.00	0.00	25.00	50.00
Action: This indicator is New	Rationale: <i>Proposal to add indicator reflecting implementation of business process reengineering at MTR</i>					
Civil servants and civil pensioners with National ID number captured in HRIS (Percentage)		34.00	50.00	80.00	90.00	90.00
Action: This indicator is New	Rationale: <i>NID was not being implemented at time of project design. Subsequently, project has been supporting issuing NID to all civil servants / civil pensioners to become employees unique ID number on payroll and facilitating automatic checks with NID database (e.g. name changes, deaths, etc.)</i>					
Staff on MOET and MOH payroll mapped to established position in HRIS system (Text)		No staff mapped to positions in HRIS	No staff are mapped to positions in HRIS. All civil servants are issued a National ID.	No staff are mapped to positions in HRIS. Biometric census of civil servants 50% complete. Update of HRIS is underway	No staff are mapped to positions in HRIS. HR Business process review is underway. Establishment lists validation is in progress. Biometric census of civil servants 100% complete.	HRIMS updates complete. Establishment for MOET adopted and establishment module of HRMIS implemented.
Action: This indicator is New	Rationale: <i>This indicator is meant to replace "Vacancy rate based on the revised establishment list in MOH and MOET" which did not capture the objective of C2 to strengthen establishment <u>controls</u> . It was also previously a PDO indicator, but is now changed to an intermediate indicator, since it captures process (output) rather than outcome.</i>					

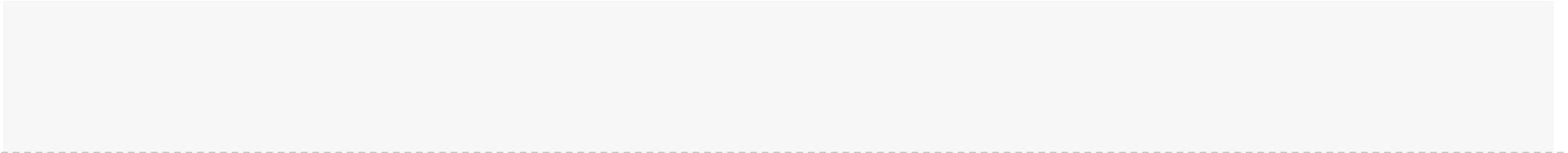


Indicator Name	DLI	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 3. Improving Statistical Capacity						
Improved availability of reliable statistical data to enhance strategic level planning (Text)		No survey conducted	Survey methodology developed	First HBS completed	Results of first survey published	Survey methodology revised
Action: This indicator has been Revised	Rationale: <i>Propose to revise the indicator from 'Publication of the HBS' in order to capture what C3 is trying to achieve: improving the methodology of the HBS and building the capacity of BOS to conduct household surveys</i>					
Quarterly time series published consistent with SDDS requirements (Text)		No quarterly GDP published	Source data collections and processing system developed and finalized. GDP re-based to 2012	Quarterly GDP volume time series commencing in calendar year 2012 published. Quality assessment such as ROSC conducted	Quarterly GDP current price and volume series commencing in calendar year 2012 published	Quarterly GDP current price and volume time series commencing from the start of the annual time series published
Action: This indicator has been Revised	Rationale: <i>Timeline of intermediate targets updated.</i>					
Component 4. Strategic Implementation Support						
Citizen feedback collected in one pilot sector (Text)		No feedback collected	No feedback collected	No feedback collected	Feedback mechanism designed	Citizen feedback collected in one pilot sector
Action: This indicator has been Revised	Rationale: <i>The original indicator is not directly tied to propose PSMP activities (either original or restructured). Propose to replace it with the one directly above. C4 includes 'unallocated' funds for quick win in service delivery, as well as support to Office of Prime Minister. Government has requested this focus on use of mobile technology for citizen feedback management.</i>					



The World Bank

Public Sector Modernisation Project (P152398)





ANNEX 1

PSMP Reallocation of Funds Between Components	<i>Current allocation</i>	<i>Proposed change</i>	<i>New allocation</i>
1. Strategic Planning and Fiscal Management	2,000,000		2,000,000
1.1 Support to Strategic Planning and Budgeting	1,000,000	1,000,000	2,000,000
1.2 Strengthening Expenditure Planning and Execution in the MOH and MOET	1,000,000	-1,000,000	0
2. Strengthening Human Resource Management	4,500,000	0	4,500,000
2.1 Establishing a Human Resource Information System	2,500,000	0	2,500,000
2.2 Strengthening HRM Controls and Processes	1,000,000	0	1,000,000
2.3 Improving HRM practices in the MOET and MOH	1,000,000	0	1,000,000
3. Improving Statistical Capacity	2,000,000	0	2,000,000
3.1 Improving the Quality of National Accounts Statistics	500,000	-450,000	50,000
3.2 Improving Poverty and Social Statistics	1,500,000	450,000	1,950,000
4. Strategic Implementation Support	1,500,000	0	1,500,000
4.1 Project Implementation, Policy Coordination	1,500,000	0	1,500,000