



1. Project Data:		Date Posted : 08/24/2000	
PROJ ID: P007266		Appraisal	Actual
Project Name: Public Administration Project	Project Costs (US\$M)	22.0	19.82
Country: Guyana	Loan/Credit (US\$M)	12.0	8.82
Sector(s): Civil Service Reform	Cofinancing (US\$M)	10.0	11.0
L/C Number: C2480			
	Board Approval (FY)		93
Partners involved :	Closing Date	12/31/1997	06/30/1999
Prepared by :	Reviewed by :	Group Manager :	Group:

2. Project Objectives and Components

a. Objectives
The overall objective of the project was to provide assistance to maintain and improve the capacity of the public sector to perform its core functions

The specific objectives were: (a) to facilitate adequate staffing of key public service positions and eliminate staffing redundancies; and (b) to create conditions for accountability in financial and personnel management as well as in fundamental operational programs.

b. Components
The specific objectives were sought to be achieved through the six components of the project. The first component sought to improve GoG capacity to attract and retain skilled staff and eliminate staffing redundancies by reforming the public service salary and employment structure. Personnel Management was addressed in the second component through the development of a modern personnel management system for public service and creating conditions of accountability and overall improvement in personnel management. The third component - the Recruitment Program - focused on facilitating adequate staffing of Key and Critical Positions. Improving the effectiveness of service delivery for the ten Regional Administrations formed the fourth component. Improvements in Revenue Administration/Integrated Financial Management through improvements in the effectiveness of tax and customs administration and mobilization of resources formed the fifth component. Improving General Administration through improvements in public sector operations was the sixth component.

c. Comments on Project Cost, Financing and Dates
The project supported the first phase of the Government's longer-term strategy for public sector reform, and sought to assist in preparing the next phase. A significant proportion (over 55 % of the actual cost) of the project was financed by the GoG Preparation of a long-term Public Sector Reform Program, was to have been financed from the Credit, but was later financed through the IDB at the Government's request. Similarly, on GoG request the expenditure management sub-component of the Integrated Financial Management (IFM) Component was delegated to other donors [CIDA and IDB], who provided grant funding. IDA retained the strengthening of revenue administration (US\$2.0 million of the original US\$4.0 million allocation for the IFM component). The balance of US\$2.0 million was reallocated to the General Administration Component. These amendments were not of a substantial nature

and, therefore, the Board's approval was not required. The project was originally expected to close on 12/31/97 but actually closed on 07/31/99.

3. Achievement of Relevant Objectives:

The project achieved most of its stated objectives. It facilitated adequate staffing of key public service positions and helped eliminate staffing redundancies. It helped to create conditions for accountability in financial and personnel management, as well as in fundamental operational programs.

The Public sector was able to maintain and improve its capacity to perform its core functions. The streamlined public service salary structure reflecting increased salaries in real terms; an improvement in the availability of information relating to the staff establishments; and, strengthened Regional and Revenue Administrations is reflective of this. The ability of the GoG to recruit and retain (most of the) 44 senior and mid-level professionals in key and critical positions in the public service and procure a wide range of capital equipment for different government entities at the central and regional levels, is also reflective of this improved capacity.

4. Significant Outcomes/Impacts:

The successful attainment of the specific objectives of the project indicates considerable possibilities of a significant outcome, namely a well functioning and efficient public sector dedicated to service delivery. This will however, take time to develop fully.

It is too early to judge project impact. Such an impact analysis is, however, proposed under the Next Steps and Future Operations listed in the ICR.

5. Significant Shortcomings (including non-compliance with safeguard policies):

Initially, the project did not correctly predict incentive salaries to retain key personnel and to attract new ones. This coupled with the GoG's lack of fiscal resources and difficulties in reaching agreement with the Public Service Unions was a setback.

The Revenue Authority was finally created on January 26, 2000 [after the project completion date]. This delay is more than likely to have had a negative impact on the effectiveness of the Revenue Administration sub-component. Part of the problem was that this sub-component was introduced into the project at GoG's request after appraisal and was developed during project implementation contributing to delays.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:		Modest	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

The three major lessons are 1) the importance of stakeholder consensus building when introducing salary reform; 2) the accuracy and transparency of timely information flow and 3) the need for combining appropriate skills with familiarity and sensitivity to particular issues in PSR project design and implementation when dealing with sensitive issues such as decentralization, setting of tariffs, and the sorting out of the respective roles of various levels of (sub-national) government.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The overall quality of the ICR is satisfactory. More information, for example, details of the implementation problems that prevented the Annual Performance Appraisal system from taking off [ICR page 15], would have provided additional useful lessons for the future.