Report Number: ICRR0023046

1. Project Data

Project ID	Project Name
P152398	LS-Public Sector Modernisation Project
Country	**Practice Area(Lead)**
Lesotho	Governance

L/C/TF Number(s)	Closing Date (Original)	Total Project Cost (USD)
IDA-57720	24-May-2020	10,216,663.29
Bank Approval Date	**Closing Date (Actual)**	
24-Mar-2016	30-Nov-2021	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	10,000,000.00	0.00
Revised Commitment	10,000,000.00	0.00
Actual	10,217,863.85	0.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
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2. Project Objectives and Components

a. Objectives

The project development objective (PDO) as defined in the Financing Agreement (p. 4) was: “To provide support to the Recipient to strengthen strategic and fiscal planning and decision making processes and improve expenditure planning and management in the health and education sector in order to achieve more effective and efficient service delivery”. This was to be achieved through implementation of the following key activities:

1. Support to strategic planning and budgeting through: (i) the preparation of NSDP2; (ii) carrying out of a public expenditure review for a strategic budget preparation and the development of a wage bill modeling; (iii) improving public investment management; and (iv) updating and revising the MDP strategic plan for a better alignment with NSDP-2.

2. Strengthening expenditure planning and execution for MOH and MOET through: (i) improving budgeting processes at both the ministry and service delivery program levels; and (ii) developing and implementing financial management improvement plans." This review will assess this PDO in terms of two objectives:

1. To strengthen strategic and fiscal planning and decision making processes;

2. Improve expenditure planning and management in the health and education sector in order to achieve more effective and efficient service delivery

b. Were the project objectives/key associated outcome targets revised during implementation?
Yes

Did the Board approve the revised objectives/key associated outcome targets?
Yes

Date of Board Approval
31-Jul-2019

c. Will a split evaluation be undertaken?
No

d. Components
The project consisted of four components as listed below:

Component 1. Strategic Planning and Fiscal Management (US$2.0 million; Actual US$1.9 million). This component aimed to strengthen the fiscal and strategic framework to improve expenditure planning and management in the health and education sectors in order to achieve more effective and efficient service delivery. The component included two key activities: The first activity was to provide "support to strategic planning and budgeting" which included support for: (i) updating the National Strategic Development Plan II (NSDP II, 2018-23); (ii) conducting a public expenditure review and developing wage bill modeling; (iii) improving Public Investment Management (PIM); and (iv) reviewing and updating the strategic plan of the Ministry of Development Planning (MDP). At project restructuring in May 2019, at the request of the Ministry of Finance (MOF), the second activity – "strengthening expenditure planning and execution in the MOH and MOET – was replaced by activities to improve transparency and accountability of State-Owned Enterprises (SOE) given the importance of SOE on fiscal planning and management (Project Restructuring Paper, p. 8).

Component 2. Strengthening Human Resource Management (HRM) (US$ 4.5 million; Actual US$5.4 million). This component aimed to remove anomalies in the payroll system to improve HR control, HRM practices, and service delivery. Three activities were supported: i) establishment of HRM Information System (HRMIS); ii) reintroduction of HRM controls and processes to strengthen HR capacity; and iii)

provision of technical support to MOET and MOH to develop strategic HR staffing plans and revise the Establishment List (list of positions within civil service). At the second restructuring in March 2020, three new activities were added: "i) provision of technical assistance (TA) for HRMIS quality assurance and implementation support; ii) procurement of new HRMIS; and iii) configuration of HRMIS" (ICR, p. 57).

Component 3. Improving Statistical Capacity (US$ 2.0 million; Actual US$1.9 million). This component aimed to improve the quality of National Accounts statistics to deliver timely and reliable economic, social, and poverty statistics. The project supported the following activities: i) introduction of quarterly GDP estimates; ii) development of a framework for the reconciliation of production and expenditure estimates; iii) development of a business statistical database; iv) support for the development of survey methodology; v) support two rounds of the Household Budget Survey (HBS); vi) provision of technical support to strengthen the capacity of the Bureau of Statistics; and vii) strengthening the capacity for analyzing the results of the HBS. At restructuring, the third activity – development of a business statistical database – was dropped as it was covered by another ongoing Bank project at the time.

Component 4. Strategic Implementation Support (US$1.5 million; Actual US$0.8 million) to the Project Coordination Unit (PCU) to facilitate management and coordination of the project. The activities included the (i) establishment of Project Implementation Unit (PIU); (ii) provision of technical support on project procurement, financial management, and producing progress reports; (iii) capacity building at the Prime Minister's Office for policy development, coordination, and monitoring and evaluation (M&E); and (iv) support the Improvement and Reform Steering Committee (IRSC) in action plans and communications to the public. At project restructuring, a citizen feedback mechanism was established.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost: The total project costs was US$10 million, which is equivalent to SDR 7,3 million as stated in the Financial Agreement (dated April 16, 2015, p. 1). The actual costs were US$10 million, or 100 percent, of the total funds allocated (ICR, Annex 5, Table 1, p. 47).

Financing/Borrower Contribution: During the COVID-19 pandemic, the government allocated a total of US$1.1 million (approximately 50% of the total costs for the HRMIS) for the implementation of the HRMIS system (which costed US$1.2 million, ICR, p. 21). The funds were used for training, software licenses and systems interface procurement (ICR, p. 23).

Restructuring: The project underwent restructuring twice. In response to the government's request and based on the results of the mid-term review (MTR) conducted in June 2018, the project received a level 1 restructuring in July 2019, to revise indicators, modify sub-components, and reallocate resources between sub-components. In March 2020, the project received a level 2 restructuring as a response to the government's request to reallocate funds between sub-components to better align with progress on the ground and extend the closing date from May 2020 to November 2021 to allow activities to be completed (ICR, p. 11). These changes did not alter the PDO nor the overall financing to the project.

3. Relevance of Objectives

Rationale

The Government of Lesotho (GOL), under the 2013-17 National Strategic Development Plan (NSDP), called for control over the large wage bill and optimal use of public resources, to both improve resource allocation and cost efficiency as well as contribute to overall fiscal consolidation. As the country continued to be challenged with a large public sector wage bill and poor delivery of public services, this agenda was maintained under the NSDP-2 2017-22 and the updated NSDP-2 for 2018-23, which received support from this project. Public spending was highly reliant on the volatile revenues of the South Africa Custom Union (SACU), of which the largest share (at 60%) were for public wage bills. The public wage bill grew from 18.9 percent in 2013 to 23 percent in 2015/16 (CPF FY16-20, p. 3), due to significant hiring and increased wages, particularly teachers and security forces. In addition to rising costs, the management of human resources, such as recruitment, promotion, and performance, was plagued by an administrative process that was

fragmented and out of date, resulting in double counting of employees, payments of multiple monthly salaries to a single worker, and payments to retirees who still remained in the system. To tackle this issue, in August 2012, the government launched the Human Resource Information System (HRIS) to reconcile HR records, payroll and pension data, but this had limited success because the new platform did not align with a new grading system that was implemented by the Ministry of Public Service. Other challenges included lack of accurate and timely data on national accounts to inform budget processes and planning. This contributed to an inadequate resource allocation, resulting in slow procurement processes and shortages of critical supplies in the health sector.

Component 1 – Strategic Planning and Fiscal Management – supported the CPF FY16-20 Focus Area 1 – “improving efficiency and effectiveness of the public service” which sought “to improve public investment and expenditure management. Component 2 addressed the fragmented HRM system through the provision of technical assistance to improve control of civil service payroll. Component 3 – “improving statistical capacity” – addressed poor data on national accounts through technical assistance to redesign and improve the Lesotho Household Budget Survey (HBS) methodology to lay a foundation for improved fiscal planning, monitoring progress and outcomes of the NSDP.

The project objectives were aligned with the objectives of NSDP-II 2017-22 and the updated NDSP-II (2018-23). The project specifically addressed key priority IV of the NSDP-II which focused on “i) public financial management and accountability; ii) efficient delivery of quality and timely services; iii) corporate governance; and iv) improving planning and reliable statistics for monitoring and evaluation” (ICR, p. 12). The project was also aligned with the ongoing government efforts under the NSDP-II to i) strengthen human resources for effective service delivery and increased performance and productivity; ii) right-size public service; and iii) improve the HR control mechanism.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

Objective 1: To strengthen strategic and fiscal planning and decision making processes;

Rationale

To strengthen strategic level planning, at the request of the MOF, the Project provided technical assistance to support the Department of Private Sector Development to improve State-owned Enterprise (SOE) national policy and planning guidelines, production of SOE Annual reports, redesign of the Lesotho Household Budget Survey (HSV), publication of quarterly GDP estimates, and update the of Public Investment Management (PIM) appraisal guidelines. These activities aimed to provide a foundation to improve decision-making processes and strengthen capacity on the use of these tools. The causal chain was heavily focused on laying foundational work at the Ministry of Development Planning (MODP) and the Ministry of Finance (MOF) to improve statistics infrastructure to produce timely, transparent, and reliable economic, social, and poverty data but ignored measures on the improvement in efficiency of fiscal management and HRM management at two key entities (MOET and MOH) sought by the PDO. It was also unclear how improvements of wage bill modeling and revised strategic plan of the MODP and MOF impacted HRM at selected ministries. While the objective focused on strengthening strategical planning of selected Ministries (that is, MOET and MOH), there were no PDO indicators to measure the improvement in budget planning, HR, and service delivery at MOET and MOH. There were neither measures on the new activity focused on transparency and accountability of SOEs, despite its importance in the Government's decision-making in fiscal planning.

The following **outputs** were achieved:

- The **institutional plan was revised and implemented by the Ministry of Development Planning** in 2019. However, no evidence was provided on how this was implemented.
- By project closing, the **PIM manual was updated and used to assess new capital projects**.
- **New capital investment projects appraised according to PIM manual** was partially achieved.
- By project closing, **the annual publication of SOE reports** was partially achieved.
- **Quarterly GDP projections, consistent with the Special Data Dissemination Standards (SDDS),** were published regularly on http://www.bos.gov.ls/Publications.htm.
- **The second household survey (HBS)** was completed**.**

Outcomes

The project provided technical assistance (TA) to the Public Sector Investment Committee (PSIC to update the PIM manual. The PSIC used the updated PIM to assess new capital projects. By project closing, 95% of all new capital investment project concept notes and proposals were reviewed and appraised by the PSIC based on the PIM framework. However, none of these were included in the government's 2021/22 Budget Law due to budget constraints, including the shift of priorities to respond to the COVID-19 pandemic. Despite this, additional evidence from the government (http://www.finance.gov.ls) confirmed that 8 new capital investment projects that used the PIM framework were approved and included in the 2022/23 budgets: i) Lesotho Nutrition and Health System Strengthening, ii) Basic Education Strengthening Project, iii) Standard and Quality Infrastructure, iv) Renovation of Leribe Correctional Institutions, v) Construction of Office Park and Residence, vi) Maintenance Pavement Strengthening Unpaved Roads, vii) Regeneration of Landscapes and Livelihoods, and viii) Construction of Senate Office (ICR, p. 16).

At project restructuring in 2019, the MOF requested support to strengthen the transparency and accountability of SOEs as they played a key role in supporting the Government's fiscal planning. Thus, funds for the second activity initially planned under component 1 – Expenditure Planning and Execution in MOH and MOET – were reallocated to support activities related SOE oversight (Aide Memoir, 2018, p. 2). The project provided training to the Private Sector Development (PSD) Unit housed under MOF and updated SOE National Policy. This policy included harmonized guidelines mandating SOEs provide detailed long-term objectives, financial planning, and public finance impacts. The structure of SOE annual reports for 2016/17 and 2017/18 were aligned with OECD standards: "SOE Guidelines on Standard Reporting" (ICR, p. 17). However, this policy has not been adopted nor was it implemented consistently across SOEs by the end of the project. By project closing, the annual publication of SOE reports was partially achieved. Only 2016/17 and 2017/18 SOE annual reports were published on the Ministry of Finance (MOF) website (http://www.finance.gov.ls) while the 2018/19 report is pending approval by the MOF.

The project successfully supported the redesign of Lesotho HBS methodology to improve effectiveness and sustainability of public service delivery. The full report of HSB using the new methodology was published in 2020.

Despite these achievements, there was limited evidence of "how" effective these updated tools were in to improving budget planning and management, particularly at MOET and MOH sought by the project. In particular, it is unclear how they supported the evaluation of NSDP-1 and preparation of NSDP-2 as sought under component 1. This was not measured against any results indicator.

Rating
Substantial

OBJECTIVE 2
Objective
Objective 2: Improve expenditure planning and management in the health and education sector in order to achieve more effective and efficient service delivery.

Rationale
The following **outputs** were achieved:

- The **"credibility of budget framework"** (as measured by the Public Expenditure and Financial Accountability (PEFA) indicator PI-1- Aggregate Expenditure Outturn) increased from 10 percent in 2016 to reach 8.50 percent target in November 2021. By project closing, it met 2.5 percent, surpassing the target. However, there was little evidence to support attribution of the improvement to the technical support provided by the project. Nonetheless, the ICR (p. 17) stated that, when looking only at the education and health sectors, the spending showed a one percent increase over the average budget over the past five years under the project, with thanks to an accumulation of activities achieved under objective 1, namely "i) improvement in capital expenditures selection process for credible capital investments; ii) delivery of timely and reliable social and economic statistics; and iii) improving wage bill fiscal forecasting." Furthermore, additional information provided by the task team leaders highlighted that the HSB and quarterly GDP estimates publications informed the NDSP-2 M&E framework and improved wage bill fiscal forecasting. However, the impact of these activities was not

measured under the project. Thus, it is difficult to conclude that the project led to improvements in the efficiency of fiscal management of selected ministries.

- 98% of anomalies were identified and removed from the HRMIS data system, surpassing the target of 90%. Of these, 95.4% of civil servant and civil pensioners with accurate National ID number are captured in the new HRMIS, surpassing the target of 95%.
- 100% of all HR officers received training on the new business processes and the new HRMIS, exceeding the target of 50%. Of these, 75% were female, meeting the target of 75%.
- All 10 core HR business processes were automated and operationalized in the new HRMIS, surpassing the target of 50%. The new payroll and core human resources modules were utilized.
- The Establishment List which is a database of all cost centers, positions and grades for all civil servants and pensioners, for MOET was revised as planned.
- Staff of MOET and MOH payroll were mapped to the established position in HRMIS..

Outcomes:

The project contributed to establishing a foundation for the HRMIS system to improve wage bill control and management. Under the data-cleaning exercise, 98% (7,015) of irregularities identified by the biometric census were removed. Thus, the number of payroll workers was reduced from 61,857 to 54,842. Of these, 95.4 percent were confirmed as legitimate. The remaining 4.5 percent are awaiting confirmation.

The project successfully reviewed and updated the HR business procedures. The payroll module and core HR modules, which contains work structure, organizational charts, skills mapping, and exit processes, were functional and have been utilized since November 2021. While this was used to process the October 2021 payroll, the government encountered several problems, such as the inability to confirm and verify payments of third parties. The sustainability of the system remains a concern as the server for HRMIS, brought by the supplier, was temporary.

Despite improvements in cleaning and updating payroll data, the HRMIS was only integrated with one (the Old Aged Pension system) rather than 5 systems as planned (Integrated Financial Management Information System, the Central Budget Management System, the Central Deduction Administration System, and the National ID System). This posed risks of reintroducing errors and anomalies as well as to data control and credibility to ensure employees are paid from their respective cost centers.

The project successfully developed core HR modules (that is, data-related functions, work structure, organizational charts, skills mapping, staff mobility, exit, and disciplinary process) as part of updating the HRMIS and roll out. The project improved the Establishment Lists for the targeted ministries – MOH and MOET. However, the list for MOET had not been endorsed by the Ministry by project closing. Thus, MOET staff were still mapped to the old structure as the revised MOET staff list has not been approved. The project received additional requests for HR modules and tools from other Ministries, Departments and Agencies (MDAs). Consequently, the modules developed by the project was generic enough and was able to be implemented across all MDAs for various HR processes, such as recruitment, staff assessment and promotion.

Training on new business procedures to improving HRM capacities, practices and governance for HR officers were completed, and the HRMIS governance structure was set in place. This helped the HR teams to identify areas in their domain that required improvements.

Rating
Substantial

OVERALL EFFICACY
Rationale
Despite several shortcomings, the majority of the indicators were achieved. Thus, the overall efficacy rating is Substantial.

Overall Efficacy Rating

Substantial

5. Efficiency
Due to the nature of the project, the economic benefits from all components could not be quantified except for the revamping of HRMIS activity (component 2). The key activity under this component that benefits in the form of cost and savings where through the cleaning up and removal of ghost workers in the HR payroll. The biometric census identified 7,015 as anomalies and identified 54,842 civil servants and pensioners as legitimate as of November 2021. Of which, 95.4 percent have been confirmed, and the remaining 4.5 percent were awaiting confirmation.

To calculate the rate of return, “the fiscal savings in the form of savings in the wage bill for civil servants and pension payments were used” (ICR, p. 51). To calculate the cost savings, the total project costs for component 2 (US$5.4 million) was used. The analysis in the ICR, Annex 5, p. 51, showed that the government spent about US$6,508 per civil servant and US$2,418 per civil pensioner per year. Overall, the annual cost savings was 7.3 percent, or US$39.4 million compared to the cost of US$5.4 million. The calculations are as presented below:

Group	Number of Legitimate	Number of Anomalies	Cost per Person (US$/Year)	Cost Savings (US$/Year)
Civil Servant	44,782	5,532	6,508	36,007,766
Civil Pensioners	7,294	1,483	2,418	3,586,077
Total	**52,076**	**7,015**	**5,644**	**39,593,844**

In addition, the ICR calculated fiscal savings for this activity as a percent of GDP, which is estimated at 1.67 percent. The task team leaders (TTLs) explained that the fiscal savings as a percent of GDP was calculated by analyzing and aggregating the wage bill savings from the elimination of irregular civil servants and the pension payment savings from elimination of irregular pensioners as a result of the civil servant and pensioners cleaning based on the information contained in the Final Data Cleaning Report and the Data Quality Assurance memo.

Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 ☐ Not Applicable
ICR Estimate		0	0 ☐ Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Despite various shortcomings in the outcomes of key activities sought under three objectives, the majority of the indicators were achieved. Based on High rating for relevance, Substantial rating for efficacy, and Modest rating for efficiency, the overall outcome rating is Moderately Satisfactory.

a. Outcome Rating

Moderately Satisfactory

7. Risk to Development Outcome

Several risks pertaining the sustainability of the activities supported under the project are listed below:

- **HRMIS**: The server procured by the government to operationalize the HRMIS was temporary. Thus, financing of such server is still uncertain to sustain capacity and service delivery.
- **Public Investment Management (PIM) Manual:** Although the project provided support to improve capacity and strategic tools to appraise capital projects, a formal system is currently absent to monitor progress and outcomes, including asset management.

- **SOE:** The project supported training to the SOE Unit, but the ICR (p. 29) indicated that additional capacity building activities are still lacking to sustain and strengthen capacity to use the tool to monitor SOE impacts on fiscal sustainability. In addition, political interference caused frequent turnover of staff and delayed the publication of the SOE annual report 2019/20.

8. Assessment of Bank Performance

a. Quality-at-Entry

The design of the project was informed by the Systematic Country Diagnostic (SCD), policy notes on wage bill management and Public Investment Management, and lessons learned from previous projects on public sector reform in Lesotho. The SCD identified the need to regularize HRM, improve effectiveness and efficiency of public spending and PIM, all of which were addressed under the project. Lessons learned from previous similar projects in Lesotho, a context of volatile economic and fragile political environment, also guided the project design to be more focused on most critical issues in public sector reform, such as improving the HRM system at MOET and MOH. In addition, to ensure continuity of the Bank's support for public financial management in Lesotho and sustain local capacity, the project continued to support the Public Financial Management Secretariat (PFMR) that was established under the former *Public Financial Management Reform Support Project* to continue as the Project Implementing Unit (PIU). The Project design also received technical review from the IMF and European Union and collaborated to monitor PFM progress under the internal Public Financial Management Reform Strategic Action Plan.

At entry, the project was complex with a large number of activities and stakeholders considering a context hindered by low-capacity and fragile political economy.

Despite the project's risk assessment, it did not anticipate for the extent of the volatility of political conditions. In 2012, the government transitioned to a "coalition system". The instability was further prolonged by the 2015 general election resulting in high turnover of government officials. As a result, the PIU was hindered by the lack of inter-ministerial and inter-departmental coordination delaying the implementation of the project.

Quality-at-Entry Rating

Moderately Unsatisfactory

b. Quality of supervision

The project team was affected by high turnover of Task Team Leaders, particularly during the onset of the project, resulting in delays and disrupted dialogue with government stakeholders. The TTLs noted that TTL turnover rate was due to both normal staff rotation and the re-organization of the AFR VP. During the last three years of the project, however, the TTL was based in Maseru, capital of Lesotho, which improved implementation support. This led to a downgrade of project's overall risk rating from High to Substantial. The project deployed just-in-time Technical Assistance to support the design of household surveys and

HRMIS. This also improved the rating of technical design risk from High to Moderate. Due to the volatile political environment during the project, the project team provided close supervision to the PIU with project restructurings and extensions of project closing dates showing flexibility and a desire to adapt tp the changing circumstances.

The COVID-19 pandemic disrupted the project, particularly supervision missions. Supervision transitioned to virtual mode, but some project stakeholders faced unreliable internet connectivity in project areas. Nonetheless, the project team conducted regular supervision missions, management meetings with clients for day-to-day support. The project team's close relationship with the PIU enabled the team to identify and address shortcomings in a timely manner.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

A clear results chain was only articulated at the first restructuring of the project in July 2019, at which time results indicators and targets were revised. However, it did not adequately capture the link between outputs and outcomes sought by the PDO. For example, under outcome 1 – strengthen strategic level planning – the adoption of NDSP-2 was achieved but it was not measured in the results framework. Similarly, the HBS methodology was revised and implemented but no measures were provided to connect it to strategic level planning.

The M&E was overly complex due to a large number of indicators and there were disconnects between the supported activities and outcomes. A Readiness Assessment was conducted and informed the project's M&E framework, but this was limited to key outcome indicators (that is, budget submission and execution, civil service statistics, and payroll database). As for project activities, there was a large gap in measuring the outcome. The selection of the PEFA indicator (PI-1: Aggregate Expenditure Outturn) was too broad to make conclusive attribution of project activities to outcomes; and the impact of new activities (i.e., SOE reports to improve transparency and accountability) that were added during restructuring was not measured. Key indicators that would have strengthened the results chain, such as "comprehensive facility budget developed in MOH and MOET", and "Budget execution rate in MOH and MOET is improved at district level" were dropped at restructuring and not replaced by alternative indicators to support outcome 2: "strengthening expenditure planning and execution in MOH and MOET."

b. M&E Implementation

During the early years of the project, M&E was challenged by low capacity and frequent turnover of government officials. In addition, the Mid-Term Review (MTR) concluded it was difficult to adequately

assess the achievement of the objectives due to the complex design. Thus, the project underwent restructuring twice, at which time the M&E framework was revised, alongside reallocation of resources, modification of sub-components, and extension of closing dates at the request of the Government. The task team provided extensive support to the PIU which improved the operationalization of the M&E framework throughout the project lifetime. The Bank conducted regular implementation support missions to identify and resolve challenges with the M&E framework. Despite these efforts, “the source and periodicity of collection was still missing, making data collation difficult” (ICR, p. 27).

c. M&E Utilization

The data produced under the project was used to assess project’s progress towards achieving the objective and addressing implementation gaps leading to the restructuring of the project. The data produced under the project was also used by the government and also available to the public.

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards

None

b. Fiduciary Compliance

The project financial management was compliant with the Bank requirements. However, in 2019, some compliance issues emerged due to the late submission of the Interim Financial Reports and external audit reports. The Bank hired a consultant to resolve this issue and, thereafter, financial reports were submitted in a timely manner.

c. Unintended impacts (Positive or Negative)

The project generated some positive unintended impacts:

- The establishment if the Improvement and Reform Steering Committee (IRSC) and PIU under the project strengthened and regularized communications across multiple ministries, such as the Ministry of Finance, Ministry of Development and Planning, and Ministry of Public Service.
- The project attracted more demand for public sector support from departments and ministries beyond the selected implementing entities. While the project, however, was unable to meet all the

needs, it was able to secure resources to support the Ministry of Home Affairs and Ministry of Transport to improve the National ID system under other World Bank projects.

d. Other

None

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	
Quality of M&E	Modest	Modest	
Quality of ICR	---	Modest	

12. Lessons

The following lessons were identified:

- In a context where multiple government departments and entities are involved, the sequencing of activities is crucial to foster and strengthen collaboration. Under this project, the sequencing of activities under the Strengthening of HRM activities helped build a common understanding and ownership of the reforms leading to effective collaboration among involved stakeholders.
- High-level PEFA indicators are often ill suited for measuring more focused objectives.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

Despite a detailed overview of the project, the ICR lacked complete evidence and data to credibly demonstrate the outcome and impact of some activities. The project supported the revision of the institutional plan which was implemented by the Ministry of Development Planning in 2019, but no further information was provided on the “how” and “what” to assess the effectiveness of this objective. Secondly, the project listed an achievement

in supporting the Government in the preparation of NSDP-2 but did not provide explicit detail on how this was done under the project.

a. Quality of ICR Rating

Modest