



Sierra Leone Multi-Donor Trust Fund
ANNUAL PROGRAMME¹ NARRATIVE PROGRESS REPORT
REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2011

Programme Title & Number
Programme Title: Support to the Strategy and Policy Unit in the Office of the President Programme Number 00077654 MDTF Office Atlas Number: 00061322

Country, Locality(Sierra Leone), Thematic Area(Governance)²

Participating Organization(s)
UNDP, DFID, EU

Implementing Partners
<ul style="list-style-type: none"> • National counterparts <p style="text-align: center;">SPU, HRMO, PSRU, PSC</p>

Programme/Project Cost (US\$)
MDTF Fund Contribution: MDTF-DFID 400,420
EC Funding 519,836
Agency Contribution UNDP 423,884
Government Contribution <i>(if applicable)</i>
TOTAL: USD 1,344,140

Programme Duration (months)	
Overall Duration	2 years
Start Date	3 rd January 2011
End Date or Revised End Date	December 2011
Operational Closure Date	June 2012
Expected Financial Closure Date	December 2012

Programme Assessments/Mid-Term Evaluation

Submitted By

¹ The term “programme” is used for programmes, joint programmes and projects.
² Priority Area for the Peacebuilding Fund; Sector for the UNDG ITF.

Assessment Completed - if applicable *please attach*

Yes No Date: _____

Mid-Evaluation Report – *if applicable please attach*

Yes No Date: _____

Name:

Title:

Participating Organization (SPU):

Email address:

I. Purpose

Background

As part of the government's efforts to rationalize functions and institutions in the civil service, the Strategy and Policy Unit (SPU) was set up to be the technical arm in the presidency. Its purpose is to support His Excellency in forming and implementing his vision for Sierra Leone – the *Agenda for Change* – and as such, it is a critical part of the State House machinery. In addition to serving as the president's technical experts and strategic advisors, the SPU's mandate is to ensure effective coordination and harmonization of policies across government as well as monitoring and evaluation of performance and outcomes. SPU works closely with Ministries, Departments and Agencies (MDAs), under the supervision of the Chief of Staff, to support MDAs in developing and implementing the President's vision. In addition, the SPU undertakes specific tasks on behalf of the President to realize his vision.

As a strategic policy advisor therefore, the SPU's role is to serve as an "in-house think tank" of the President, initiating and coordinating policies, and ensuring coherence between the President's vision and policies and effective action on the ground. In short, combining strategic vision, impartial analyses and advice and monitoring delivery.

Objectives and Scope of SPU's Mandate

The overall objective of the SPU is to act as a think tank within State House charged with the responsibility for identifying and analyzing barriers to development, and supporting the implementation of strategies and plans to reduce poverty and promote growth. To fulfill its purpose, the SPU provides technical and advisory support to the Presidency in developing and implementing his vision. This principally covers the following:

- Policy analysis and advice to HE, including; i) providing advice on cabinet papers; ii) supporting ministerial retreats to plan policy responses;
- Support and challenge to MDAs to help them implement Agenda for Change, including, i) running Ministerial Performance Contracts and performance review processes; ii) identifying bottlenecks to implementation and trouble-shooting issues covering flagship projects; we need a better example, or none); iii) developing MDA capacity to plan & implement Government priorities; iii) liaising with COMU to follow up key Cabinet decisions to ensure they are acted on;
- Development of long-term strategic plans based on researched evidence, including; i) identifying future challenges and the applicability of the approaches that regional neighbors have taken to meeting them; ii) support to the preparatory process leading to the hosting of the Sierra Leone Conference on Transformation and Development, including coordinating the preparation of technical thematic papers and hosting of a technical workshop, the creation and management of a web-enabled data and information capability in support of the conference and the holding of the conference itself in January 2012.

During 2011, the SPU worked towards the attainment of the following key outputs: i) President provided with high-quality and well-evidenced strategy and policy advice; ii) President provided with policy analysis, and policies coordinated between MDAs; iii) Priority MDAs provided with

implementation support; iv) MDA performance monitored and evaluated so that remedial action can be taken as required; v) President is supported to improve the business environment and attract high-quality investors.

II. Resources

Financial Resources:

In channeling support to the SPU, an LOA was signed between UNDP and the Office of the Chief of Staff in March 2011 with a total budget of \$833,872. The LOA was amended in November 2011 increasing the amount to a new total of USD959, 185 (nine hundred and fifty nine thousand one hundred and seventy three) to absorb funds under the IBSA project; the second amendment was done in December 2011 increasing the amount with an additional USD577,200, including EC's contribution of USD 382,637 to a new total of USD1,536,385. As at 30 Dec 2011, US\$962,113.31 had been expended, leaving a balance of US\$574,271.69

III. Implementation and Monitoring Arrangements

The Project Steering Committee, chaired by the Chief of Staff (CoS) is the forum in which stakeholders meet to review performance, get feedback on quality assurance and ensuring that the project proceeds as defined in the project document. In defining the governance arrangements for the SPU, UNDP was assigned the responsibility for project quality assurance, monitoring progress against work plan, assessing the quality of quarterly financial and narrative reporting and keeping the partners informed. In keeping with the quality assurance role, UNDP maintains liaison with the Office of the CoS, holding quarterly monitoring and review meetings with the SPU, and providing input into setting the agenda for the project Steering Committee. In most cases, SPU takes the responsibility of briefing the Steering Committee and responding to issues and concerns of donor partners arising from its reports. In addition to this, UNDP also provides feedback to the Steering Committee periodically on the progress of the SPU activities, including an impression on SPU's overall work programme, quality of its outputs, their impact and constraints any constraints and challenges associated with its work.

IV. Results

A Review of Progress against Work Plan

During 2011, the SPU registered significant results in providing policy advisory support to the Presidency as defined in its work plan. In summary, the following key results were achieved:

- Four Doing Business Reforms, driven by the SPU's Stocktake process were approved by the World Bank.

- Led the completion of the National Feeder Roads Policy, launched by H.E.
- Roads Maintenance Fund established as a result of the Stocktake process led by SPU.
- Led the implementation of the No Delay, No Demurrage Strategy (ND2).
- Performance Contracts signed with H.E by 69 Permanent Secretaries and Directors in 7 pilot Ministries, 17 Commissions and State owned Enterprises, as well as 3 City and 3 District Councils.
- Supported the Petroleum Resources Unit to develop a work plan and monitoring framework in implementing the Petroleum Exploration and Production Act enacted in 2011.
- Participated in the successful negotiation of Private Partnership Agreement (PPA) and a Business Partnership Agreement (BPA) between the Ministry of Energy and Water Resources and Blue Flare Power for a nationwide electricity expansion of up to 120MW.

The detailed presentation of SPU's accomplishments against the agreed outputs areas during the year under review is captured in the table below:

Planned Activities	Outputs
Outcome 1: President provided with high-quality and well-evidenced strategy and policy advice	
1.1 Conducting research and strategic analysis of key issues	SPU contributed research and strategic analysis including: <ul style="list-style-type: none"> • Framework for understanding FDI in Sierra Leone • Options for improving the National health insurance scheme • Options for improving Freetown urban water supply project • Developing a business case for increased investment in the cocoa trade • A mineral export verification programme
1.2 Drafting of national strategies	SPU contributed to the development of national strategies and policies covering a number of areas , including: <ul style="list-style-type: none"> • The National Petroleum Policy • No Delay, No Demurrage Strategy (ND²) • National Strategic Investment Plan • National Feeder Roads Policy launched by the President • Implementing terms and conditions for health service workers Chaired the Steering Committee and provided substantive input into the formulation of the National Employment Policy which progressed well in 2011
1.3 Drafting of briefs for the President	The SPU Director and advisors provided 80 briefing notes for HE on a wide range of issues ranging from project proposals from MDAs and non-governmental bodies as well as analysis of technical papers including: <ul style="list-style-type: none"> • Rationale for the establishment of a Public-Private Partnership (PPP) Unit • same as Nd2 mentioned above • Options for Cassava commercialization • Policy options for the improvements to the Local Content Policy • \

1.5 Liaising with MOFED and other MDAs to provide strategic advice and direction to the PRSP III	SPU provided support to the Secretariat of the International Conference on Development and Transformation . The Unit provided benchmark data from Middle Income Countries to support research undertaken which fed into the different pillars of the Conference. It also developed a web portal providing ready access to information on the conference and the posting of key outputs from the conference.
Outcome 2: President provided with policy analysis, and policies coordinated between MDAs	
2.1 Developing process for analysing cabinet papers and anal	SPU developed a guide for analysing Cabinet papers briefing H.E and also undertook additional research on issues that came before cabinet in order to facilitate informed decisions; it also provided advisory notes to H.E ahead of cabinet meetings
2.2 Convening Meetings with MDAs to discuss and agree on outcomes, outputs and activities for inclusion in the Performance Tracking Table (PTT)	SPU maintained its support to MDAs, convening ad hoc meetings to discuss PTTs with MDAs and also made input into the cascading of Performance Contracts and PTTs to 69 Permanent Secretaries, seven Directors in Pilot Ministries, 17 Commissions and State-Owned Enterprises and six Local Councils.
2.4 Convening inter-Ministerial meetings to discuss and agree solutions to cross-cutting challenges	<p>The unit convened many inter-ministerial meetings to coordinate the implementation of programmes and troubleshoot issues across government including the following:</p> <ul style="list-style-type: none"> • Backlog payment of Bumbuna O&M and Freetown black-out including: the Ministry of Finance and Economic Development (MOFED),the Ministry of Energy and Water Resources (MEWR),the National Power Authority (NPA) and the National Petroleum Corporation (NPC). • Investment climate facility funded Airport Transfer Project including: SL Maritime Authority (SLMA); the SL Civil Aviation Authority (SLCAA); the SL Ports Authority (SLPA), and the SL Airports Authority (SLAA), airline operators, ferry operators and chamber of commerce. •
Outcome 3: Priority MDAs provided with implementation support	
3.1 Developing and delivering training in priority MDAs on log-frames, RBM and work planning	SPU conducted formal training with MDAs on RBM as well as providing one-on-sessions with key staff in developing their PTTs and preparation of Stocktake papers for MDAs.
3.2 Working closely with MDAs to critique and support draft work plans on flagship projects, address delivery bottlenecks and prepare recommendations for action.	<p>SPU accomplished the following with respect to the Flagship projects:</p> <ul style="list-style-type: none"> • Worked with MAFFS to create work plans to operationalise Agriculture Business Centres • Proactively engaged with a range of MDAS to unblock key bottlenecks; Working with MAFFS, MOFED and SLRA to establish a Roads Maintenance Fund, a pre-condition for the disbursement of World Bank and IFAD funding for constructing rural feeder roads; • Helped unlock \$2.6m of funding through the stocktake

	<p>process from MOFED to pay for emergency drugs for all health facilities;</p> <ul style="list-style-type: none"> • Worked with MOHS, UNICEF and other MDAs to implement the No Delay, No Demurrage Strategy to expedite the clearance of containers through the port; • Provided written reports for CoS and HE in advance of Presidential Stocktakes so they are able to challenge MDAs effectively and identify remedial actions that are required <p>Building on the success of Flagship Project prioritisation and the stocktake process, the SPU helped the President identify priority projects across Energy and Water Resources, enhancing the quality of the monitoring and support that these projects receive from State House.</p> <ul style="list-style-type: none"> •
<p>Outcome 4: MDA performance monitored and evaluated so that remedial action can be taken as required</p>	
4.1 Analysing performance of MDAs against PTTs	SPU conducted analysis of MDA performance against their 2011 PTTs at every quarter submitting reports to HE. In addition, it worked with MDAs in re-drafting their PTTs for 2012.
4.2 Acting as a briefing and secretariat function for the President reviews of MDA performance	Both these activities and the related outputs were covered by the Presidential Stocktake process. In running this process, the SPU contributed the following:
4.3 Drafting status reports and recommendation notes for the President where delivery is off-track (priority areas only)	<ul style="list-style-type: none"> • Provided written and verbal briefs for the CoS and H.E to prepare them for Presidential Stocktakes so that they are able to challenge MDAs effectively and identify remedial actions that are required. • Provided analysis of MDA performance in meeting their agreed monthly targets and recommendation notes for H.E on how to address delivery issues .
<p>Outcome 5: President is supported to improve the business environment and attract high-quality investors</p>	
5.1 Research into prospective private sector deals	<ul style="list-style-type: none"> • Supported the finalisation and signing of the Addax agreements. • Reviewed and assessed the Joule Africa pre-feasibility study. • Mediated between Intertek and SLPA. Intertek to commence 16hr scanning operations and have accepted the MOFED payment scheme.
5.2 Obtaining legal advice on prospective private sector deals	<ul style="list-style-type: none"> • PSA brokered the Herbert Smith LLP terms of engagement and used their free legal facility to obtain

	<p>legal advice on prospective deals.</p> <ul style="list-style-type: none"> • Sought IFC Legal and Herbert Smith advice on the Joule Africa MOU.
5.3 Coordinating actions of SLIEPA and MTI on private sector development activities	<p>Through the stocktake process PSA maintained support in coordinating the actions of SLIEPA and MTI on private sector development activities in the following Presidential Flagship Projects:</p> <ul style="list-style-type: none"> • Implementing a fundraising strategy and recruitment for the PPP Unit • Improving the investment climate and investment promotion •
5.4 Analysing World Bank Doing Business index and recommending areas of future focus.	<p>SPU through the PSA worked with SLIEPA and MTI to implement business reforms submitted for appraisal under the “Doing Business” Index. Four Doing Business Reforms, driven by the SPU’s Stocktake process, were approved by the World Bank.</p>

V. SPU’s Coordination and Facilitation Support

During the year, due to its growing credibility, SPU was entrusted the role of facilitating a new project on Capacity Building and Leadership Development for Sierra Leone under a trust fund established by India-Brazil-South Africa-Brazil (IBSA Project) for which Sierra Leone was granted a \$1m for two years. SPU working closely with other agencies is spearheading one of the key components of this project that focuses on design and roll-out of results-based management in the public sector. Additionally, SPU also played a key secretariat role and channeling of funds for the Sierra Leone Conference on Transformation which started in late 2011 ending up with a national conference in early 2012.

VI. Future Work Plan

A 2012 Annual Work Plan has been approved by the Steering Committee and signed by UNDP and the Government.

Areas for Further Improvement

In the quality assurance report prepared by UNDP in November 2011, while acknowledging SPU’s work through some of the outputs as outlined above, also identified a number of areas where further improvements were needed. These are the following:

- As a significant number of SPU’s policy products relate to sector planning and prioritizing, it would be important for SPU to indicate the consultative framework and peer review process in developing and validating the content of the various documents it produces.
- In terms of its implementation support to MDAs, this is not always easily discernible nor results attribution obvious in many instances. Some more concrete evidence and specific examples of where and how SPU contributes to addressing delivery bottlenecks beyond framing PTTs and offering support to Presidential stock-takes is needed.

- In its reporting, SPU could do with more focused, analytical and strategic outputs and should avoid reporting process, but on outputs and impact and could adopt a thematic focus. The reporting should also assure that progress is being made in the areas covered, highlighting conclusions, challenges and way forward.
- Partnership with key sister agencies, especially HRMO and PSRU seems to be improving, but there is room for improvement especially in the context of results-based management and performance contracting, now permeating the public sector;
- While the summary profiles of its senior advisors made available to UNDP is viewed as a good start, SPU needs to go a step further and provide a listing of its full staff compliment, their areas of specialization, their responsibilities and MDAs to which they are deployed (a simple matrix would be sufficient).
- Finally, the sustainability of the processes and products that the SPU has put in place is not yet guaranteed and more evidence would be needed on how SPU intends to ensure this.
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VII. Way forward including future prospects for SPU

Discussions are on going regarding partner support for the remaining half of 2012. The primary message from SPU's key partners is commitment and readiness to stay engaged, while counting on SPU to invest further in improving the quality of its outputs and the timeliness of their production, be more solution-oriented in its support to MDAs facing delivery challenges, and enhance its outreach and reporting on its work.

The message from partners