



CAPACITY INJECTION PROJECT (CIP) Quarterly Bulletin

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CIP IMPLEMENTATION SUPPORT MISSION

The world Bank Mission Team led by Gregory (Sr. Governance and Public-Sector Specialist and Task Team Leader), Nyabicha Omurwa Onang'o (Financial management consultant and Gary Reid (Public Sector Management Consultant) visited Mogadishu from 15-17th January 2019 to hold discussions with the respective agencies¹ together with the Project Coordination Unit to review progress made so far and plan for implementation of Year 4 activities. On the first day, the participants touched on several project areas.

The Civil Service Training Programs at Somali National University

In the absence of the previously recognized training institute (SIDAM), in 2015 the government decided that there was a need to train the Somali civil servants at the training school

for Management and Public Administration at the Somali National University (SNU) which was established successfully under the CIP. This training school is fully equipped to conduct training programs for the civil service employees of the government and was intended to be an acting institute.

After visiting five neighboring countries to enter external partnership with, the FGS negotiated with Kenya School of Government (KSG) and signed an MoU implementation framework and agreed the scope of the training programs with the list of courses and other capacitating and strengthening aspects of the newly established FGS training school at the university.

However, the project coordinator Hassan A. Diriye, stated that the implementation of the MoU framework agreement with KSG was delayed due to procurement technicalities and some of the technical elements were not yet discussed. The two senior consultants

¹ Ministry of Finance; Office of the Prime Minister; Ministry of Labour and Social Affairs; National Civil Service Commission; and the Project Coordination Unit.



representing the Bank team joined this mission to expatiate this matter further with FGS officials to advise on the modality used in a similar assignment between South Sudan and KSG.

As the project started its fourth year, government officials from MoLSA, NCSC and the SNU all expressed a dire training need for the government civil servants and hence to speed up the implementation of the training programs.

In order for a single public training institution not to create a monopoly where quality and performance can be compromised, it was advised to also allow other providers to get accredited to offer several different training programs.

Underlining that the quality of the training should be a central part of the design of the SMPA training school at SNU, making sure the training provided are tested and monitored on a regular basis.

For the purpose of sustainability, it was recommended that the FGS decides on a financing option of the training school beyond such establishment support from a project-based initiative. One option could be that the government includes and allocates a training budget compo-

nent under each institution annually where the school can tap into such training sources and create tailor-made or customized training for each particular institution depending on each of their specific training needs.

The need to hire a Policy Team

The Minister of Labor H.E Salah A. Jama together with senior ministry officials and the World Bank mission team held a brief side meeting aimed as a follow-up on the status of the HR policies that were drafted by different consultants through the CIP project and the specific policy team that was previously requested as to aid the ministry's capacity to further review and develop administrative rules and regulations from the drafted policies.

The minister noted that the sequencing of the most crucial policies that would lay the foundation was not considered at the inception of the project. Due to the absence of a policy team while a number of policies were developed, these were not institutionalized. For instance, the first HR policies developed by the project were Retention, Code of conduct and Career development policies etc. Whilst they are important, these should have come much later, leaving more important policies hanging in the balance. The key policies remaining are the Pension policy (which is ongoing) and a Pay & Grading and realistically without a Pay and Grading policy, one cannot and should not have a Career Development policy in place.

As for the current government's pay scale being temporary and not passed by a law, since 2006-2007 all civil servants are on a static pay scale on the basis of the current limited grade structure which is why it is crucial that the government has a Pay & Grade policy for attracting, retain-

ing and promoting its civil service employees.

The project coordinator explained that the procurement process for the consultants to develop a Pay and Grading Policy had started long ago and it is still not concluded as the procurement process was at its final stage of the opening financial bid by the qualified consultancy firms.

The Minister of Labor has emphasized the importance of having a policy expert

team for the ministry to offer technical and professional support to review the policies in place and develop administrative rules and regulations as well as advise the ministry in different aspects for reforming the civil service. He welcomed the recent engagement and commitment by the Bank's new task team lead and believes that the project had until recently only scratched the surface.



DEVELOPMENT OF A PUBLIC SECTOR PENSION POLICY

An independent consultant has been recruited to develop a draft bill arising from the public Pension Policy and work closely with a team led by the Ministry of Labor & Social Affairs that includes senior representatives from the government. The aim is to draft the regulations that

will govern the pension arrangements and its management structure. Although payroll data exist however, its credibility is questionable and could not be relied upon to do any meaningful pension calculations and forecasting. With the lack of a reliable and accurate database on public sector employees

that could support a comprehensive analysis on pension management, the consultant has been given access to government offices to interact with officials and collect relevant information.

Civil service staff involved in the process were equally assigned to benefit from skills, knowledge and technology transfer.

Initial consultations for data collection with key stakeholders began at the end of last year (2018) whereby the consultant had submitted a draft Pension Policy report

with options suitable for the FGS in the first quarter of this year. The draft states the regulations that will govern the pension arrangements and its management structure but the consultant will also provide separate recommendations for severance packages for the those retired and redundant civil service employees whom the government would like to relieve from the wage bill.

The working committee has shared their comments to be incorporated for finalization of the policy and in the 1st validation workshop in April.



PROJECT REVIEW OUTCOME AND GOVERNMENT'S CURRENT REFORM AGENDA

The Permanent Secretary (PS) of the Office of the Prime Minister, Mr. Ahmednur Mohamed and fellow advisors of his office welcomed the World Bank's Somalia Capacity Injection Project (CIP) project task team mission to the office of the Prime Minister as well as the Minister of Labor and the Chairman of the National Civil Service Commission (NCSC).

The PS has briefly explained that the office of the Prime Minister had assigned two senior advisors to conduct a quick review exercise of the project in terms of its effectiveness and impact and give recommendations to the Prime Minister about how the CIP project can play an effective role in the ongoing government roadmaps.

Having seen the government's vision for the reform agenda and establishment of four major road maps, the PS has mentioned that the CIP project can play a central role and contribute significantly in terms of providing the capacity needed for the implementation of such roadmaps. The PS has envisioned that the project can support the OPM that is now driving the roadmaps in the following areas:

- Strengthening the capabilities of the cabinet secretariat and performance
- Policy coordination and performance management at the center of the government and planning support in terms of supporting systems such as government performance system, Planning, reporting and M&E tools;
- Sponsoring government higher level

- retreats (Ministerial and DG levels);
- Sponsor effective communication strategy and relevant publications;
- Sponsoring research and planning workshops on specific reform areas;
- Leadership training programs, tour studies and exposure visits for gaining experiences;
- Restart project recruitment to meet the reform objectives of the government;

In addition, the Minister of Labor H.E. Salah A. Jama remarked that the project came and started in the absence of a public reform strategy of the government in place. However, was also in support of configuring some of the modalities of the project to be more in line with the government's objectives.

THE CIM STAFF WAGE BILL

The project coordinator and the project beneficiary institutions expressed that the unpaid salaries of some of the CIM staff were a main concern dating back to August of 2018 due to a budget deficit. Whilst at most institutions, the CIM staff did get paid in the months of October, November and December of 2018, there were no explanations given to those who were unpaid while others were paid.

With a cloud hanging over their heads, the CIM recruited staff were weary of what the future will look like for the CIM, which off course is damaging to the overall morale.

The project has already seen a high turnover where 25 people recently resigned

and this number may increase if this is not sustained. The current remaining number of CIM staff now in service is 133 of which 117 are 'stream A' civil servants while 16 are 'stream B' (advisers).

Since recruitment of the CIM staff completely stopped in the second quarter of last year 2018, this affected the ministry of Labor as well as the office of the Prime Minister in particular, as they did not get the technical staff that would have otherwise been recruited due to the CIM budget deficit notification from the RCRF project that was supposed to support the CIM staff in the period between 2015 to 2020.

On further remarks, after having seen

the budget allocation projections for the CIM recruited staff by the RCRF project in the period between 2019 to 2021, the CIP project coordinator has emphasized this by raising the question of CIM staff sustainability which is now becoming a greater concern and needs to be addressed.

During a recent meeting with the project leading members, the proposed CIM wage bill and finance options suggested by the World Bank were discussed. The PS added that the government did not anticipate this deficit and was under the belief the budget

for the CIM staff would be there. Therefore, senior leadership of the government are in the process of sharing the outcome on how to sustain the overall wage bill of the country.

On the other hand, the Bank's Task Team Leader mentioned that the Bank is looking forward to receive the decision on the wage bill with the government's preferred option on how to deal with the over extension, where the RCRF project only allocates for \$ 2.6m, the government needs to add to that to sustain the CIM staff for the 2019 budget.



PROPOSED PRIORITY CAPACITY NEEDS

As part of the regular project implementation mission support from the Bank, technical discussions with the beneficiary institutions were held about the project progress and the priorities in place. The CIP Project Coordinator had given project updates on the project's key milestones & achievements in 2018 as well as the key challenges and recommendations.

The project coordination team has been working closely with the project beneficiary institutions (BIs) for the preparation of their capacity priority

needs for 2019 in the following areas;

1. Development of Institutional policies, SPs, policies & procedures, etc.
2. Organizational systems improvements
3. Supporting the MDA-based reform team initiatives to improve the performance of their MDA
4. Management and employee's capacity needs
5. The Needs of Supplies (office furniture, ICT equipment & Vehicles)

Most of the institutions proposed the 3 most important priority capacity needs for their 2019 work plan. These should later be complete with separately budgeted work plans for each beneficiary institution, to be consolidated with the main work plan for the core implementing agencies.

The World Bank HRM consultant advised on issues of training, the training needs identified by the BI's showed a short timeframe to deliver the needed training. A wide range of training might exceed the duration of the project and may end up leaning on external

training providers. It might be a good idea to capture training events that the School of Management & Public Administration at the Somali National University cannot provide.

The World Bank stressed that proposed activities shall be realistic and achievable within the FY and referred to recommendations from policy documents and strategic plans. They should also benefit largely from activities that remained incomplete from the previous years and should keep to the yearly projected disbursements (as stated in the PAD) plus any unspent amounts from the previous year.

ESTABLISHMENT OF HRMIS FOR THE GOVERNMENT CIVIL SERVICE EMPLOYEES



The Prime Minister is in support of setting up a centralized HRMIS for the entire FGS as soon as possible. The World Bank team expressed that they are glad to hear that the government is moving forward with the idea of a HRMIS establishment for the civil

service employees as a matter of priority, benefitting institutions as well as the stakeholders involved which would improve decision-making for managing human resources in a more automated way in the technology era.

The World Bank's HRM consultant Mr. Reid expressed that he would be ready to provide background support if needed with his experience and expertise on public sector reform with several issues such as linking up the HRMIS of the government's current financial management system (SFMIS).

It was proposed this would be a priority on the agenda for the next Troika coordination meeting with the Steering Committee. And stressed that with a Public Reform Strategy and a Pay and Grade policy in place, the system would be easier to integrate.

THE RECURRENT COSTS AND REFORM FINANCING (RCRF) PROJECT



THE PUBLIC FINANCIAL MANAGEMENT (PFM) PROJECT

FGS JOINT 'TROIKA' PROJECTS STEERING COMMITTEE

During the CIP implementation Support Mission in January, both the FGS and the World Bank expressed the need to establish a joint steering committee for the Troika projects (CIP, RCRF and PFM) in order to improve the collaboration among these projects working on the different but interrelated aspects of government reform agenda.

The CIP Project Coordination Unit therefore organised a Joint Steering Committee meeting together with the FGS Troika Project teams (RCRF, PFM, CIP) on 30th March 2019 at the Office of the Prime Minister. H.E Abdirahman Dualle Beileh, the Minister of Finance, chaired the meeting while other key ministers of the project (Steering Committee) and lead project representatives were also in attendance.¹

It was an opportunity to enhance coordination among the World Bank implemented governance projects at their oversight and strategic levels. The committee members underlined the

importance of reviewing and reforming existing FGS management structures of the Troika Projects and create synergy for strengthening the government's role towards Troika projects decisions when necessary.

The Troika projects (RCRF, PFM, CIP) coordinators had briefed the committee about their respective project management structures and the difficulties of getting regular steering committee meetings and acknowledged that previous Steering Committees had not been effective. To deal with the issue of unnecessary cancellations, it has therefore been decided that the quorum for a meeting is attained when 50% of the voting committee members are present. Therefore, two levels of FGS management structures were proposed;

1) Reform Oversight Committee; chaired by the Deputy/Prime Minister which aims to provide a national vision for the reform agenda of the country and also guide issues that may require the highest decision-making/leadership of the government to get political support to drive the reform agenda. This will be held at least once a year.

2) The Troika Steering Committee; chaired by The Permanent Secretary of the Office of the Prime Minister and held quarterly. It will provide strategic guidance, advise on corrective measures, offer conflict resolution and be responsible for approving annual work plans and associated budgets of the respective projects among other things.

¹ (a) Minister of Planning, Investment & International Cooperation; (b) Minister of Labour & Social Affairs, member of the Steering Committee; (c) Chairman of National Civil Service Commission, member of the Steering Committee; (d) PS, Office of the Prime Minister; (e) DG, Ministry of Finance; (f) DG, Ministry of Planning, Investment & International Cooperation; and (g) DG, Ministry of Labour & Social Affairs



INTER-GOVERNMENTAL RELATIONS BETWEEN BETWEEN FGS AND FEDERAL MEMBER STATES

Under Component 3, the project is to provide technical assistance to strengthen the capacity of policy development and cabinet processes at the center of government. Therefore, on March 13th 2019, the CIP facilitated and supported a high-level technical consultative meeting for technical teams from the FGS and Jubbaland cabinet led by the Permanent Secretary of the Office of the Prime Minister on policy planning, coordination, performance and delivery in order to enhance the inter-governmental relations and information sharing between line ministries of the Federal institutions and their respective regional counterparts.

In line with the national agenda of the current government (four roadmaps), the responsible ministries, departments and agencies (MDAs) discussed the main goals and milestones/benchmarks to be accomplished in order to implement government priorities.



Having already had many of such consultations with the FGS, technical teams will also visit all five federal member states to establish effective policy planning and coordination mechanisms for the roadmap priorities.



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