

## Annex I: Monitoring and Evaluation Framework

Narrative	Indicators	Means of Verification	Key Assumptions
<b>GOAL</b>			
<b>Australia's assistance helps unblock the financial management constraints on service delivery at the central level and in Uruzgan.</b>	Annual increase in development budget expenditure in each target Line Ministry (LM) Annual increase in development budget expenditure in each target Uruzgan Line Directorate (LD)	AFMIS budget execution data	Public sector spending is a sound proxy for service delivery. Other factors affecting poor budget execution (eg. security) will not deteriorate.
<b>COMPONENT 1</b>			
<b>Outcome 1.1</b>			
<b>Target Line Ministries have increased capacity in budget planning, implementation, monitoring and reporting.</b>	Technical capacity of civil servants improved in accordance with plans. Increase quality and number of outputs produced by LM civil servants.	LM capacity assessment conducted by program MC. Review of Budget Circular submissions, financial plans and annual reports.	LM senior management maintains engagement in program. LM staff remain willing and able to absorb knowledge and skills.
<b>Outputs</b>			
1.1.1: LM guidelines and templates developed where required, and put to use.	Number and type of guidelines and templates being regularly used by LM staff for: <ul style="list-style-type: none"> <li>- project planning and design;</li> <li>- procurement schedule preparation;</li> <li>- financial planning; and</li> <li>- budget execution analysis.</li> </ul>	LM Policy Department and / or Finance Department archives. Interviews with Policy and Finance Department conducted as part of program activities.	Ministry of Economy develops policy framework for project design on which guidelines can be based. MoF communicates reform requirements on which LM guidelines can be based.
1.1.2: Streamlined process maps developed and implemented for financial management in LMs.	Revised process maps available in the Finance Department. Improvement in the av. number of days required to process allotment requests and payments.	Finance Department log. Interviews with Finance Director conducted as part of program activities.	Upon analysis of system processes, LM contains number of unnecessary steps that can be meaningfully reduced.
1.1.3: Formal and on-the-job training provided in:	Number of civil servants trained in each topic (including on-the-job training).	Training plan and review. Training curricula and materials.	Civil servant counterparts available for training.

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<ul style="list-style-type: none"> <li>- project design &amp; planning;</li> <li>- procurement scheduling;</li> <li>- financial planning &amp; mgmt.;</li> <li>- budget execution analysis.</li> </ul>	Number and quality of each 'product' supported on-the-job through to completion / implementation within deadlines.	Training attendance records & interviews with participants. Data collected during project activities.	Counterparts are willing and able to implement lessons learned in formal and on-the-job training.
1.1.4: Internal Budget Committees (IBCs) established and operating in each LM.	No. and frequency of IBC meetings during fiscal year. Appropriateness of IBC decisions.	Quarterly Budget Steering Committee meeting reports IBC meeting minutes.	LM structure recognizes and supports role of IBCs. Political will for internal coordination exists in LMs.
<b>Outcome 1.2</b>			
<b>Budget Execution Directorate (BED) of the MoF has increased capacity to support budget implementation in LMs.</b>	Technical capacity of BED civil servants improved in accordance with plans. Increase quality, frequency and responsiveness of support from BED officers to LM.	Dedicated BED capacity assessments. Feedback from LMs collected by MC	MoF senior management maintains engagement in program. MoF staff remain willing and able to absorb knowledge and skills.
<b>Outputs</b>			
1.2.1: MoF guidelines and templates developed and put to use.	Number and type of guidelines and templates being regularly used by BED staff for: <ul style="list-style-type: none"> <li>- analysing budget requests and financial plans from LMs and &amp; budget implementation reports;</li> <li>- calculating budget ceilings.</li> </ul>	MoF BED archive. Interviews with BED staff conducted as part of program activities.	MoF communicates reform requirements on which BED guidelines can be based.
1.2.2: Formal and on-the-job training provided in: <ul style="list-style-type: none"> <li>- Budget request, execution and financial plan analysis;</li> <li>- Budget ceiling calculation and budget hearing briefs.</li> </ul>	Number of Budget Officers (civil servants) trained in each topic (including on-the-job training). Number and quality of each 'product' supported on-the-job through to completion / implementation.	Training attendance records & interviews with participants. Data collected during project activities.	Civil servants counterpart available in the Ministry of Finance (Budget Department dominated by contracted staff).
1.2.3: Budget Execution officers supported to assist IBCs in the target LMs.	Frequency of BED engagement with IBCs in target LMs. Number of Internal Budget Committee meetings Budget Officers participated in.	IBC meeting minutes. Interviews with Policy and Finance Departments of respective LMs.	Internal Budget Committees are established in the counterpart ministries.

Narrative	Indicators	Means of Verification	Key Assumptions
<b>COMPONENT 2</b>			
<b>Outcome 2.1</b>			
<b>Uruzgan Line Directorates (LDs) better understand and engage in the national budget process.</b>	Alignment of Uruzgan budget request submissions with national budgeting processes and timelines. Quality, frequency and responsiveness of correspondence between the central LMs and the LDs.	Review Uruzgan budget request submissions sent to LMs and LM budget submissions sent to MoF. Feedback from LDs and LMs.	Central LMs engage provinces in planning and budgeting processes. LD staff remain willing and able to absorb knowledge and skills.
<b>Outputs</b>			
2.1.1: Guidelines, templates and process maps developed as required for LDs, and put to use.	Number and type of guidelines, templates and process maps developed and being regularly used by LD staff for: <ul style="list-style-type: none"> <li>- Developing budget request documents;</li> <li>- Budget planning and execution reporting;</li> <li>- Financial management activities.</li> </ul>	Budget planning manual/guidelines (available in the Finance Unit of the LD) Budget planning process maps; Finance Unit action plan (available in the Finance Unit of the LD)	MoF communicates provincial budgeting reform requirements on which LD guidelines can be based.
2.1.2: Formal and on-the-job training provided in: <ul style="list-style-type: none"> <li>- Budget requests, budget planning and execution;</li> <li>- Financial management.</li> </ul>	Number of civil servants trained in each topic (including on-the-job training). Number and quality of each 'product' supported through to completion / implementation within deadlines.	Training attendance records & interviews with participants. Data collected during project activities.	Civil servant counterparts available for training. Central LMs engage provincial directorates in the budget process.
<b>Outcome 2.2</b>			
<b>MoF's Kandahar Provincial Budgeting Unit (PBU) has increased capacity to support provincial LDs.</b>	Technical capacity of PBU improved as per plans. Increased quality and frequency of engagement between PBU and Uruzgan LDs.	Technical assessment of PBU capacity. Feedback from Uruzgan LD collected by MC.	MoF continues to support provincial budgeting. Uruzgan Moustufiat engages in the work of PBU and follows advice.
<b>Outputs</b>			
2.2.1: Training rolled out to the LDs and Moustufiat on: <ul style="list-style-type: none"> <li>- Budget planning;</li> <li>- Budget execution.</li> </ul>	Generic and customized training material developed. Number of Uruzgan civil servants provided generic or customized training.	Training curriculum, Training materials, Capacity reports (from PBU) Training participation sheets.	LD and Moustufiat staff in Uruzgan participate in the training program. Regular travel between Kandahar and Uruzgan is possible.

Narrative	Indicators	Means of Verification	Key Assumptions
<b>COMPONENT 3</b>			
<b>Outcome 3.1</b>			
<b>Target Line Ministries have increased capacity to manage procurement.</b>	Procurement is being carried out by the LM rather than conducted centrally by the ARDS. Procurement functions are being carried out by regular ministry staff (civil servants) rather than by contract staff. LMs certified to run stand-alone procurement.	PFMR II Project reports. World Bank supervision mission reports. Quarterly ARDS Report with MOF Budget Execution Statements. RIMU/HRMD, TA assessment reports MoF Budget Execution Statements	Procurement legal framework in place as per int'l standards LM senior management maintains engagement in program. LM staff remain willing and able to absorb knowledge and skills.
<b>Outputs</b>			
3.1.1: Government-wide procurement capacity building mechanism in place.	Number of Procurement Capacity Building Officers completed train-the-trainer training Number of LMs' Procurement Officers and Moustufiats (civil servants) received duty-specific procurement training and certified.	PFMR II Project Implementation Unit (based in MoF) reports. Training participation records (available in PPU and/or LMs).	
3.1.2: Procurement officers (civil servants) in LMs qualified to conduct stand-alone (complex <sup>1</sup> ) procurement	Number of complex procurements prepared and effected by Procurement Specialist/officers LMs. Number of target LMs' Procurement Officers provided on-the-job support to conduct complex procurement.	PFMR II Project Implementation Unit (based in MoF) reports. Procurement Unit in LMs records.	Legal framework in place for implementation of complex procurement.
3.1.3: Procurement officers in LMs and Moustufiat qualified to develop reliable procurement plans	Number of Procurement staff received training (including on-the-job) in developing annual procurement plans. Number of procurements implemented as per plan. Number of procurement proposals submitted to Special Procurement Committee meeting all legal and administrative requirements.	PPU reports on procurement plans compliance. PFMR II Project Implementation Unit (based in MoF) reports.	Procurement legal framework in place. PPU has developed and communicated requirements for development of annual procurement plans.

<sup>1</sup> Complex procurement in context of PFMR II is defined as any international procurement and/or any procurement above Special Procurement Committee threshold