



Public Sector Modernization Project II (P117384)

EUROPE AND CENTRAL ASIA | Armenia | Public Sector Governance Global Practice |
IBRD/IDA | Specific Investment Loan | FY 2010 | Seq No: 8 | ARCHIVED on 24-Jun-2015 | ISR19908 |

Implementing Agencies: FFPMC

Key Dates

Key Project Dates

Board Approval date:16-Mar-2010

Effectiveness Date:26-Jul-2010

Planned Mid Term Review Date:30-Jun-2013

Actual Mid-Term Review Date:30-May-2013

Original Closing Date:31-Jul-2015

Revised Closing Date:31-Jan-2017

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to enhance performance of public sector management for better service delivery by: (i) strengthening institutional capacity in policy formulation; (ii) maximizing the efficiency of human resources; and (iii) developing information systems for internal work flow and external communication.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Strengthening Institutional Capacity in Policy Making and Service Delivery:(Cost \$2.31 M)

Maximizing the Efficiency of Human Resources in the Public Sector:(Cost \$0.83 M)

Development of Information Systems for Managing Internal Workflow and External Communication:(Cost \$4.61 M)

Just-in-Time Technical Assistance:(Cost \$0.35 M)

Project Management and Implementation:(Cost \$0.88 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory



Overall Risk Rating

● Moderate

● Moderate

Implementation Status and Key Decisions

Following the extension of the project closing date to January 31, 2017 a time bound action plan has been agreed to advance the implementation of the lagging project activities pertaining to piloting the e-Health system and technical assistance to civil service reforms. The extended time allows for strengthening and streamlining the existing performance appraisal system before attestations are discontinued in the civil service. The project has finalized functional analyses and business process reengineering (BPR) to additional ministries and government entities. Few follow-on small scale technical assistance activities will further streamline policy formulation processes and build capacity for training civil servants on selected topics. The other e-government solutions supported under the project (income and assets declarations, electronic processing of driving licenses and plates and the archive for the electronic document management system) have been completed and launched in time. Since January 2015 contracts were signed for five out of six delayed activities, payments were processed for commitments in the amount of around US\$ 0.5 million and outstanding project commitments increased for US\$ 1.3 million. Implementation progress under the Project is moderately satisfactory with combined disbursement and commitments exceeding 90% of the loan amount.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Moderate	● Moderate
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Substantial	● Substantial
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Low	● Low
Stakeholders	--	● Substantial	● Substantial
Other	--	--	--
Overall	--	● Moderate	● Moderate

Results

Project Development Objective Indicators



► Number of pilot ministries adopting policy formulation guidelines and procedures (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Decision making is generally not transparent, and public dissemination of government policies and outcomes is a low priority.	Internal directives and regulations reflected business processes updated after functional reviews in pilot ministries / entities. Planning and performance monitoring and evaluation improved as a result of roll-out of work planning and program monitoring procedures and their streamlining during the functional reviews.	A small follow-up functional review is planned to streamline the policy formulation within the Government through relevant directives and regulations.	New internal directives and regulations for policy formulation and monitoring developed in four pilot ministries and implemented by the Government. Mechanisms for policy coordination generally function effectively.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Favoritism in decisions of government policymaking, 1-7 (best) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.9	3.05	3.1	At least 10% increase
Date	31-Dec-2009	23-Dec-2014	31-Dec-2014	31-Jan-2017

► Deploying the civil servant performance appraisal system to improve human resource management and staff motivation (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No robust performance appraisal system is in place	TA activities on civil servant training and job evaluations are being initiated to enable linking the performance appraisals with HRM decisions on training and career planning	Ongoing TA on civil servant training and job evaluations (to be completed by end-Oct 2015) aims to enable linking the performance appraisals with HRM decisions on training and career planning.	HRM decisions on training and career planning are based on the results of performance appraisals
Date	16-Mar-2010	23-Dec-2014	15-Jun-2015	31-Jan-2017



► Increase in electronic communication with citizens (%) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20	36.5	37.5	At least 15% increase.
Date	31-Dec-2009	23-Dec-2014	31-Dec-2014	31-Jan-2017

Overall Comments

Intermediate Results Indicators

► New internal directives and regulations for policy formulation and monitoring developed and applied by the Government. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Government lacks formats and processes for policy formulation and instruments for compliance.	All changes in regulations stemming from the project funded functional reviews in the ministries, inter alia, outlining new policy formulation requirements are implemented.	National Center for Legislative Reform is being transformed into specialized unit for regulatory impact assessments. The relevant functional review will embed it in the policy planning process.	High level Policy and Performance unit is established and operational. The regulations outlining new policy formulation requirements are - implemented.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Improved practice for delivery of selected pilot services demonstrates that: (i) clear requirements for receiving the service (traffic police, passports, e-health, etc.) are publicly accessible; and (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No clear requirements are publicly accessible.	Business process reengineering (BPR) is reflected in regulations. Several new government to citizens (G2C) services are already available through the launched e-Police modules. Implementation of e-Health system has been delayed and the contract is currently	Clear requirements set for service delivery through functional reviews are available on selected ministerial websites. Government plans to publish comprehensive description of the services and relevant requirements on e-gov.am website.	Clear requirements for receiving the service are publicly accessible.



being extended.

Date	31-Dec-2009	28-Apr-2014	15-Jun-2015	31-Jan-2017
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► Improved practice for delivery of selected pilot services demonstrates that: (ii) average time required to register a vehicle is reduced (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Over 24 hours	The registration time of vehicles is decreased to 30 minutes including the provision of obtaining number plates and physical ID of the vehicle.	The registration time of vehicles is decreased to 30 minutes including the provision of obtaining number plates and physical ID of the vehicle.	At least 50% reduction in time required to register a vehicle.
Date	31-Dec-2009	28-Apr-2014	31-Dec-2014	31-Jan-2017

► Improved planning and performance monitoring and evaluation processes in pilot ministries. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No systems in place to monitor and evaluate performance, except for the EDMS system to check individual performance. Ministries / agencies produce annual budgets but more for budget line item planning. Weak connections between budgets and planning of outputs/outcome.	The functional reviews and BPRs have been completed in a large number of the ministries / entities establishing better link between the work plans, organizational deliverables and M&E indicators. The monitoring units in the ministries benefit from the completed activities, however linking with the budgets gets beyond the influence of the project despite the synergies with longer term program based budgeting reforms currently moving in parallel.	The planned follow-on functional review on policy formulation is expected to add more coherence to the process and tools for planning and monitoring programs.	Capacity building interventions on application of new mechanisms and tools on planning, M&E in pilot ministries completed. Annual government activity plan is developed in transparent manner and the planned output/outcome s are aligned with the budget. M&E systems have been tested and applied.



Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017
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► Functional rules established for benefit transfer between public service positions. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	The benefits are not transferred between segments of public service	No change from the previous status	Reform dialogue is initiated following introduction of common legislation - potential legislative amendments and technical solutions are still being identified.	Harmonized public service enabling staff mobility without losing the benefits.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Consistent use of work plans and performance appraisals in the public service. Information from performance appraisal is used for performance planning. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Acceptable approaches and systems exist but they are not used government wide.	Work planning and performance appraisals have been effectively rolled-out within the government. The performance appraisals results will become more useful for performance planning after the planned TA on job evaluation enhances the robustness of performance information.	Work planning and performance appraisals have been effectively rolled-out within the government. The performance appraisals results will become more useful for performance planning after ongoing TA on job evaluation enhances the robustness of performance information.	Work plans and performance appraisals are used in pilot institutions in terms of civil servants annual performance planning.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017



► Capacity of ethics commission staff to provide advice and training to public servants and enforcing ethics rules (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	There were attempts to establish ethics commissions at the level of ministries, but the commissions lack credibility. A centralized commission has not been established.	Ethics Commission of High Level Officials was established (in January 2012) and has been performing its duties within the scope outlined by laws and sub-laws.	Follow-on activities are being initiated for training and capacity building at the level of civil servants.	All civil servants have access to manuals or educational materials. All mid-level and senior managers trained.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► A new policy adopted for Civil Service training allowing the pilot of on-line modules (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	The CS training is disconnected from actual needs and does not contribute to improved performance.	The procurement of the planned training modules and e-testing is in progress. The link between the training needs and programs can be strengthened parallel to increase in the robustness of performance appraisals.	The development of training modules and e-testing just commenced and will be completed in February 2016.	Capacity for CS training is improved through improved planning and pilot online modules (if endorsed by the Law)
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Enhanced functionality and interoperability of the electronic document management system. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	EDMS is running in ten government bodies.	EDMS archive is introduced.	EDMS archive is introduced.	EDMS is operational in all government bodies and demonstrate interoperability of the electronic document management system including the archiving of e-documents, enhanced performance appraisal



				system, as well as project management tools.
Date	31-Dec-2009	28-Apr-2014	28-Apr-2014	31-Jan-2017

► An effective system is established for income, assets and conflict of interest disclosure by high level public officials (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	The system does not exist.	Electronic asset declaration system has been implemented and is functional. The Ethics Commission is working on development of risk analyses and data verification mechanisms using own resources.	Electronic asset declaration system has been implemented and is functional. The Ethics Commission has been working on development of risk analyses and data verification mechanisms using own resources. A Government decree enabling data exchange between Ethics Commission and number of critical sources of third party information important for risk analyses was adopted in 2015.	Train the ethics body to use the launched system.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Share of required declarations (i) collected electronically (%) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	98.00	98.00	50.00
Date	31-Dec-2009	28-Apr-2014	15-Jun-2015	31-Jan-2017



► Share of required declarations (ii) published online (%) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	99.00	100.00	100.00
Date	31-Dec-2009	28-Apr-2014	15-Jun-2015	31-Jan-2017

► The civil servants and IT staff are trained to use the developed systems. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Separate systems in operation, such as EDMS, HRMIS, MGIS and other systems.	Ministries and other public entities ensure training of incoming staff following the full-fledged training of users at the launch of the systems.	Ministries and other public entities ensure training of incoming staff following the full-fledged training of users at the launch of the systems.	80% of civil servants in government agencies covered by the developed program, trained to use the upgraded systems. 100% of IT staff trained to maintain the upgraded systems. 100% of IT staff trained to maintain the upgraded systems.
Date	28-Feb-2011	23-Dec-2014	15-Jun-2015	31-Jan-2017

► Public access to services available through internet (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Some e-kiosks exist, introduced under the JRP2, which also give access to the EDMS. Preliminary work is done to start use of government web portals.	All services are currently accessible via internet	All electronic services are currently accessible via internet	Harmonization of existing ICT systems offering electronic services through e-Gov website.
Date	31-Dec-2009	23-Dec-2014	15-Jun-2015	31-Jan-2017



Overall Comments

Data on Financial Performance

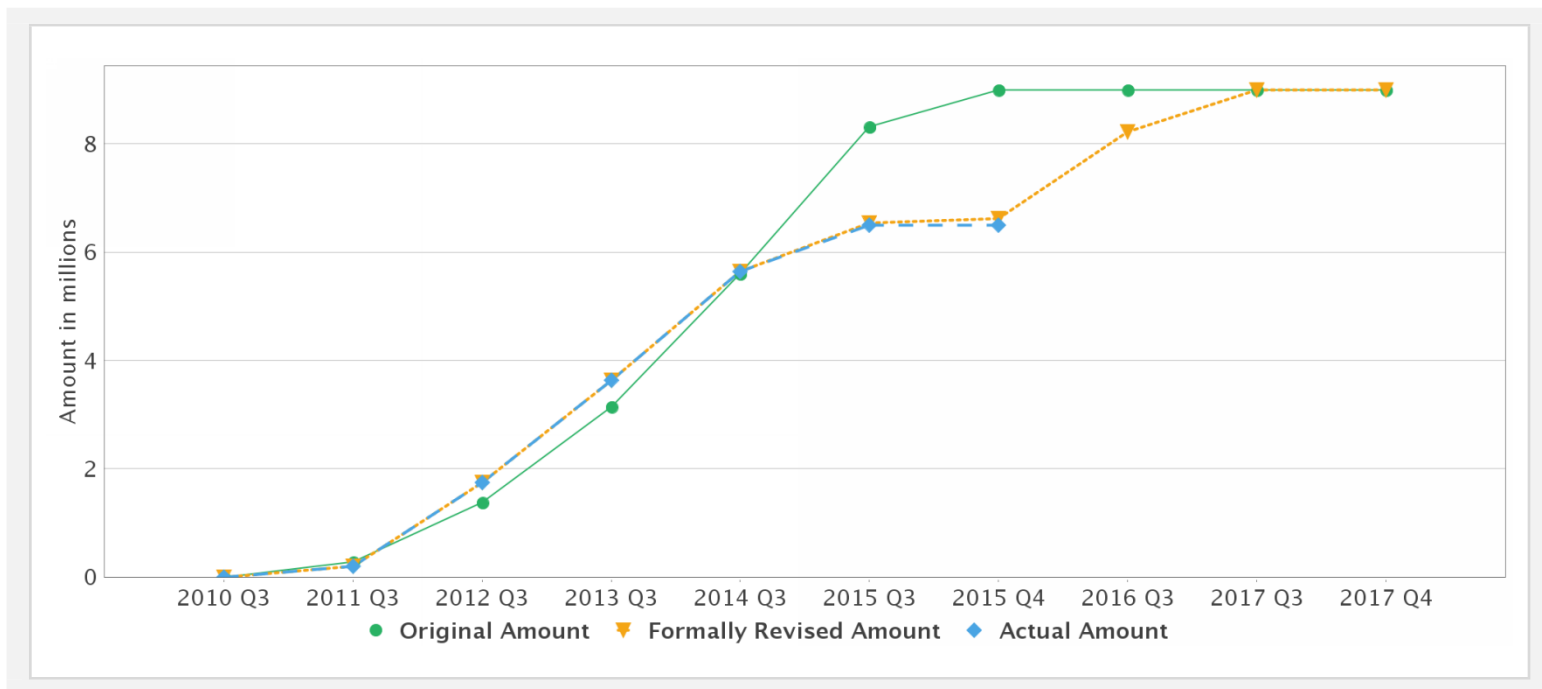
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P117384	IBRD-78540	Effective	USD	9.00	9.00	0.00	6.52	2.48	72%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P117384	IBRD-78540	Effective	16-Mar-2010	30-Mar-2010	26-Jul-2010	31-Jul-2015	31-Jan-2017

Cumulative Disbursements



Restructuring History

Level Approved on 11-Aug-2012 ,Level 2 Approved on 23-Sep-2013 ,Level 2 Approved on 02-Oct-2014



Related Project(s)

There are no related projects.
