

Foreword

The Statement of Economic Strategy presents the Government strategy for reaching the development objectives in Samoa.

Critical components of this development are the successful identification and implementation of projects and programmes. The task of identifying, formulating and implementing sound projects must be planned carefully from the inception and selection stage. Successful projects enable economic growth and sustain development.

I am pleased to submit Manual on Project Planning and Programming. The Manual will provide a valuable guide for departments and agencies of the Government of Samoa in their efforts to identify, formulate and implement sound development projects and programmes.

The manual identifies the roles and responsibilities of the individual departments and agencies involved in the various stages of the project cycle. This will result in an organized project planning system utilizing financial and other scarce resources effectively to achieve the development objectives of the Government.

The aim of the Manual is to provide common project and planning guidelines for departments and agencies as well as to provide guidelines on how project planning is integrated into the annual budget cycle. The Manual will facilitate a uniform approach and presentation of project planning and programming throughout the various departments and agencies of the Government and thereby improve the consistency of the quality of project planning and programming.

Hon Tuilaepa Sailele Malielegaoi
PRIME MINISTER
AND MINISTER OF FINANCE

Apia
January 2000

Preface

The Manual has arisen out of the need to provide project analysts and planners in the Government of Samoa with basic guidelines in project planning and programming and to build a common basis and understanding of project planning procedures throughout the Government. The Manual focuses attention on project planning and programming with the following scope:

- project identification
- project formulation
- project appraisal
- project implementation and monitoring
- project evaluation

The Manual also provides information on how project planning and programming is integrated into the budget cycle of the Government. The Manual specifically refers to the responsibility of the various departments and agencies in project planning and programming.

Although every effort has been made to provide “hands-on” guidance on project planning and programming, the different characteristics of each sector are far too diverse to allow a simple mechanical approach to be adopted. Project planners and analysts should bear this in mind when applying the guidelines to the related sectors.

Procedures and approaches in project planning and programming will continually have to be adjusted to meet the future development of the economy and the increasing complexity of the planning process. It will therefore be necessary to update the Manual at regular intervals. In order to accommodate for this future need, the design and layout of the Manual has a loose leaf format where each chapter is presented as a separate entity, allowing easy adjustments/revisions to be made.

It is not suggested that the Manual be read from cover to cover, but instead consulted frequently in the context of the requirements of the concerned project analysts and planners. The following features of the Manual are intended to simplify access to the Manual:

- the general layout of the Manual is provided at the front page
- a summary list of contents is found at the beginning of the Manual
- detail lists of contents are found at the beginning of each chapter

Contents

Foreword

Preface

Contents

Abbreviations

Chapter 1: Introduction

Chapter 2: Framework for Project Planning and Programming

	Page
2.0 Executive Summary.....	2-1
2.1 The Concept of a Development Program/Project.....	2-2
2.2 The Project Cycle.....	2-4
Phase I: Identification, Formulation and Appraisal	2-5
Phase II: Approval, Funding and Design	2-5
Phase III: Implementation, Monitoring and Commissioning	2-6
Phase IV: Evaluation & Review.....	2-6
2.3 Project Submission	2-7
2.4 The Annual Planning and Budget Cycle.....	2-9
2.5 Public Sector Investment Programme	2-11
2.5.1 General	2-11
2.5.2 Ongoing Projects.....	2-11
2.5.3 Pipeline of Projects	2-11
2.5.4 Public Sector Investment Programme	2-11
2.5.5 Institutional Procedures	2-12
2.6 Institutional Responsibilities and Procedures.....	2-12
2.6.1 Institutional Responsibilities	2-12
2.6.2 PPP Capacity and the Use of Consultants	2-14
2.6.2 Standardised PPP Documentation	2-15
2.7 The Logical Framework.....	2-15
2.7.1 Introduction.....	2-15
2.7.2 Adoption of the Logical Framework	2-16
Concepts used in the Logical Framework	2-16
The Development Process	2-17
The Elements of the Project Matrix.....	2-17
Benefits from the Adoption of the Logical Framework.....	2-19
Limitations of Introducing the Logical Framework.....	2-19
Annex 2.1.....	2-21
Public Sector Investment Programme	2-21
Enclosure 1 a.....	2-21
Ongoing Capital Investment Projects.....	2-21
Enclosure 1 b	2-22
Ongoing Technical Assistance Projects	2-22
Enclosure 1 c.....	2-23
Ongoing Human Resource Development Projects.....	2-23
Enclosure 2 a.....	2-24

Pipeline of Capital Investment Projects	2-24
Enclosure 2 b	2-25
Pipeline of Technical Assistance Projects	2-25
Enclosure 2 c	2-26
Pipeline of Human Resource Development Projects	2-26
Enclosure 3 a	2-27
Capital Investment Scheduling of Ongoing Project	2-27
Enclosure 3 b	2-28
Capital Investment Scheduling of Pipeline of Projects	2-28
Enclosure 4	2-29
Public Sector Investment Programme (PSIP) 19../. - 20../.	2-29
Annex 2.2	2-31
Project Phases and Responsible Government Agencies/Committees	2-31
Annex 2.3	2-35
Format for Consultancy Terms of Reference	2-35
Annex 2.4a	2-36
Project Identification Brief (PIB) for Project: () submitted by (Agency).....	2-36
Annex 2.4b	2-38
Pre-Appraisal Report of PIB on Project: () submitted by (Agency).....	2-38
Annex 2.5a	2-40
Project Proposal for Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	2-40
Annex 2.5b	2-43
Memorandum on Project Appraisal on Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	2-43
Annex 2.6a	2-46
Progress Report No. () on Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	2-46
Annex 2.6b	2-49
Memorandum on Progress Report No.() on Project:() submitted by (Agency) for <u>Cabinet Development Committee</u>	2-49

Chapter 3: Project Identification

	Page
3.0 Executive Summary	3-1
3.1 General	3-2
3.2 Project Identification	3-3
3.3 Project Screening and Preliminary Approval	3-4
3.4 Public Sector Investment Programme	3-4
3.5 Institutional responsibilities	3-5
Annex 3.1	3-6
Project Identification Brief (PIB) for Project: () submitted by (Agency).....	3-6
Annex 3.2	3-8
Pre-Appraisal Report of PIB on Project: () submitted by (Agency).....	3-8

Chapter 4: Project Formulation

	Page
4.0 Executive Summary	4-1
4.1 General	4-1
4.2 Cost-Benefit versus Cost-Effectiveness	4-2
4.3 Formulation of the Feasibility Study	4-3
4.4 Preparation of the Feasibility Study	4-4

4.5 Institutional Responsibilities	4-5
Annex 4.1.....	4-6
Techniques and Approaches for Feasibility Study Preparation.....	4-6
1. Market Research and Analysis	4-6
2. Technical Analysis.....	4-9
3. Organisation and Management	4-12
4. Environmental Impact Assessment (EIA)	4-15
Enclosure 4.1	4-18
Format for Terms of Reference (TOR) for a Full Scale Environmental Assessment (EA).....	4-18
5. Project Implementation	4-22
6. Financial Analysis.....	4-28
7. Economic Analysis	4-41
8. Social Analysis.....	4-43
Annex 4.2.....	4-45
Cost-Effectiveness Analysis.....	4-45
Annex 4.3.....	4-52
Project Proposal for Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	4-52
Annex 4.3b	4-55
Memorandum on Project Appraisal on Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	4-55

Chapter 5: Project Appraisal

	Page
5.0 Executive Summary.....	5-1
5.1 General.....	5-1
5.2 The Approach.....	5-2
5.3 The Objectives.....	5-2
5.4 The Outputs.....	5-2
5.5 Inputs	5-2
5.6 Conversion.....	5-3
5.7 The Format.....	5-3
5.8 Institutional Responsibilities	5-3
Annex 5.1.....	5-4
Memorandum on Project Appraisal on Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	5-4
Project Appraisal Report on Project: ()	5-5

Chapter 6: Project Implementation Monitoring

	Page
6.0 Executive Summary.....	6-1
6.1 General.....	6-2
6.2 The Institutional Setting	6-2
6.2.1 General	6-2
6.2.2 The Role of the Project Co-ordinating Committee	6-3
6.2.3 The role of the Executing Agency (EA).....	6-3
6.2.4 The role of the Implementing Agency (IA).....	6-4
6.3 Project Implementation Monitoring	6-4
6.3.1 Planning for Project Implementation Monitoring	6-4
6.3.2 Annual Budget Allocations.....	6-5
6.3.3 Disbursement of Project Funds.....	6-5
6.3.4 Problem Solving.....	6-5

6.3.5 Reporting.....	6-5
6.4 Institutional Responsibilities	6-5
Annex 6.1.....	6-7
Project Implementation and Monitoring Plan (Bar (Gantt) Chart) for Sample Health Project	6-7
Annex 6.2.....	6-8
Project Costing Report for Sample Health Project	6-8
Annex 6.3a.....	6-9
Progress Report No. () on Project: () submitted by (Agency) for <u>Cabinet Development Committee</u>	6-9
Annex 6.3b	6-12
Memorandum on Progress Report No.() on Project:() submitted by (Agency) for <u>Cabinet Development Committee</u>	6-12
Annex 6.4a.....	6-14
Project Completion Report on Project: ().....	6-14
Annex 6.4b	6-16
Memorandum on Project Completion Report on Project:() submitted by (Agency) for <u>Cabinet Development Committee</u>	6-16
Appraisal of Project Completion Report on Project: ().....	6-17

Chapter 7: Project Evaluation

	Page
7.0 Executive Summary.....	7-1
7.1 General.....	7-2
7.2 Formal Project Evaluation	7-2
7.2.1 General	7-2
7.2.2 Performance.....	7-3
7.2.3 Output, Effects and Impacts.....	7-3
7.2.4 Economic and Financial Efficiency.....	7-4
7.3 The Project Cycle and Types of Evaluations.....	7-4
7.3.1 General	7-4
7.3.2 Pre-project Completion Evaluation	7-4
7.3.3 Project Completion Evaluation	7-5
7.3.4 Post Project Evaluation	7-5
7.4 Criteria for Undertaking Project Evaluation.....	7-6
7.5 Institutional Responsibility.....	7-6
Annex 7.1.....	7-8
Project Evaluation.....	7-8
Annex 7.2.....	7-10
Format for Project Evaluation Reports	7-10
Annex 7.3.....	7-11
Memorandum on Project Evaluation of Project:() for <u>Cabinet Development Committee</u>	7-11

Appendix 1 The Logical Framework Step by Step

Appendix 2 Framework for Economic Analysis

Glossary