

PRODEV

**Program to Implement the External Pillar
of the Medium Term Action Plan for
Development Effectiveness**

Project Management Workshop

Roberto García López

Río de Janeiro, Brazil

August 9 – 11, 2006

Objective

Strengthen management capacity for results in the countries, with the end of improving development effectiveness

Development Effectiveness

- It means countries are capable of:
- Obtaining collective development results based on pre-established objectives
 - Having tools to measure the progress towards the results

What are the development results?

They are the medium term effects of a development:

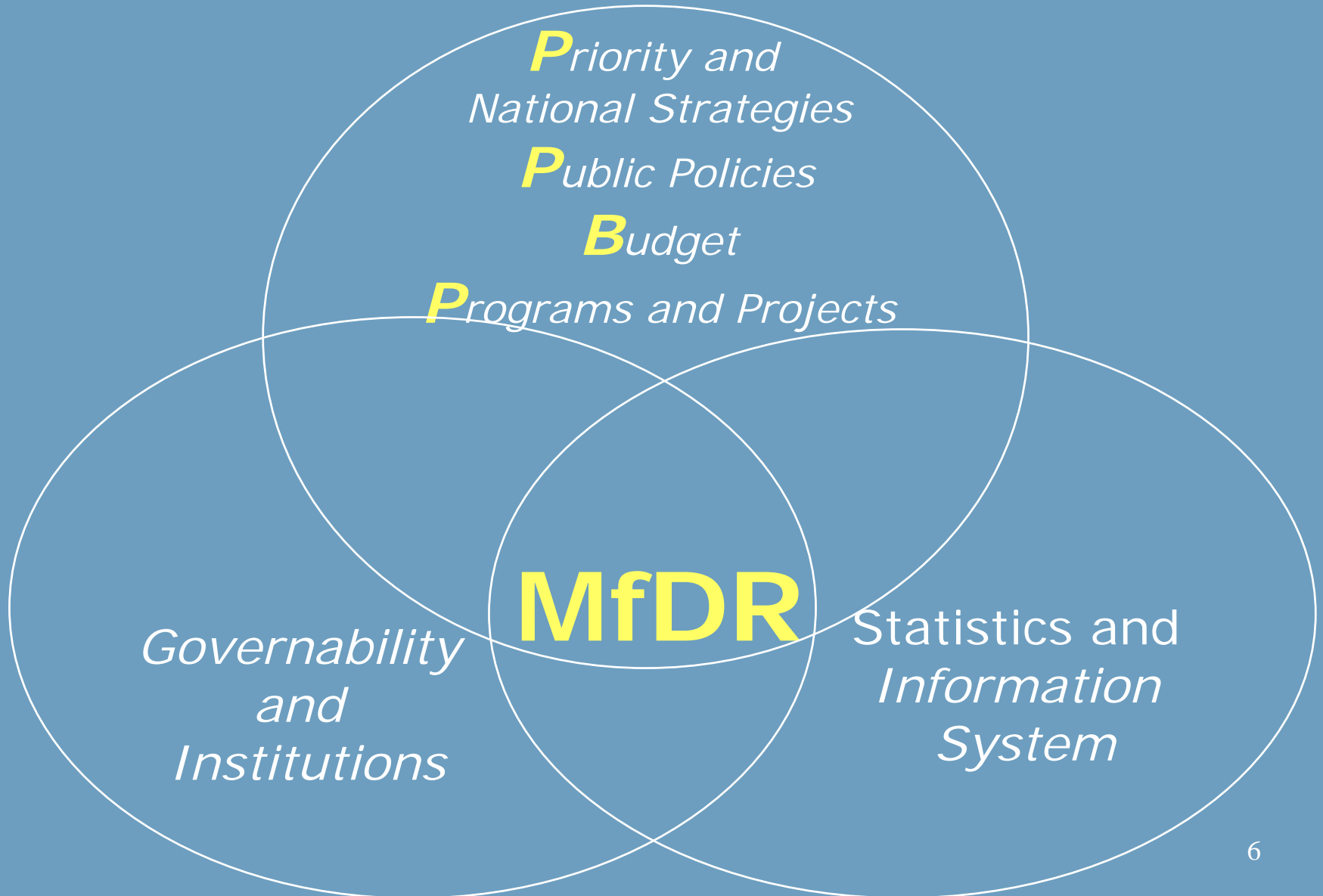
- **Observable institutional and socio-economic changes**
- **These changes take place on medium and long term period of time (3 to 10 years)**
- **Usually as results of short term coordinated actions or investments**
- **For the benefit of the development actors (such as national governments, civil society and the private sector)**

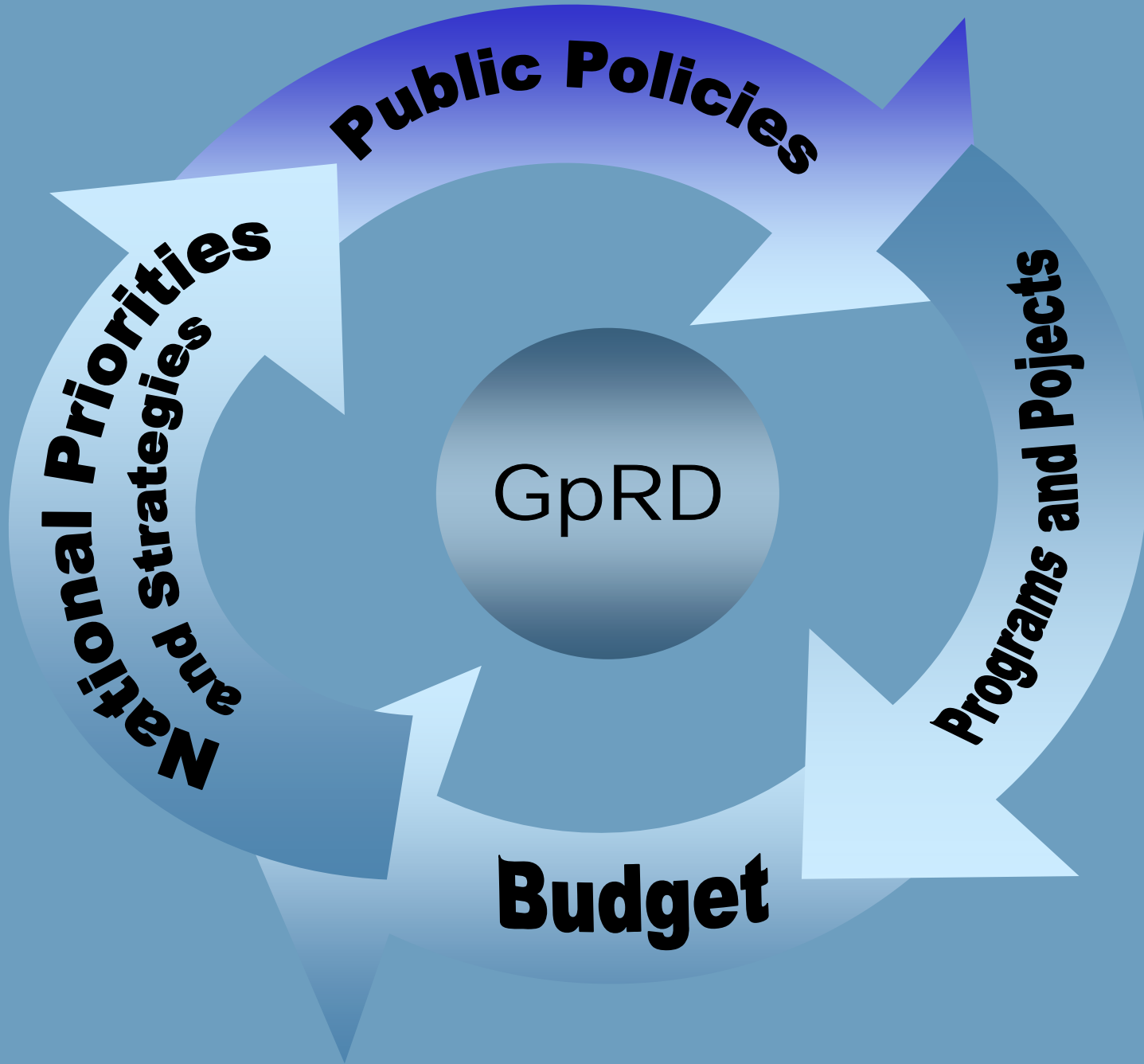
Management for Development Results

It is a management strategy centered in the development performance and the results-based sustainable improvements of the country. It provides a coherent framework for development effectiveness in which the performance information is used to improve the decision making, and includes practical tools for strategic planning, programming and budgetary execution, risks assessment, monitoring and evaluation of the results*

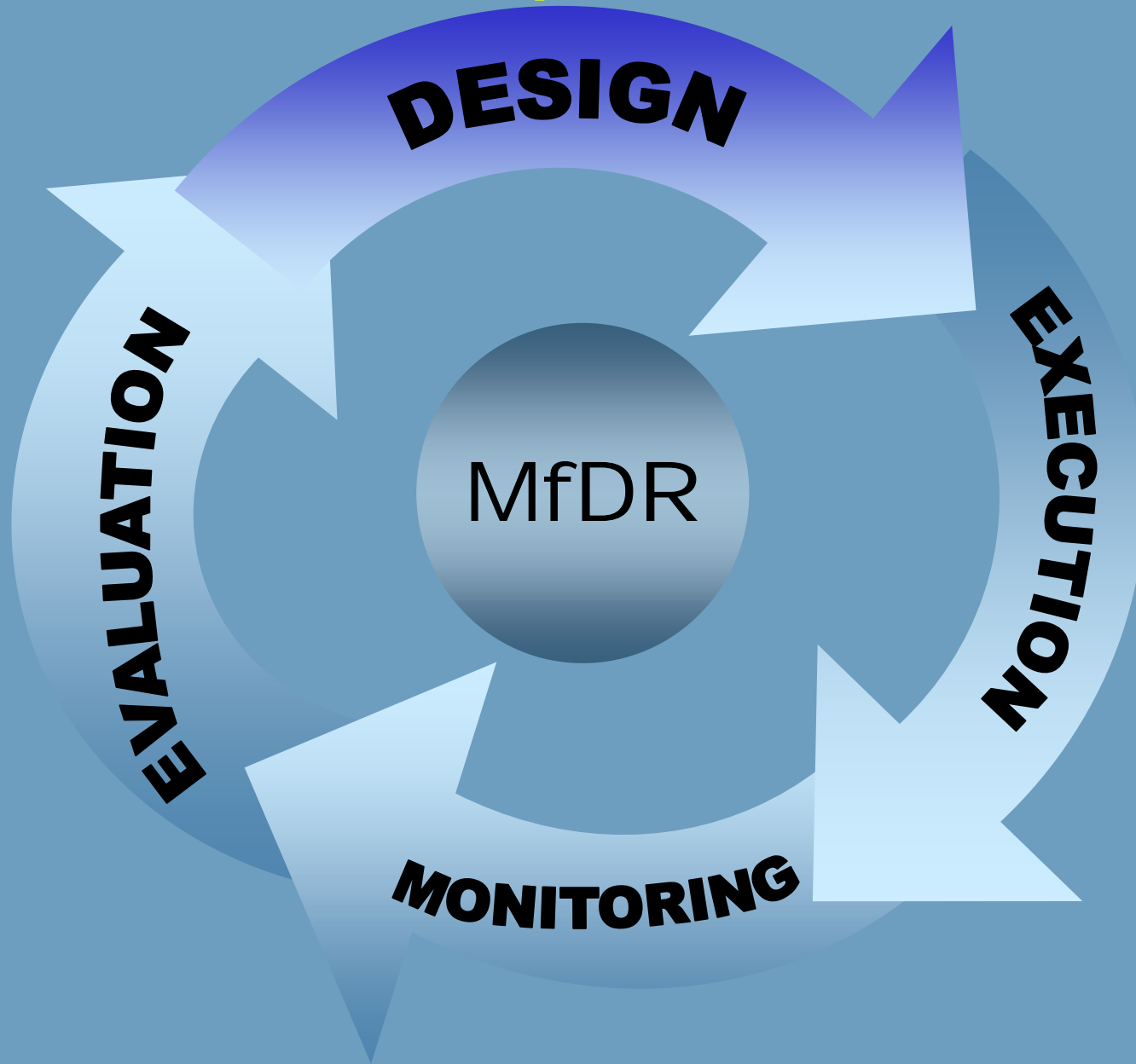
*This definition is based in the 2004 Marrakech Round Table Agreement.

Areas of Action





To think in MfDR in the four P's in all their steps of...



Minimum conditions to Improve effectiveness in the MLTP Planning and Programming

- ✓ **Participatory:** consensus built on priorities
- ✓ **Strategic:** Select few priorities, not spread efforts, and resources
- ✓ **Cost effective:** Integrated in non-voluntary Goals budget

Strategic Planning

1. The country doesn't have an explicit medium term strategy.
2. There is a technocrat base that doesn't comprise government's priorities, and it's not integrated with the budget
3. Medium term plans comprise the government and/or presidential goals and in some extent there is a coordination with the budget
4. The plan is communicated to the citizens and includes goals that can be easily monitored and evaluated
5. The country has a participatory/operative strategic plan that is implemented, monitored, and constantly updated.

Budget Management for Results...

- **Manages the budget in its stages of design, execution and evaluation based on the results of the programs...**
- **Allocates resources based on the results reached on the base of predefined indicators of effectiveness, efficiency, economy, etc.**

Budgetary Management for Results

1. There is no integration between the national plan and budget
2. There is a link between priorities and national goals with programs and projects objectives and resource allocation in the national budget.
3. The budget is structured by programs and there is a medium term financial and fiscal framework compatible with the budget
4. The budget includes fiscal outcomes and expenditure effectiveness. This information is shared with the congress and the citizens
5. The results over expenditure effectiveness are used to reallocate funds in the medium term budgetary process

Public Policy

- Coordination between macroeconomic policy with sector wide policies.
- Coordination among sector policy.
- Internal Coordination in sector wide policy making

Public Policy

1. The public policies emphasizes in the short term and there is insufficient coordination
2. There is few coordination (insufficient) and its generally characterized by being informal.
3. There is some coordination but it is still incomplete, this effort is generally driven in a bidirectional way, by a strong ministry or the president.
4. The coordination of public policies has the consensus of the different ministries. There are informal consultation mechanisms among the stakeholders.
5. The public policies are totally coordinated. There is a formal consensus among the stakeholders and the results of this coordination is reflected in the budget allocation.

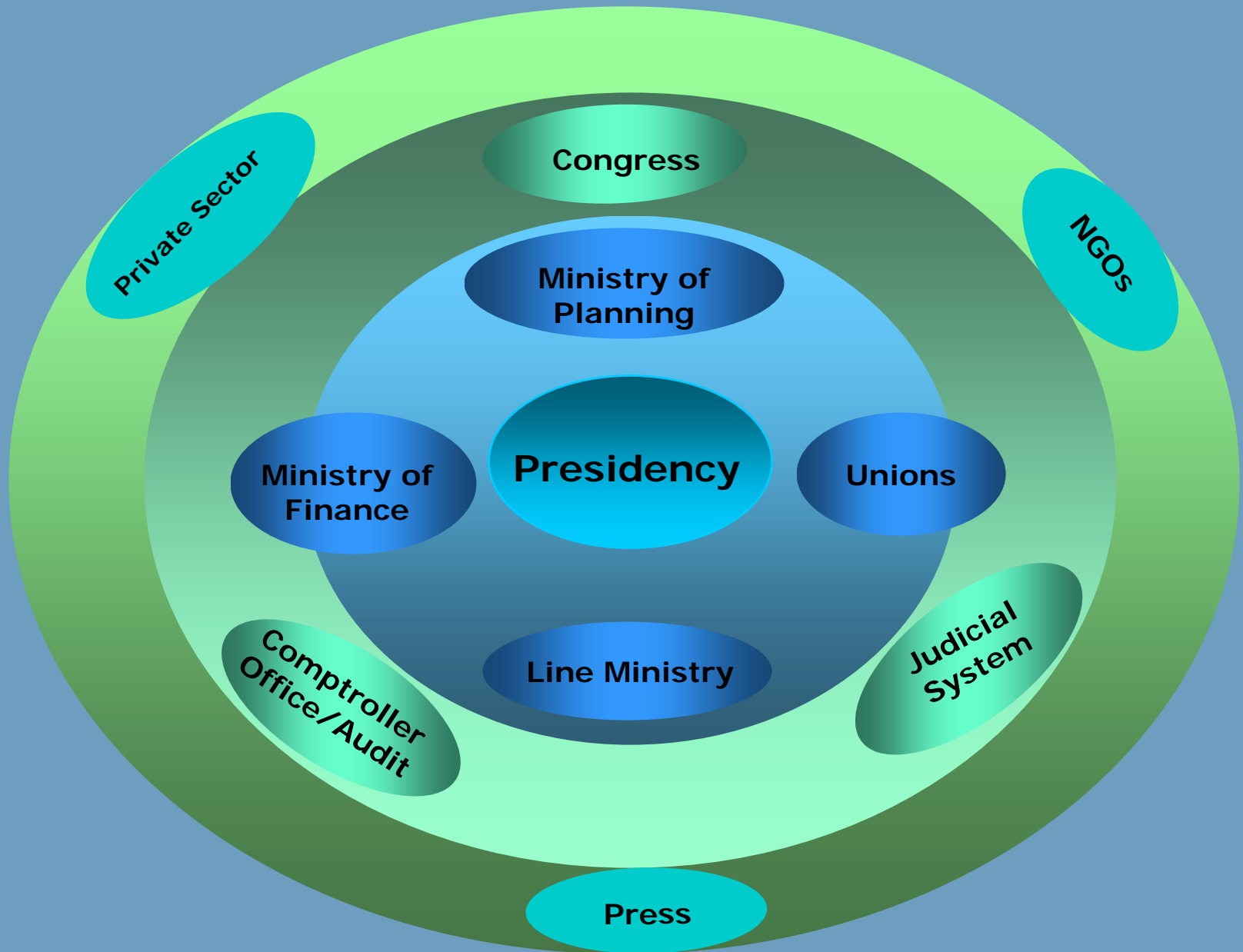
Operative Portfolio

1. Inexistence of a Program and Project Management System (PPMS)
2. There is a PPMS that is consistent and in coordination with the national priorities. The programs and projects have an ex-ante evaluation in order to be considered for the budget allocation. At least 50% of public expenditure fulfills this framework.
3. In addition to the criteria of numeral 2, at least 60% of the public expenditure is allocated based on evaluation results. There is a individual monitoring and evaluation of the PP's and this is reported to a central agency (Ministry of Planning)
4. The PPMS evaluation shows that the actual expenditure deviated less than 10% to the budgeted expenditure. There is public access to the information of the PPMS. More than 70% of the public investment is covered by the evaluation system.
5. The PPMS fulfills all the above characteristics, it is fully integrated to the budget. More than 80% of the public investment is covered by the evaluation system.

An Effective MfDV cannot exist without Risk Assessment

- Political Risks
- Fiscal Risks
- Risks in Programs and Projects

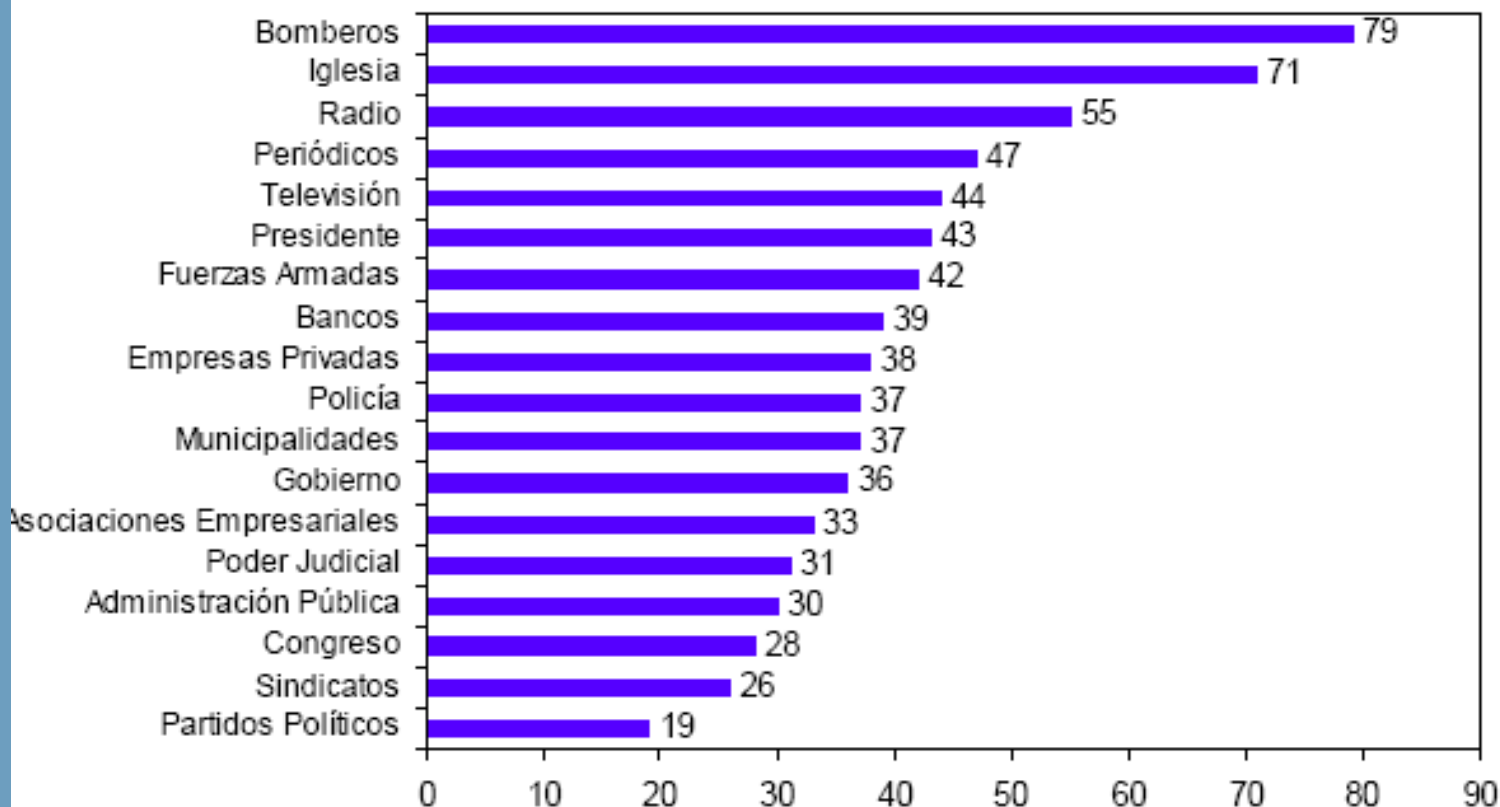
Principal Actors



CONFIANZA EN ...

AMÉRICA LATINA 2005

P. Por favor, mire esta tarjeta y dígame, cuánta confianza tiene en cada uno de estos grupos/instituciones. ¿Diría que tiene mucha, algo, poca o ninguna confianza en...? *Aquí 'Mucha' más 'Algo'.



Fuente: Latinobarómetro 2004: n = 19.605



Preliminary Results

1. High Political-Institutional volatility in the region and in the reforms.
2. Weak or scarce coordination between the medium and long term programming and the annual budget.
3. Scarce or non-existent coordination between public policies and disperse GpR initiatives.
4. Budget of expenses and resources with incomplete coverage, and budgetary assignments not oriented under results criteria.
5. Training needs for public employees in GpR.

Preliminary Results (cont.)

6. Acquisition systems and auditing with limited capacity.
7. Programs and projects operating without performance measurement systems.
8. Precarious or non-existent monitoring and evaluation systems, and poor or no integration between the information management systems.
9. Poor or non-existent reporting of accounts to legislatures and congress.
10. GPR culture insufficiently internalized in the private sector, NGOs, and citizens.

Technical Cooperation Main Components

	Technical Cooperation Components	CH	EC	ES	CR	ME	BO	PE	GU	BR	JA	CO	HO	PR
1	Strengthening of Integration, Planning, and Budget		X			X			X					
2	Promotion Strategy of MfDR (Managing for Development Results)		X	X			X						X	X
3	Strengthening of Budget Management (MfDR)	X			X		X	X				X		
4	Strengthening of Monitoring and Evaluation System	X	X			X			X	X ¹			X	
5	Training in MfDR	X					X			X	X			
6	Institutional Strengthening of Central Agencies		X	X							X			X
7	Development of an Strategic Plan in MfDR		X	X				X		X	X		X	X
8	Strengthening of a Public Investment System				X			X				X		
9	Financial Management				X									
10	Information Systems						X					X		
11	Civil Society											X		

¹ State, Federal, and Municipal Monitoring

Knowing we can do it...
Willing to do it...

Thanks!

