



[Name of Fund or Joint Programme]

GENERIC ANNUAL PROGRAMME¹ NARRATIVE PROGRESS REPORT

REPORTING PERIOD: 1 APRIL – 31 DECEMBER 2011

<p>Programme Title & Project Number</p> <ul style="list-style-type: none">Programme Title: Support to Aid Policy ImplementationProgramme Number <i>Prog. 3 UNDP – Finance for Development</i>MPTF Office Project Reference Number: 00078212	<p>Country, Locality(s), Thematic/Priority Area(s)²</p> <p><i>(if applicable)</i> Country/Region - Freetown, Sierra Leone</p> <p>Thematic/Priority</p>
<p>Participating Organization(s)</p> <ul style="list-style-type: none">UNDP <p>Miscellaneous</p>	<p>Implementing Partners</p> <ul style="list-style-type: none">National counterparts (government, private, NGOs & others) and other International Organizations
<p>Programme/Project Cost (US\$)</p> <p>MPTF/JP Contribution:</p> <ul style="list-style-type: none">by Agency <i>(if applicable)</i> <p>Agency Contribution UNDP – USD 300,000</p> <p>Government Contribution Government - USD 120,000</p> <p>Other Contributions (donors) DFID – USD 400,420 (through MPTF)</p> <p>TOTAL: USD 820,420</p>	<p>Programme Duration</p> <p>Overall Duration <i>(36 Months)</i></p> <p>Start Date³ <i>(08 April 2011)</i></p> <p>End Date <i>(31/12/13)</i></p> <p>Operational Closure Date 31/01/14</p> <p>Expected Financial Closure Date 31/03/14</p>
<p>Programme Assessment/Review/Mid-Term Eval.</p> <p>Assessment/Review - if applicable <i>please attach</i></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No Date: <i>dd.mm.yyyy</i></p> <p>Mid-Term Evaluation Report – if applicable <i>please attach</i></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No Date: <i>dd.mm.yyyy</i></p>	<p>Report Submitted By</p> <ul style="list-style-type: none">Name:Title:Participating Organization (Lead):Email address:

¹ The term “programme” is used for programmes, joint programmes and projects.

² Strategic Results, as formulated in the Performance Management Plan (PMP) for the PBF; Sector for the UNDG ITF.

³ The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#)

NARRATIVE REPORT FORMAT

I. Purpose

The Government's Aid Policy Implementation Plan provides the main strategic framework for the improvement of aid mobilization, delivery and monitoring. The Aid Policy highlights the need to enhance Government ownership and capacity, improve information flows, deliver on practical coordination at the sector and District level and ensure more rigorous mutual accountability. This project concentrates directly on supporting the Government in realizing its Aid Policy by meeting these needs.

Key outputs include

- improved government of Sierra Leone (GoSL) capacity for aid coordination
- increased coordination at sector and districts levels
- quality and comprehensive aid data produced and its use improved
- improved transparency and accountability in aid utilisation

II. Resources

Financial Resources:

The Multi-Donor Trust Fund established by the UN for Sierra Leone is proposed as the vehicle to channel both UNDP's and other development partners' contributions to this programme. The Ministry of Finance and Economic Development will implement the project through the Development Assistance Coordination Office (DACO) with administrative support from the Integrated Project Administration Unit (IPAU). To minimize transaction costs, funding will be disbursed to the Ministry of Finance and Economic Development (MoFED) in quarterly tranches and all financial requests, reports and accounts centralized in the IPAU. Funding sources include

DFID – USD 400,420

UNDP – USD 300,000

Government - USD 120,000

Human Resources:

DACO has a total of 6 staff as at December 2011 and the replacement of the 2 UNVs was in process. These include Mr. Kausus Kebbay, Director; Ms. Abie E. Kamara, Deputy Director; Mr. Eugene Sawyerr, Aid Information Analyst; Mr. Ajayi Nicol, Aid Information Specialist; Mr. Joseph Samah, Aid Coordination Officer (UNV); Mr. Mamadu Baldeh, Driver and Mr. John Koroma, Office Assistant.

III. Implementation and Monitoring Arrangements

In accordance with the National Implementation (NIM) modality, the project will be fully owned and implemented by MoFED through the DACO with administrative support from the IPAU. MoFED is chiefly responsible for the management and utilisation of project funds; financial and substantive reporting; implementation of activities; and the achievement of intended results. Within MoFED, DACO is the unit designated to take the lead on aid coordination and aid effectiveness efforts on behalf of the government and is thus responsible for substantive elements and reporting; IPAU is an existing project implementation unit with strong administrative capacities which will be responsible for financial and operational management and reporting. Overall, guidance will be provided by a Project Board comprising of senior representatives from MoFED and the participating development partners. UNDP will, in addition to financial resources,

provide standard project management support for the NIM modality, notably the ongoing responsibility for project assurance and facilitation, including advancing funds to MoFED on a quarterly basis; monitoring progress according to work plan; reviewing quarterly financial receipts from MoFED; facilitating implementation and the production of outputs as necessary, including procurement and human resource services; ensuring the quality of final donor reporting; providing access to relevant international knowledge resources and best practice lessons; conducting audit as per UNDP rules and regulations. Participating donors will, in addition to financial resources, provide access to relevant international knowledge resources and best practice lessons as well as guidance and facilitation for the implementation of the project as required. The contribution by the government of Sierra Leone will be in the form of co-financing. While not channelled through UNDP accounts, this contribution will be subject to the same financial and procurement rules, planning processes and reporting requirements as all other funding under the project. It will be deposited into the same MoFED project account into which advance payments are made and will be managed in a manner indistinguishable from other project funds. All project funds will therefore be comingled and treated uniformly in work plans, financial reports, audits etc.

Monitoring will be done on a quarterly basis which includes spot checks and joint field visits. The Project Board may commission mid-term and/or end of project evaluation in order to assess the relevance, appropriateness, effectiveness, efficiency, impact and sustainability of development efforts, based on previously agreed criteria and benchmarks. Procurement will be according to the agreed LoAs signed between MoFED and UNDP

IV. Results

OUTPUT 1 – IMPROVED GOVERNMENT OF SIERRA LEONE (GOSL) CAPACITY FOR AID COORDINATION

Three UNVs and one Aid Information specialist were recruited in May 2010. However, two of the UNVs recruited have resigned their positions since September 2011. DACO has approached the UNDP for the replacement of the UNVs. The UNDP has initiated the recruitment process so that the staff will commence work by early January 2012.

Payment by UNDP for internet provided by AFCOM to DACO continues and will be extended throughout next year as DACO is yet to be linked up with the MOFED VSAT. DACO has approached the ICT department in MOFED to update the DACO page in the MOFED website with the relevant information.

DACO has procured computers and printers as approved in the last project steering committee meeting. The items procured include a multi-purpose giant photocopier, three Desktops and three laptops for the DACO, two coloured printers and three laptops for the three pilot District Working Groups.

The Aid Information Specialist was also trained on the new version of DAD which is currently being rolled out by Synergy. This will improve on the usability of the DAD by DACO staff and other users of the database.

The DACO Annual Work Plan (AWP) has been revised and includes key activities that will be implemented by the end of December 2011. Action plan and deliverables are already embedded in the AWP. The DACO organogram has been developed and is within the organogram of the Ministry of Finance and Economic Development.

A **draft asset management policy** has been prepared in collaboration with the Internal Audit Unit in MOFED. This will be submitted at the next project steering committee for discussion

DACO was only able to organise two-quarter DEPAC Meetings in 2011; both of which were held behind schedule. The first quarter DEPAC Meeting was not held in March as scheduled due to the World Bank/IMF Spring meetings, the 50th Independence Anniversary celebrations and the unavailability of the co-chairs. However DEPAC was held on 24 May 2011 with discussions centred on the macroeconomic situation with emphasis on the increasing food and fuel prices, the Petroleum Resources, and the transition to the 2012 elections. The second quarter DEPAC was held on 11th November 2011, with discussions centred on the road to Busan 2011

Aid coordination is essentially about meetings and networking with other stakeholders. In this regard, DACO remains an active participant in various aid effectiveness initiatives such as the Collaborative African Budget Reform Initiative (CABRI), the International Aid Transparency Initiative (IATI) and the International Dialogue on Peace Building and State Building and other preparatory meetings leading to the Busan high level forum. The HLF4 Meeting in Busan was attended by Parliament, MOFED, SPU State House and SLANGO.

Collaborative African Budget Reform Initiative

The Collaborative African Budget Reform Initiative's aims at helping African countries reach a consensus and a common statement on aid transparency. To this end the Director of DACO attended a meeting held in South Africa in April 2011 to present evidence and contributes to the debate on how Aid on Budget improves transparency and better planning for the Government. This forum has also ensured that the position of African Countries is consistent with other aid transparency for a like the IATI especially in in the build up to the high level forum in Busan later this year. In addition, DACO accompanied the Minister of Finance and Economic Development to the political debate on the merits and challenges of budget support, backed by evidence. This meeting was organised by Oxfam in collaboration with the ODI and the EU in Brussels.

The International Aid Transparency Initiative (IATI)

The International Aid Transparency Initiative is a new initiative which aims to make information about aid spending easier to access, use and understand. DACO has also been participating in this process as a member of the steering committee. The Deputy Director attended the IATI Partner Country meeting and Steering Committee meeting on 8-9 February 2011. The February IATI Steering Committee meeting agreed on a new global standard for publishing aid information. This format will make aid information internationally comparable The Partner Country meeting was chaired by the Deputy Director of DACO. The Deputy Director of DACO also chaired the July 2011 IATI Partner Country Meeting and the October IATI Partner and Steering Committee meeting hosted in Paris on 4th October 2011.

International Dialogue on Peace Building and State Building.

DACO represents Sierra Leone in the Steering Committee of the International Dialogue on Peace Building and State Building. As Sierra Leone, chairs the working Group on planning processes within the International Dialogue on Peace Building and Statebuilding, the Director of DACO participated in the Working Group Meetings on Aid Instrument and Capacity Development hosted by DR Congo in April 2011. This was followed up with Sierra Leone hosting the Working Group Meetings on Planning Processes and Political Dialogue. This meeting was successfully hosted by DACO from May 4-5 2011 with participants

drawn from Liberia, Burundi, East Timor, Central African Republic, DR Congo, Togo, Sudan and Sierra Leone.

In addition, the Director of DACO participated in the Second Global Forum International Dialogue on Peace Building and State Building which was held in Monrovia, Liberia on 14-16 June 2011. These are part of a consultation process among fragile states in preparation for High Level Forum on Aid Effectiveness in Busan by the end of 2011.

The valuable inputs of Sierra Leone to these processes led the request of the African Development Bank for the Minister of Finance and Economic Development to share Sierra Leone's experience in Peace Building and Statebuilding at the regional workshop on Conflict affected countries held in Addis Ababa in September 2011. In this regard, Sierra Leone is constantly being requested to Chair or be panellist in planned sessions at the HLF4.

These meetings have contributed in the modest improvement in aid coordination and aid effectiveness as reflected in the report of the Joint Survey on Monitoring the Paris Declaration and Principles of Good International Engagement in Fragile States and situations. This occurred despite the fact that Sierra Leone received less aid than other countries in similar circumstances.

OUTPUT 2 – INCREASED COORDINATION AT SECTOR AND DISTRICTS LEVELS

Sector Working Groups (SWGs) have been established for health, education, agriculture, roads and water and sanitation. Existing structures were used as sector working groups and new ones created where there is a need. To align the work of the sector working groups and DACO, several meetings have been held with the focal persons of the sector working groups and a TOR agreed upon. DACO participates in sector working groups from time to time to get updates from the sectors.

However, there is a challenge in getting the required updates from these sectors as sector meetings do not mostly follow the updates requirement from DACO as there are other issues pertinent that takes up most of the meetings.

A typical example is when for example the Agriculture sector working meets to discuss the National Food Security monitoring database and when the Health Sector group meets to discuss the Health Compact.

Another challenge is the operationalization of Energy Sector Working Group. However, discussions have started with the new Permanent Secretary in the Ministry of Energy and Water Resources to fast track the process and a maiden meeting of the newly established group was held in November.

At the sector working group meetings, progresses being made in sector issues as well as challenges are discussed and ways of addressing the challenges proposed. If there is any sector issues that needs higher level (Minister) attention to be resolved such are also discussed at the SWG meetings.

The process of **establishing the district working groups** commenced in March 2011 at a held at the Ministry of Finance and Economic Development between DACO and Chief Administrators of District and City councils. The draft ToRs was extensively discussed and later finalised with inputs from the CAs and other council representatives.

After consultations with the Ministry of Local Government, it was also agreed that the M&E Officers in the district councils will be the focal point for each districts. As agreed at the last steering committee meeting, DACO has established pilot district working groups on aid coordination in Bombali, Bo and Kenema

Districts. Each focal person in the three pilot districts were provided with laptop, training and monthly allowances to aid their work. In return, the focal persons will use the agreed templates to collect data on project activities within their districts and this will be uploaded in the DAD.

In collaboration with GIZ, a working draft of the **Division of Labour Framework** (DoL) has been developed and an analysis of donor sectoral involvement undertaken. However, discussions are currently stalled to get donors and government to start detailed deliberations on the DoL. DACO will propose further discussions on the DoL in next DEPAC agenda.

OUTPUT 3- QUALITY AND COMPREHENSIVE AID DATA PRODUCED AND ITS USE IMPROVED

Given the fact that partners did not validate the draft DAR for 2009/2010, the report was never published. In this regard and as part of preparation for the HLF4, DACO is developing a trend analysis on aid inflows to Sierra Leone for the period 2006 – 2010. The process is at an advanced stage as the tables have been completed and the analysis will be concluded and presented at the next DEPAC meeting.

In addition, during the training of the Focal persons at the districts, DACO conducted training and sensitisation on the Development Assistance Database (DAD). District council employees are now trained on how to access the DAD and check for consistency of the data relating to their respective districts.

OUTPUT 4- IMPROVED TRANSPARENCY AND ACCOUNTABILITY IN AID UTILISATION

The **mutual accountability framework** is still in draft form. DACO needs the feedback and further consultations with the development partners to agree on a framework and have it signed.

Sierra Leone participated in both the joint 2011 Paris Declaration and the Fragile States Principle monitoring survey. DACO coordinated the survey and analysed, compiled and produced the results in the form of a country spreadsheet. Consultations with various stakeholders on the preliminary results were conducted. Feedback from this consultation was incorporated into the country spreadsheet and the draft country report was prepared and submitted to the OECD in May 2011. DACO has received feedback from the OECD for the country report which has been finalised and validated in collaboration with the various donor headquarters. DACO has also received the report of the Fragile States survey which has also been finalised by the consultants/OECD. The report of the joint survey on the Paris Declaration and Principles of Good International Engagement in Fragile States Principle has been consolidated into a country chapter for Sierra Leone. This feed into the discussion at the fourth High Level Forum on Aid Effectiveness in Busan, South Korea in November/December 2011, where Sierra Leone participated. At this meeting, the New Deal for Engagement in Fragile States, in which Sierra Leone has been a key participant, was endorsed. The results of the 2011 Paris Declaration and the Fragile States Principle monitoring survey have been published and launched by the OECD. The Deputy Director DACO participated in the launch of the Paris Declaration Survey results in Paris in October 2011.

CHALLENGES AND LESSONS LEARNED

Challenges and Responses:

- i. The provision of timely data in the DAD by some donors remains a challenge. Hence DACO sometimes had to release the limited number of staff it has to acquire data directly from some donors. To address these issues DACO asked donors to identify focal points to update the DAD regularly. Once identified, several trainings on how to update the DAD and generate reports were conducted for the focal points and a password given to each of the focal points for easy access. It is envisaged that this will help provide timely data especially in writing the DAR and for planning by the government.
- ii. Data and reports from the sector working groups are mostly submitted late. Several meetings have been held and a deadline of submitting reports agreed. It is hoped that in 2012 reports will be submitted on time

Lessons Learned:

Cooperation from focal persons from the various organisations has improved immensely, however DACO still finds it difficult to get data from a few development partners.

A pre-agreed date should be set between Government and stakeholders long in advance in order for DEPAC to be held on a timely basis.

V. Future Work Plan (if applicable)

- Finalization and publishing of The Overview of Development Assistant to Sierra Leone 2006 - 2010. The final draft will be presented at the next DEPAC meeting in November 2011.
- Finalize the draft capacity Development plan and the asset management policy after discussions with donor partners.
- The national launch of the 2011 Paris Declaration and the Fragile States Principle monitoring survey
- Further collaboration with MOFED ICT Unit to update the DACO page in the MOFED website.
- Follow up visit by DACO to check on the progress of the pilot DWGs in Bombali, Kenema, and Bo districts; and consolidate regular monthly reports from the Districts
- Continue to organise quarterly one day workshops for all DAD Information Focal Person to have a live exercise on the new futures of the DAD
- Continued work on the DoL framework and agreement on rationalization measures should be completed. The draft DoL will be presented at the next DEPAC.
- Prepare for and organise the 2011 Presidential DEPAC meeting in January 2012.
- Continue to follow-up with the sectors to obtain their reports.

VI. INDICATOR BASED PERFORMANCE ASSESSMENT

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Reasons for Variance (if any)	Source of Verification	Comments (if any)
Outcome 1⁴							
Output 1. improved Government of Sierra Leone (GoSL) capacity for aid coordination	Capacity Assessment and Development plan produced	none	Capacity Assessment conducted and one action plan developed	Process initiated		DACO report; Capacity Assessment report	
	No of staff recruited	1 contract and 1 government assigned staff	3 Contract staff, 1 Aid Information Specialist, 3 UNVs and 1 Admin person	Three UNVs and one Aid Information specialist recruited in May 2010.		Annual reports from DACO, Staff contracts	2 of the UNVs recruited have resigned their positions since September 2011
	No and type of ICT materials procured		8 computers 3 printers, 1 server and 12 months temporary internet connection	8 computers 3 printers, 1 server and 12 months temporary internet connection procured		Annual report; delivery note	
	DACO action plan, deliverables, organogram, service standards and asset management policy agreed and operationalised		Asset policy 2011 Organogram DACO action plan	draft asset management policy prepared in collaboration with the Internal Audit Unit in MOFED; AWP produced; DACO Organogram developed		Asset Management policy Document	

⁴ For PBF: Either country relevant or PMP specific.

	No of DEPAC Meetings Conducted and minutes circulated	1 in 2010	4	2 DEPAC Meetings held		DEPAC Minutes and communiqué	DEPAC Meeting was not held in March as scheduled due to the World Bank/IMF Spring meetings, the 50th Independence Anniversary celebrations and the unavailability of the co-chairs
Output 2 increased coordination at sector and districts levels	No of priority sector working groups with government, lead donors established	4 in 2006	6	5 sector working groups established		MoFED / DACO report, field visit reports	
	No of district working group piloted	1	12	3 piloted district working groups on aid coordination established in Bombali, Bo and Kenema Districts			
	Division of Labour (DoL) between development partners established	2008 Aid policy Document	DoL developed and published	draft Division of Labour Framework (DoL) developed and an analysis of donor sectoral involvement undertaken		DACO report; DoL	
Output 3 quality and comprehensive aid data produced and its use improved	No of e-brief from DACO to donors covering progress on the aid policy, outstanding commitments and new programmes and projects	none	4 (one per quarter)	Zero		E-briefs, DACO reports	

	DAD updated and upgraded	Last upgrade and update in 2009	Annual update of the DAD Need based upgrade of the DAD	Incomplete update of the 2010 data by donors		DAD, DAR	
	DAD Development Assistance Report (DAR) for 2010 finalised	Draft 2009/2010 DAR	2009/2010 DAR finalized	Drafts yet to be finalized		DAR Report, e-communication	Given the fact that partners did not validate the draft DAR for 2009/2010, the report was never published.
Output 4. improved transparency and accountability in aid utilisation	monitoring Frameworks developed and signed by GoSL and Donors	none	2011 Monitoring framework	Draft mutual accountability framework developed		DACO report; signed copy of the framework.	Draft yet to be shared with UNDP
	No of Monitoring surveys conducted in 2011	2010 Paris Declaration Survey	2011 Paris Declaration Survey and fragile States Principles Monitoring survey for Sierra Leone conducted	2011 Paris Declaration and the Fragile States Principle monitoring survey been published and launched by the OECD		Published 2011 Paris Declaration Survey and fragile States Principles Monitoring survey reports	
	No of Quarter and annual reports produced	2010 quarter and annual reports	4 quarter and I annual report produced in 2011	4 quarter and I annual report		Reports submitted to DACO	