

## CAPACITY ASSESSMENT

<b>Programme Title</b>		<b>FCPF REDD+ readiness project</b>
<b>Name of Institution</b>		<b>Forest Administration</b>
<b>Date of assessment</b>		<b>17 July 2013</b>
<b>INDICATOR</b>	<b>AREAS FOR ASSESSMENT</b>	<b>COMMENTS</b>
<b>PART I – REFERENCES AND PRELIMINARY CHECKS</b>		
<b>1.1 History and Compliance with International Resolutions/Standards</b>		
1.1.1 History	Date of creation and length in existence Has the institution gone through a recent re-organization/re-structuring?	Since 1979, 34 years of existence Has not gone through any major re-organization during the recent decades
1.1.2 United Nations Security Council 1267	Is the institution listed in any reference list?	N/A
1.1.3 Certification	Is the institution already certified through international standards?	N/A
<b>PART II. ASSESSING NATIONAL INSTITUTION CAPACITY FOR PROGRAMME MANAGEMENT</b>		
<b>2.1 Managerial Capacity</b>		
Ability to plan, monitor and coordinate activities		
2.1.1 Planning, Monitoring & Evaluation	Does the institution produce clear, internally consistent proposals and intervention frameworks, including detailed work-plans?  Does the institution hold regular programme or programme review meetings?  Are there measurable outputs/deliverables in the defined programme plans?  Was the institution previously exposed to UNDP RBM approach/methodology or equivalent in other donor agencies?	FA prepares an annual work plan under the framework of the Ministry of Agriculture, Forestry, and Fisheries (MAFF) annual plan.  National Forest Programme (30 year plan) initiated in 2010 has been regularly reviewed (at least annually). In the case of the UN-REDD+ programme, FA held regular programme and review meetings at least once a month.  NFP has clear indicators/criteria for the assessment of outputs and deliverables. UN-REDD activities and progress have been reviewed on quarterly basis.  FA has been working with different donor agencies including UN-REDD and JICA. It has been an implementing partner of UNDP's supported project called UN-REDD since 2011.
2.1.2 Reporting and performance track record	Does the institution monitor progress against well defined indicators and targets, and evaluate its programme/programme achievements?  Does the institution report to its stakeholders on a regular basis?	FA reviews progress of NFP against targets on annual basis. FA also reports on the progress against targets for donor' supported projects (e. g UN-REDD)  FA shares information on its activities to TWG-FR and other line-agencies on quarterly and semi-annual basis. In the case of REDD+, FA has facilitated regular reporting on its activities to donor agencies and stakeholders.
<b>2.2 Technical Capacity</b>		
2.2.1 Specialization	Does the institution have the technical skills required? Does the institution have the knowledge needed?  Does the institution keep informed about the latest techniques/ competencies/policies/trends in its area of expertise?  Does the institution have the skills and competencies that complement those of UNDP?	Technical skills and knowledge of FA exist among some high-ranking officials but most staff may need further capacity building to upgrade their skills and to improve their knowledge on forest management through on-the job training.  Through REDD+ support from donor agencies, FA has been well informed about the latest techniques /competencies/policies /trends in the area of forestry particularly in relation to REDD+.  Some FA staff are highly qualified to complement skills and competencies of UNDP.
2.2.2 Ability to monitor the technical aspects of the programme.	Does the institution have access to relevant information/resources and experience?  Does the institution have useful contacts and networks?  Does the institution know how to get baseline data, develop indicators?  Does it apply effective approaches to reach its targets (i.e participatory methods)?	FA has access to relevant information/resources and expertise through TWG-FR as well as through donor-funded projects.  FA has good contacts and networks within the ministry, as well as with DPs and civil societies through TWG-FR.  FA has limited capacity to develop baseline data and indicators so technical assistance from donors has aimed to build the capacity.  Yes. FA has applied effective approaches to regularly meet its targets.
2.2.3 Human Resources	Does the institution staff possess adequate expertise and experience?  Does the institution use local capacities (financial/human/other resources)?  What is the institution capacity to coordinate between its main office and decentralized entities/branches (if	FA is in short of adequate number of staff with expertise and experience. Need training and capacity building.  In the case of the UN-REDD programme, FA utilizes both local and international staff to carry out activities.  There is an effective process of divisions, Cantonments and departments in work planning, and implementation of work.

	relevant)? Have staffs been trained on programme management methodology?	Staff has been engaged in many donor funded projects.
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### PART III. ASSESSING NATIONAL INSTITUTION CAPACITY FOR ADMINISTRATIVE AND FINANCIAL MANAGEMENT

#### 3.1 Administrative capacity

##### *Ability to provide adequate logistical support and infrastructure*

3.1.1 Ability to manage and maintain infrastructure and equipment	Does the institution possess logistical infrastructure and equipment?  Can the institution manage and maintain equipment?	FA has logistical infrastructure including office space, and buildings but still need more space and equipment. However, offices generally lack adequate number or quality of equipment (e.g. laboratory, vehicles and guns) to conduct patrolling.  Yes.
3.1.2 Ability to procure goods services and works on a transparent and competitive basis.	Does the institution have the ability to procure goods, services and works on a transparent and competitive basis?  Does the institution have standard contracts or access to legal counsel to ensure that contracts meet performance standards, protect UNDP and the institution's interests and are enforceable?  Does the institution have the authority to enter into contracts?	The procurement of goods and services are made by MAFF on behalf of FA. Purchase orders are prepared for the procurements by the Department of Accounts and Finance and all the documents are maintained by it. The procurement executive of FA is responsible for the collection and documentation of invoices sent by the Department of Accounts and Finance  FA is using UNDP NIM Guidelines for procurement of goods and services. It has standard contracts which are similar to UNDP forms.  FA is a legal entity of RGC that can enter into contracts.
3.1.3 Ability to recruit and manage the best-qualified personnel on a transparent and competitive basis.	Is the institution able to staff the programme and enter into contracts with personnel? Does the institution use written job descriptions for consultants or experts?	Civil servants working in FA are recruited based on Government guidelines and process.  FA also recruits staff to implement donors' funded projects. The recruitment follows UNDP NIM Guidelines, through normal recruitment process (Term of reference and public announcement etc.)

#### 3.2 Financial Capacity

##### *Ability to ensure appropriate management of funds*

In addition to the following questions, see also the questionnaire provided in the Guidelines on Micro-assessment of the Framework on Harmonized Approach for Cash Transfer (HACT):

[http://www.undg.org/archive\\_docs/7110-Framework for Cash Transfers to Implementing Partners.doc](http://www.undg.org/archive_docs/7110-Framework%20for%20Cash%20Transfers%20to%20Implementing%20Partners.doc) (ANNEX 3)

The assessment report is reviewed by the UN agencies to select the most suitable cash transfer modality, and establish appropriate cash transfer procedures and assurance activities to be used with the Implementing Partner.

3.2.1 Financial management and funding resources	Is there a regular budget cycle?  Does the institution produce programme and programme budgets?  What is the maximum amount of money the institution has managed?  Does the institution ensure physical security of advances, cash and records?  Does the institution disburse funds in a timely and effective manner?  Does the institution have procedures on authority, responsibility, monitoring and accountability of handling funds?  Does the institution have a record of financial stability and reliability?	There is a regular government budget cycle (from January to December). FA produces annual work plan and budget which is integrated in MAFF's plan and budget.  Yes. For example NFP.  In excess of USD 10 million  FA maintains adequate, up-to date cashbook, recording receipts and payments regarding the funds received from MAFF. Proper controls exist for the collection, timely deposit and recording of receipts.  FA frequently receives the government funds in cash and also disburses the funds to Local cantonments under cash modality. FA disbursement of funds sometime experience delays due to internal approval procedural requirements.  FA has established controls and procedures for flow of funds, financial information, accountability and audits in relation to the Local Cantonments. However, books of accounts are not maintained at the local Cantonments. Only the bills and expenditure detail is sent at the end of each month.  FA is also subject to annual internal audit which is undertaken by the Internal Audit Department of MAFF (but donor projects are not subject to the internal audit).  FA has a demonstrated record of financial stability and reliability through previous donor funded projects.
3.2.2. Accounting System	Does the institution keep good, accurate and informative	FA follows cash basis of accounting. FA maintains books of

	accounts?  Does the institution have the ability to ensure proper financial recording and reporting?	accounts manually. This data is converted into reporting format by using excel sheets. Staff is trained to maintain the manual system. For donors' funded projects, financial reports are prepared and submitted to donors. The forms and details submitted to the donor are as per the requirements of the donor.  FA submits monthly, quarterly and annual statement of expenditure reports to MAFF.  Proper control exists to reduce the risk that physical data do not match with financial data. Both the reports are manually checked and matched before submitting to donors.  FA has proper system for safeguarding of assets from fraud, water and abuse. It carries out periodic physical verification of Assets.
3.2.3. Knowledge of UNDP financial system	Does the institution have staff familiar with Atlas through External Access?	FA staff does not have access to Atlas.

#### **PART IV. CONCLUSION**

The assessment concludes that, in terms of structure, staff and policy:

- The history of FA is relevant to its role as implementing partner;
- Its Managerial Capacity in terms of ability to plan, monitor and coordinate activities is adequate, as evidenced by its long history as implementing partner for numerous donors;
- Its Technical Capacity is generally adequate, and any shortcomings will be addressed directly by the project through mobilization of targeted technical support;
- FA's Administrative Capacity, including its ability to provide adequate logistical support and infrastructure is generally adequate. A shortage of office space can be addressed through renting commercial office space, if necessary;
- Its Financial Capacity, covering ability to ensure appropriate management of funds is analysed in more detail in the HACT micro-assessment. FA was the only RGC agency to be assessed "Low Risk".

Thus, it is concluded that the capacity of FA, overall, is adequate for it to serve as implementing partner.