



**CAPACITY BUILDING FOR RESULTS (CBR) FACILITY
CRITERIA
FOR
SUPPORT TO PARTICIPATING MINISTRIES**

INTRODUCTION

The main purpose of the document is to clearly explain the criteria for the participating ministries to acquire support from the CBR program. CBR provides a basic level of support to all ministries, and creates a forum in which all ministries are able to compete for higher levels of support, based on transparent key criteria.

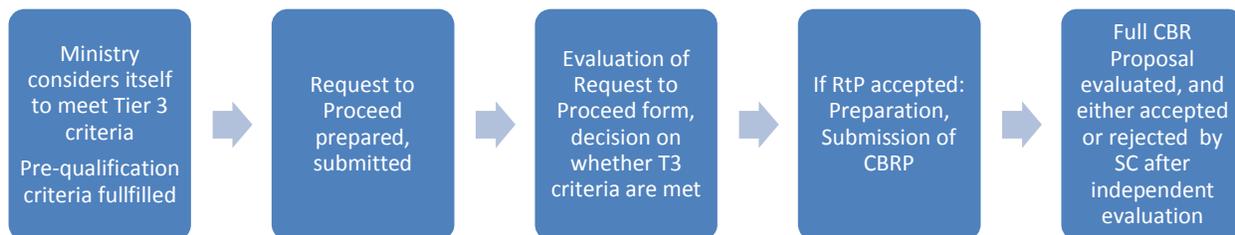
Overview of the application process

Initially, all the ministries will be automatically considered as Tier one ministries of the CBR program. However, according to the development priorities of Government, the available fiscal envelop, and implementation capacity, it will be necessary to sequence entrance of ministries in to further Tiers of the CBR facility. When a ministry in Tier one considers its ready to apply for either Tier Two or Three, it has to provide evidence to MoF CBR Project Support Unit (PSU) through IARCSC CBR PSU that it fulfills the specific pre-qualification criteria for each Tier (see below). It is important to stress that all ministries can progressively apply for higher Tiers of support.

After fulfilling either the Tier Two or Tier Three pre-qualification criteria, a different process will apply for each Tier. Ministries passed the pre-qualification test and found eligible to be called tier two needs to prepare an application form which will indicate the result and resources requirement of ministry(a template will be provided) which will be evaluated, and either approved or rejected, by the CBR Steering Committee. Ministries passed the pre-qualification test and found eligible to be called tire three needs to develop , a Request to Proceed Form (a template will be provided) will need to be filled and presented for approval by the CBR Steering Committee, following an independent technical appraisal, before a ministry can proceed to develop a complete CBR Program Proposal for the Steering Committee's approval (a template will be provided). An Independent Expert Group (IEG) will also evaluate the full CBR Proposal before SC makes it decision, and will provide SC recommendations.

CBRP facility entry

A Ministry is considered to be a part of the CBR facility when it passes the pre-qualification criteria for Tier Three. The process is illustrated below.



A full CBR Proposal will contain details of the ministry’s reform plans, which must include the following:

CBRP Reform Plans	
1.	Direction and leadership : A clear statement of the mandate, strategic objectives and goals for the ministry, with costed action plan to achieve the goals.
2.	Coordination: A plan for the coordination and management of on and off-budget projects in the ministry.
3.	Sustainability: A plan for a reduction in the numbers of Externally Financed Staff in the ministry
4.	Targeted Capacity: A plan for how Professional Groups, Common Functions and Senior Management Group cadres will be integrated and utilized in the ministry structure
5.	Fiscal Projections: Financial analysis of the costs of the new salary scales, and projections for the total wage bill for the ministry, as well as a costed roadmap for implementation of reforms.
6.	Results Focus: A clear results framework with service delivery and business process improvement targets, and baselines for these targets
7.	Accountability: Clear mechanism for linking results to management staff, and improving staff performance and accountability.

Prioritization

Priority to accept Ministries in the CBR shall be accorded to ministries based upon:

- Centrality to basic service delivery
- Revenue potential and economic regeneration potential
- Ministerial commitment to reform
- Ministries has the largest development project portfolio

Centralities to basic service delivery and revenue collection performance have been reflected in the pre-qualification criteria for Tier 2 and 3 Ministries. The Steering Committee may also consider other aspects when assessing the applications to CBR.

CRITERIA BASED SUPPORT¹

Tier 1

Initially, all the ministries will be considered for Tier 1, and automatically will qualify for the initial level of support for human and institutional development of the ministries under this Tier. Tier 1 ministries will need to make sufficient progress on strengthening their common function departments and the implementation of civil service wide PAR reforms in order to prepare themselves for the more expansive reforms that characterize a ministry applying for higher levels of support. A limited amount of targeted technical assistance could be provided to develop the capacity of or reform common functions.

ier 1	
Pre-Qualification Criteria	
Not applicable under Tier 1.	
CBR Support Offered	Expected Results
Funding of Common Function positions	Qualified heads of the Human Resources, Financial Management, Internal Audit, Procurement and Policy/ Programs/ Plan appointed.
Limited & targeted funding of short -term technical Common Function Positions. Technical consultants, if required.	Improved HR systems in place, incl. HR manuals developed in accordance to the Civil Service Law and Labor Law; positions re-graded according to Pay & Grading reforms; and Ministry's Strategic Plan drafted.
	Improved financial management system in place, incl. reduced number of administrative steps, improving process time;; improved budget process with strengthened budgetary plans in place, including a more thorough sub-national consultation.
	Procurement unit established, with a time-bound procurement action plan drafted.
	Internal Audit Department strengthened, with adequate audit procedures in place, incl. monthly reports to the Management of the Ministry.
	Policies are developed for the required areas of the Ministry and PMUs are integrated within the program section and Strategic plan is drafted.
	The budget execution (development) rate will excess 40%.

Tier 2

Tier 2 is the second level of CBR support. Ministries meeting the Tier 2 level of criteria would be eligible to apply for a more extensive level of support, including funding for wider grades of

¹ The Criteria will be reviewed by MOF after 1 year to determine whether any adjustments could be considered.

Common Function and Senior Management Staff. A limited amount of targeted technical assistance could be provided to assist a ministry in core reforms. This support will be provided once the ministry designs a reform plan that is agreed, and ongoing support will depend upon the ministry meeting the targets it establishes for its reform plans. This is to set a ministry on a reform path that helps it function more effectively.

Tier 2		
Pre-Qualification Criteria	Evidence verified by:	Points if criteria met:
Pay and Grading (P&G) re-grading completed, 60% of the recruitment completed at national & 40% at sub-national level. Meeting both percentages will mark the criteria not only one.	IARCSC PSU	10
Approved ² Strategic / Business Plan in place, with a clear Action Plan being implemented, with evidence of at least one annual progress report.	IARCSC PSU	10
HR department functional: HR strategic plan in place; training plan in place; 80% of HR department Tashkeel vacancies filled; and 30% of the P&G Tashkeel staff performance have been evaluated through formal performance evaluation.	IARCSC PSU	10
Development budget execution rate is at least 40% of the approved budget ³ .	MoF PSU	10
Baselines and targets for improving and/or simplifying at least 2 key business/service processes are in place.	IARCSC PSU	10
Ministry collects key revenues (at least 5% of the revenues collected by all Ministries) ⁴ .	MoF PSU	10
OR		
Ministry contributes to one basic key governmental services (either human capital development; key economic infrastructure development or judicial services).	MOF/ IARCSC PSUs	10
Total Points Required for Tier 2 (50)		
CBR Support	Expected Results	

² Recommended to be approved by a Sub-Committee of the Cabinet of Ministers, but this is not a requirement.

³ Development budget execution rate will be measured based on the development budget execution rate of average last three years. The average results of 1390, 1389 and 1388 will be used to assess applications in 1391 (2012). Approved budget will include unfunded projects of the fiscal year. Official Ministry of Finance execution numbers will be used, measuring execution rates of the approved development budget by the Parliament, as published on the MoF website at the time of application to the CBR.

⁴ Ministry's revenue collection will be assessed based on the revenue collection performance during the last fiscal year. The results made during the year 1390 will therefore be used to assess applications in 1391 (2012). Official Ministry of Finance Revenue Department revenue collection numbers will be used, as published on the Revenue Department website at the time of application to the CBR (from AFMIS/RTAS). Ministry will need to collect at least 5% of all the revenues collected by all Ministries (excluding customs and mustofiats).

Offered	
Funding of Common Function positions in HR, Finance, Procurement Internal Audit and Policy/Programs/Plan.	Qualified heads for the Human Resource, Financial Management, Internal Audit, and Procurement Units appointed.
	Adequate HR system in place, with procedures and manuals being implemented.
	Modern Financial Management System in place, including strengthened planning, accounting and budgeting processes.
	Internal Audit recommendations implemented, Internal Audit also functioning at provincial level.
	Fully functional procurement unit in place, with procurement plan being implemented.
Funding SMG positions	The Ministry reviewing the implementation of its strategic plan according to progress, and in the light of further restructuring or reforms needed to meet its mandate.
Ability to apply for short term, targeted technical assistance to assist with Ministry's core reforms	Plans drafted how to improve key service processes. Change management strategy and its implementation plan with base line and targets are prepared.

Tier 3

Tier 3 provides the highest level support from CBR program. Should a ministry demonstrate a strong capacity to reform and implement its mandate in line with the agreed targets, it will become eligible to apply to enter Tier 3. A Tier 2 ministry must have demonstrated a strong commitment to reform evidenced by, among other targets, improvements in budget execution rates, improved key services in order to graduate to Tier 3 level of support.

Ministries that meet the Tier 3 application criteria are eligible to apply for a wider range of support. This includes support for the creation of professional cadres in addition to the staffing offered to Tier 2 ministries, as well as additional technical assistance and resources in line with the needs of the ministry and the resources available in the project.

The result framework of Tier 3 ministries will be comprehensive and it is expected to develop and sustain a robust and enduring institutional structure. It is expected that approximately 8 ministries could be offered Tier 3 support over the course of the project. However, given the constraints of funding and government capacity, it will be necessary to begin with a smaller group of 2-4 ministries, and phase in further ministries over the course of the project. The quantity and pace of ministries entering into Tier 3 will be dependent upon available resources (funding and management capacity), as well as ministerial interest in undertaking the reform plans required.

Tier 3		
Pre-Qualification Criteria	Evidence verified by:	Points if criteria met:
80% of P&G recruitment completed at national level and 50% of P&G recruitment completed at sub-national level, Meeting both percentages will mark the criteria not only one.	IARCSC PSU	10
HR department functional: At least one HR strategic plan implementation report in place; at least one training plan implementation report in place; [90%] of HR department tashkeel vacancies filled; and [40%] of P&G staff performance has been evaluated through formal performance evaluation.	IARCSC PSU	10
Development budget execution rate is at least 50% of approved budget ⁵ .	MoF PSU	10
Ministry provides sufficient evidence that at least one key PFM reform has been implemented in the last 3 years. ⁶	MoF PSU	10
Two key service/business process improvement/simplification targets for the Ministry have been met.	IARCSC PSU	10
Ministry collects key revenues (at least 5% of the revenues collected by all Ministries) ⁷ .	MoF PSU	10
OR		
Ministry contributes to one basic key government service (either human capital development; key economic infrastructure or judicial services).	MOF/IARSCS PSUs	10
Total Points Required for Tier 3 (50)		
CBR Support	Expected Results	

⁵ Development budget execution rate will be measured based on the development budget execution rate (average of last three fiscal years). The average results of 1390, 1389 and 1388 will be used to assess applications in 1391 (2012). Official Ministry of Finance execution numbers will be used, measuring execution rates of the approved development budget by the Parliament, as published on the MoF website at the time of application to the CBR.

⁶ Suitable evidence includes assessments from any independent or third party.

⁷ Ministry's revenue collection will be assessed based on the revenue collection performance during the last fiscal year. The results made during the year 1390 will therefore be used to assess applications in 1391 (2012). Official Ministry of Finance Revenue Department revenue collection numbers will be used, as published on the Revenue Department website at the time of application to the CBR (from AFMIS/RTAS). Ministry will need to collect at least 5% of all the revenues collected by all Ministries (excluding customs and mustofiats).

offered	
Funding of Common Function, SMG, (including at sub-national levels), professional cadre positions, and trainees.	All 5 four common functions are adequately staffed, with appropriate systems, procedures, standards being implemented and progress reviewed regularly, and weaknesses addressed.
	Ministry has a clear approved mandate and strategy to deliver its vision, with appropriate organizational structure, human resources & business procedures being implemented.
Funding of short term targeted technical consultants to design and implement reform plans.	Though regular reviews of progress, it continues to improve the execution rates and quality of service delivery, at national and sub national levels.
	The budget execution rate will exceed 75% of the annual approved budget.
	Simplification, re-engineering of several technical process to assure improvement in the service delivery
	Substantial improvement in the revenue collection