

# Typical Problems with Projects & Programs



## ● Design Issues

- Poor quality Project Frameworks
- Inconsistencies in project documentation

## ● Monitoring Issues

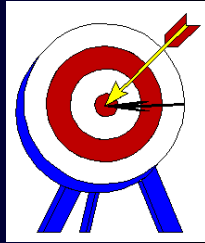
Inadequate:

- Indicators and Targets
- Baseline data
- Management Information System

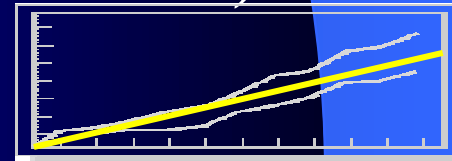
# Common Problems encountered in Project Frameworks

- Higher Level Objectives -- Particularly the **“Goal” and “Purpose”** -- are unclear
- Meaningless **“Feel-good” “Motherhood”** statements
- Cryptic, Technical Jargon
- Statements at the **Wrong level**
- Indicators Poor, not Targetted, or vague -- **“Improve” “More” -- Unmeasurable**

# Common Problems with Indicators & Targets in Project Frameworks



- No indicators for Development Objectives
- The indicators selected are not appropriate to the Level -- i.e. Goal , Purpose or Output
- Indicators only focus on minor aspects
- No Targets provided for the Indicators
- Targets provided are not Quantified -- i.e. only presented as “More” or “Better”
- No Baseline Data provided (or available)



# A Quick Review of some “Worst Practices”

*The following statements were extracted from some project frameworks*

*Imagine...an independent Evaluator uninvolved in the design, trying to determine in 5-10 years time:*

- *What the designers had in mind*
- *Whether or not the stated objectives were achieved*
- *If the project was ultimately worthwhile?*

# **“Worst Practices” - Goal level**

**National economic integration.**

# **“Worst Practices” - Goal level**

**To facilitate development of the market-oriented economy by improving efficiency and safety of the road transport.**

# **“Worst Practices” - Goal level**

**To establish a conducive investment climate consistent with the country's operational comparative advantage and to promote export growth, and diversify industrial base**

# **“Worst Practices” - Goal level**

**The Loan targets social development and sustainable economic growth in MP. The monitorable targets include medium-term sustainability of public finances; capacity building for prudent management of public expenditure and debt; improved tax administration; expenditure reallocation to social sector; plan indicating how to meet national norms on health and education; alleviation of social impact of development; strengthened corporate governance; policy, regulatory, and institutional frameworks of key sectors; and, improved environmental sustainability of the reform process. Achievements to be measured in terms of a lower primary deficit and reduced debt stock of the State.**

# “Worst Practices” - Goal level

The financial sector reforms, which were announced in the Government's 1996 "Statement of Economic Strategy" seek to enhance the efficiency of the SOE sector and establish a market-based financial system that mobilizes and allocates resources efficiently and therefore will promote private sector-led economic growth and employment generation. The broad components of the Program are: (i) promotion and development of financial markets through liberalization of the financial sector, and adoption of indirect instruments of monetary management and of measures to increase trading in the money and foreign exchange markets; (ii) strengthening of the Central Bank of Samoa (CBS) to enable it to effectively manage the liquidity of the financial system through open market operations and to enhance its operational autonomy; (iii) strengthening of the prudential and regulatory framework to underpin the transition to a market-oriented financial system; (iv) strengthening of the National Provident Fund (NPF) and the Development bank of Samoa (DBS) to improve their asset management and to prepare them to be active participants in the money and foreign exchange markets; and (v) privatization and corporatization of public enterprises and utilities to reduce the fiscal burden on the Government, promote private sector-managed commercial businesses, and broaden participation in the financial management of the economy.

# Common “PURPOSE” Level Problems

## Wrong Level

- Often a statement or Restatement of Project Output &/or Activities
- Repetition of lower level statement(s)

# **“Worst Practices” - Purpose level**

**The objectives of the PSIF in which progress of implementation could be measured are the following: (i) Facilitating access by infrastructure projects to long-term debt financing primarily through the development of a domestic long-term debt market; (ii) Improving capacity at the institutional level for undertaking infrastructure financing and managing risks of infrastructure investments; (iii) Strengthening private/public interface regarding processing of infrastructure projects in sectors opened for private sector investment; and (iv) Leveraging sectoral reforms in the various infrastructure sectors covered by the PSIF through continuing policy dialogue with the Government and a better appreciation of the issues concerning infrastructure development.**

# **“Worst Practices” - Purpose level**

**This Program aims to develop a fair, transparent, and efficient capital market through the implementation of a policy reform program in the following areas: (1) strengthening market regulation and supervision, (ii) developing capital market infrastructure, (iii) modernizing capital market support facilities (iv) developing institutional resources . . . and (v) strengthening policy coordination over matters affecting or likely to affect the capital market.**

# **“Worst Practices” - Purpose level**

**The Program focuses on (i) strengthening of state public finances and their prudent management; (ii) divesting and restructuring of SOEs to allow the private sector to take the lead in commercial activities while reducing the burden that SOEs put on the budget and economy at large; and (iii) strengthening the policy, regulatory, legal, and institutional frameworks for private sector participation in critical infrastructure sectors (power, ports and roads) to evolve an enabling environment.**

# Common “OUTPUT” Problems

## Wrong Level:

- Often only an enumeration of detailed Activities

## Right level but *Phrased as activities rather than Completed/Deliverable*

- i.e. “*Provision of . . .*” instead of “*. . . Provided*”

# **“Worst Practices” - Output level**

- 1 Procurement of equipment and facilities for road construction, maintenance and road safety, materials testing, and toll road operations and communications, and environmental protection equipment.**
- 2 Consultant services for construction supervision and training.**
- 3 Capacity building, training and human resource development through overseas training, and domestic training**

# **“Worst Practices” - Output level**

**The PSIF has two components: (i) three separate Bank loans totalling \$300 million to three participating financial institutions, viz., \$150 million to ICICI; \$100 million to IFCI, and \$50 million to SCICI, and (ii) a project development facility, which will constitute a portion of the loan to each PFI, viz. \$5 million for ICICI; \$3 million for IFCI and \$2 million for SCICI - for capacity building and project preparation and implementation.**

# **“Worst Practices” - Output level**

**Institutional and policy environment  
conducive to greater involvement of  
the private sector, and  
improved capacity of the . . .  
Department to manage . . . .**

# Common Errors - Assumptions & Risks



## 1. Wrong Type:

- “Logical” Assumptions i.e. Technical “*Givens*” rather than external conditions/constraints

## 2. Factors within Project Responsibility:

- *e.g. that “the project will be implemented effectively”*

## 3. Repetition:

- Statements repeated at each level

# Lessons Learned

- **Lack of DMC / EA participation in Design**
- **Many design faults are foreseeable**
- **Low understanding of:**
  - **Development Objectives (Goals & Purposes)**
  - **Assumptions & Risks**
- **Optimism at Project design stage is not sustainable**

