



LANGUAGE: ENGLISH
ORIGINAL: FRENCH

AFRICAN DEVELOPMENT FUND

**PROJECT : Project to Mobilize and Revitalize
Public Administration Human Resources (HR-MRP)**

COUNTRY : Democratic Republic of Congo

APPRAISAL REPORT

Revised Version: February 2011

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Fiscal Year
From 1 January to 31 December

Currency Equivalents
[June 2010]

UA 1 = USD 1.47433
USD 1 = UA 0.67827

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ACRONYMS AND ABBREVIATIONS

ADB	African Development Bank
ADF	African Development Fund
AFD	French Development Agency
ARMP	Public Procurement Regulatory Agency
BCC	Central Bank of Congo
CIDA	Canadian International Development Agency
COPIREP	Public Enterprises Reform Steering Committee
COREF	Public Finance Reform Steering Committee
COSP	Project Steering and Monitoring Committee
CSP	Country Strategy Paper
CTB	Belgian Technical Cooperation Agency
DCE	Directorate for Congolese Nationals Abroad
DDP	Public Debt Directorate
DGCMP	General Directorate for Public Procurement Control
DRC	Democratic Republic of Congo
DSFC	Counterpart Funds Secretariat
EA	<i>Executing Agency</i>
EDSEC	<i>Européenne de Sécurité</i>
E-HIPC	Enhanced Heavily Indebted Poor Country Initiative
ENA	Ecole Nationale d'Administration
ESIA	Environmental and Social Impact Assessment
ETCD	Excluding Taxes and Customs Duties
EUROPOL	European Police Office
EU	<i>European Union</i>
GECAMINES	<i>Générale des Carrières et Mines (Mining and Quarry Company)</i>
<i>GPRSP</i>	<i>Growth and Poverty Reduction Strategy Paper</i>
GTZ	<i>German Technical Cooperation Agency(Deutsche Gesellschaft für Technische Zusammenarbeit)</i>
HIV-AIDS	Human Immuno-Deficiency Virus - Acquired Immunodeficiency Syndrome
IMF	International Monetary Fund
IOM	International Organization for Migration
KfW	German Development Bank (<i>Kreditanstalt für Wiederaufbau</i>)
LC	Local Currency
MAE	Ministry of Foreign Affairs
MCDEM	Centre For Congolese Nationals Abroad and Migrants
MDG	Millennium Development Goals
MIDA	Migration for Development in Africa
MTEF	Medium Term Expenditure Framework
ONATRA	National Transport Authority (<i>Office National des Transports</i>)
OSFU	Fragile States Unit
PAIM	Multi-sector Institution Building Project
PAP	Priority Action Programme
PAP-REC	Priority Action Programme – Capacity Building
PARER	Project to Support the Economic Recovery and Reunification Programme
PCR	Project Completion Report
PCU	Project Coordination Unit
PEF	Economic and Financial Programme
PIU	Project Implementation Unit
PMIFC	Programme to Mitigate the Impact of the Financial Crisis
PRONAREC	National Capacity Building Programme

PRSP	Poverty Reduction Strategy Paper
REGIDESO	Water Authority
RVA	Civil Aviation Authority
SENAREC	National Capacity Building Secretariat
SNCC	National Railway Corporation (<i>Société Nationale des Chemins de Fer</i>)
GPRS	National Poverty Reduction Strategy
STD	Sexually Transmitted Disease
TFP	Technical and Financial Partner
UA	Unit of Account
UAM	Million Unit of Account
UNCTAD	United Nations Conference for Trade and Development
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
UPPE-SRP	Poverty Reduction Strategy Formulation Steering Unit
WB	World Bank

GRANT INFORMATION

Client Information

DONEE: Democratic Republic of Congo

EXECUTING AGENCY: Ministry of Planning

Financing Plan

Source	Amount (UA)	Instrument
ADF	UA 20.0 M	ADF Grant

ADF Key Financing Information *(to be specified in grant agreement)*

Grant Currency	UA---
Commitment Charge	N.A---
Other Charges	N.A---

Indicative Timeframe

Activities	Date
1. Grant Agreement negotiations	January 2011
2. Board presentation	January 2011
4. Fulfilment of disbursement conditions	March 2011
5. Launch mission	March 2011
5. 8 Supervision missions	2011 -2015
9. Completion report	December 2015

PROJECT SUMMARY

Overview

- Project Name : Project to Mobilize and Revitalize Public Administration
 - Human Resources
- Geographic Context : National Territory of DRC
- Overall Schedule : 60 months over the 2011-2015 period
- Project Cost : UA 20 million (ADF)

Expected project outcomes: The project goal is to contribute to the implementation of the 2011-2012 Government Priority Programme. The specific objective is to provide the Administration, in a selective and continuous manner, with qualified human resources in economic management and civil engineering. The expected results (outputs) are: (i) adequate response to the urgent need for qualified human resources to implement the Government Priority Programme; and (ii) revitalization of key public institutions charged with sustainably generating qualified human resources, notably the *Ecole Nationale d'Administration* (National School of Public Administration), the Polytechnic Faculty of the University of Kinshasa as well as the Directorate for Congolese Nationals Abroad and the Centre for Congolese Abroad and Migrants, with a view to sustaining actions undertaken by the project and implementing the Government Priority Programme.

Target Beneficiaries: In terms of project impact, the targeted beneficiaries are the entire Congolese population and the private sector. They will benefit from the improved economic and financial situation and the performance of the Administration in terms of delivering public services and managing the country's reconstruction effort. Regarding project outcomes, the targeted beneficiaries are the population and the private sector. Both will evolve in an environment of improved economic governance, even as the human capital of the Administration will undergo qualitative structural change. Concerning outputs, the beneficiaries will essentially be the Ministry of Civil Service, the Central Bank and public institutions supported by the project (institutions of the Ministry of Portfolio, Ministry of Budget, Ministry of Finance, Ministry of Foreign Affairs, Ministry of Planning and Ministry of Higher Education). The training operations will involve the entire administration. Female students will receive scholarships to the Polytechnic Faculty. Over 250 women will benefit from training made possible by the project.

Needs Assessment and relevance: The project was preceded by a preparatory study that underscored its relevance. The project is necessary because it aims to assist the Government in the short and medium term to implement its 2011-2015 Priority Development Programme by making Congolese human resources (Diaspora and local skills) as well as qualified international human resources available. It is essential to provide the assistance now for two reasons: firstly, the national and international economic context, marked by relatively steady growth and the upswing of international commodity prices, is favourable. Secondly, the country reached the Enhanced HIPC Initiative completion point on 1 July 2010 and must maintain this sustainability through steady growth and effective debt management.

Comparative advantage and Bank's value added: The project preparatory study helped to collect significant recent data. This knowledge confers some technical advantage on the Bank. The project's value added also reflects the fact that, based on lessons from previous operations (PAIM, PARER and PUAICF), the HR-MRP proposes an integrated and systemic approach that

attempts to address urgent needs, while structurally improving the supply of qualified staff for public administration. Furthermore, project activities are complementary to those of other partners and operations funded by the Bank in the area of economic governance and human capital development.

Knowledge building: The project introduces a new approach that can enrich the operational policies and practices of institutional support interventions in post conflict countries. These include: (i) the need for a systemic and multi-sector approach that incorporates the urgency and structural changes, preferred to the traditional one-off approach; (ii) the need for sizable financing to enhance the impact; (iii) the relevance of a programmatic approach to consolidate the long-term outcomes of the project and enhance its sustainability; and (iv) introduction of flexibility in project implementation through the creation of the Special Capacity Building Fund. This knowledge will be disseminated through the following processes: the activity reports prepared by the executing agency, supervision and mid-term reports as well as the project completion report, discussions and working papers from the Department. This knowledge and the lessons learnt will also be shared within the Bank and the Department as well as in the host country during seminars organized by the Bank. The knowledge will also be disseminated through OPEV reports.

Risk management: Governance-related risks (fraud and corruption during project implementation) were identified. Building the capacity of the executing agency, notably in procurement and financial management, should help to reduce such risks. A project management procedures manual will be prepared latest within three months of first disbursement. The pending presidential elections constitute a relatively low risk. With UN assistance, the country has made peace with its neighbours, notably Rwanda and Uganda. Therefore, the risk of insecurity is low.

RESULT BASED LOGICAL FRAMEWORK

Country : DRC
 Programme Name : Project to Mobilize and Revitalize Public Administration Human Resource (HR-MRP)

HIERARCHY OF OBJECTIVES	EXPECTED RESULTS	REACH	PERFORMANCE INDICATORS	INDICATIVE TARGETS AND SCHEDULES	ASSUMPTIONS/RISKS
<p>1. <u>Goal</u></p> <p>Contribute to implementing the 2011-2015 Government Priority Programme</p>	<p>1. <u>Impact:</u></p> <p>1.1. The economic and financial programme is running smoothly</p> <p>1.2 The priority investments earmarked for the infrastructure and energy sectors is implemented satisfactorily</p>	<p>1. <u>Beneficiaries:</u></p> <p>The population</p>	<p>1. <u>Indicators:</u></p> <p>1.1.1 Assessment of the 2009-2012 Economic and Financial Programme Review</p> <p>1.1.2 2 Implementation of a new Economic and Financial Programme 2013-2015</p> <p>1.1.3 Assessment of the 2013-2015 Economic and Financial Programme Review 2013-2015</p> <p>1.2.1 Rate of execution of investment spending in the infrastructure sector</p> <p>1.2.2 1 Rate of execution of investment spending in the energy sector</p> <p><i>Sources: IMF, CTR, UPPE-SRP, BCC, PIU Reports</i></p> <p><i>Data collection method: supervision</i></p>	<p>1. <u>Anticipated long term development - Timeframe</u></p> <p>1.1.1 Satisfactory review of the 2009-2012 Economic and Financial Programme</p> <p>1.1.2 Conclusion of a new 2013-2015 Economic and Financial Programme</p> <p>1.1.3 Satisfactory review of the 2013-2015 Economic and Financial Programme</p> <p>1.2.1 From 2012 to 2015, the rate is higher than the 2010 rate of 61.5%</p> <p>1.2. From 2012 to 2015, the rate is higher than the 2010 rate of 44.2%</p>	
<p>2. <u>Specific Objective</u></p>	<p>2. <u>Outcomes:</u></p>	<p>2. <u>Beneficiaries:</u></p>	<p>2. <u>Outcome Indicators:</u></p>	<p>2. <u>Anticipated Medium term Development - Framework:</u></p>	<p><u>Assumptions and Risks Related to Outcomes:</u></p>

HIERARCHY OF OBJECTIVES	EXPECTED RESULTS	REACH	PERFORMANCE INDICATORS	INDICATIVE TARGETS AND SCHEDULES	ASSUMPTIONS/RISKS
<p>Provide the Administration with selective and continuous qualified human resources in economic management and civil engineering, in order to contribute to the implementation of the priority programme</p>	<p>2.1 The reform is implemented satisfactorily</p> <p>2.2 The BCC strategic plan is implemented smoothly</p> <p>2.3 The country's external debt remains viable</p> <p>2.4 Budget programming has improved.</p> <p>2.5 Public procurement management has improved</p> <p>2.5 The current priority areas of the public enterprise reform are progressing</p> <p>2.6 Civil servants trained in economics and finance by the ENA (strengthened and provided with modernized curricula) are recruited into the administration</p> <p>2.7 Qualified engineers and technicians trained by the Polytechnic Faculty are recruited by the civil service and the private sector</p> <p>2.8 Non-career experts from the Diaspora are recruited into the civil service based on the MCEDEM data</p>	<p>The population</p> <p>The private sector</p>	<p>2.1 Number of ministries that have recruited staff in line with the revised organic frameworks and structures</p> <p>2.2 Operationality of the monetary programming model</p> <p>2.3 Debt service to export revenue ratio</p> <p>2.4 Availability of a revised rolling medium-term budgetary programming for the 36 ministries</p> <p>2.5 Growth rate of the number of bids subjected to open competition</p> <p>2.6 Number of civil service recruits trained by the improved ENA</p> <p>2.7 Percentage of engineers and technicians recruited by the administration and the private sector</p> <p>2.8 Number of experts recruited through the MCDME</p> <p><i>Sources: PIU, BCC and IMF Reports</i> <i>Data collection method: supervision</i></p>	<p>2.1 Four (4) ministries by end 2012</p> <p>2.2 The model becomes operational by end 2012</p> <p>2.3 137% in 2009 at an average of 30% in 2011-2015</p> <p>2.4 Available annually from 2011</p> <p>25% annually, starting from 2012</p> <p>2.6 100 civil servants in 2014 and 2015 compared to zero in 2010</p> <p>2.7 10% of graduate engineers recruited by the Government and at least 50% by the private sector from 2012 to 2015 compared to 3% and 25%, respectively, in 2010</p> <p>2.8 Zero in 2010 and 50 from 2012 to 2015</p>	<p>Reversibility of Government's commitment and political instability.</p> <p><u>Assumption/mitigative measures</u></p> <p>1. The Government has confirmed the validity of the project and reiterated the timeliness of its implementation in the current difficult context. The will to pursue the implementation of its priority development programme is highly evident</p> <p>2. The presence of United Nations peacekeeping missions and improvement in diplomatic relations with neighbouring countries, notably Rwanda and Uganda, reduce this risk. The withdrawal of MONUC will be gradual. The 2011 elections should not undermine the stability of the coalition government.</p>

HIERARCHY OF OBJECTIVES	EXPECTED RESULTS	REACH	PERFORMANCE INDICATORS	INDICATIVE TARGETS AND SCHEDULES	ASSUMPTIONS/RISKS
<p><u>3. Activities and Inputs:</u></p> <p><u>Activities</u></p> <p>3.1.1 Build human and material capacity</p> <p>3.1.2 Training</p> <p>-----</p> <p>3.2.1 ENA institution building</p> <p>3.2.2 Polytechnic Facul-</p>	<p><u>3.Outputs:</u></p> <p>Adequate and targeted responses are addressed to the pressing need for qualified human resources for the economic and financial reforms</p> <p>3.1.1.1 Congolese experts (Diaspora and local) are recruited</p> <p>3.1.1.2 International experts (Diaspora and local) are recruited</p> <p>3.1.1.3 Institutions supported by the project are equipped</p> <p>3.1.2. Specific and general courses are given to staff of institutions supported</p> <p>-----</p> <p>Key public institutions responsible for generating human resources in a sustainable manner are revitalized</p> <p>3.2.1.1 The 2010-2012 ENA strategic plan is revised and the 2012-2016 plan formulated</p> <p>3.2.1.2 The donors' roundtable is organized at the strategic level</p> <p>3.2.1.3 The ENA is equipped</p> <p>3.2.2.1 The 2012-2016 strategic plan is formulated</p>	<p><u>3.Beneficiaries:</u></p> <p>MFP - (BCC)– (DDP)- (COPIREP)- (COREF)- (AMRP)- (DGCOMP) - (UPPE-SRP)- SENAREC)</p> <p>-----</p> <p>ENA</p> <p>The population</p> <p>Polytechnic Faculty</p>	<p><u>3.Output Indicators</u></p> <p>3.1.1.1 Number of Congolese experts recruited</p> <p>3.1.1.2 Number of international experts recruited</p> <p>3.1.3 Number of institutions equipped</p> <p>3.1.2 Number of staff trained</p> <p>-----</p> <p>3.2.1.1 Revision of the 2010-2012 Plan and availability of the new 2012-2016 strategic plan</p> <p>3.2.1.2 Organization of a roundtable</p> <p>3.2.1.3 Number of classrooms equipped</p> <p>3.2.2.1 Availability of the 2012-2016</p>	<p><u>3.Anticipated Medium term Development</u></p> <p>3.1.1.1 11 Congolese experts by 2012</p> <p>3.1.1.2 23 international experts recruited by 2012</p> <p>3.1.1.3 the 9 institutions supported by the project equipped by 2012</p> <p>3.1.2 600 staff, including 150 women by 2012</p> <p>-----</p> <p>3.2.1.1 The 2010-2012 plan is revised and the 2012-2016 plan is available in 2011</p> <p>3.2.1.2 The roundtable is organized in 2011</p> <p>3.2.1.3 2 classrooms are equipped in 2012</p> <p>3.2.2.1 The 2012-2016</p>	<p><u>3.Assumptions</u></p> <p><u>Implementation-related Risks</u></p> <p>1. Reversibility of Government's commitment;</p> <p>2. Security and political instability;</p> <p>3. Corruption or bad governance;</p> <p>4. Influence peddling and nepotism;</p> <p>5. Difficult cohabitation between experts recruited by the project and their civil service counterparts</p> <p>6. Financial management risks</p> <p><u>Assumption/Mitigative Measures</u></p> <p>1. The Government confirmed the validity of the project and reiterated the timeliness of its implementation in the current difficult context. The will to pursue the implementation of its priority development programme is highly evident.</p> <p>2. The presence of United Nations peacekeeping missions and improvement of diplomatic relations with neighbouring countries, notably Rwanda and Uganda, reduce this risk. The withdrawal of MONUC will be gradual. The 2011 elections should not undermine the stability of the coalition government.</p> <p>3. The capacity of the PIU is</p>

HIERARCHY OF OBJECTIVES	EXPECTED RESULTS	REACH	PERFORMANCE INDICATORS	INDICATIVE TARGETS AND SCHEDULES	ASSUMPTIONS/RISKS
ty institution building	<p>3.2.2.2 The donors' roundtable is organized at the strategic level</p> <p>3.2.2.3 The Faculty is equipped</p> <p>3.2.2.4 The duration of the Polytechnic Faculty curriculum has been standardized.</p> <p>3.2.2.5 A larger number of engineers and qualified technicians produced by the Faculty</p>	<p>of Kinshasa</p> <p>The population</p>	<p>strategic plan</p> <p>3.2.2.2 Organization of the roundtable</p> <p>3.2.2.3 Number of laboratories equipped</p> <p>3.2.2.4 Duration of the curriculum for an engineer in the Polytechnic Faculty</p> <p>3.2.2.5 Number of qualified civil engineers and technicians produced by the Faculty</p>	<p>plan is available in 2012</p> <p>3.2.2.2 The roundtable is organized in 2012</p> <p>3.2.2.3. 17 laboratories are equipped in 2012</p> <p>3.2.2.4 The curriculum duration decreases from 9-10 years in 2010 to 6 years from 2012 to 2015</p> <p>3.2.2.5 150 engineers and technicians including 45 women from 2012 to 2015.</p>	<p>strengthened in the area of procurement and financial management</p> <p>4. A private international recruitment agency will be selected to assist the PIU in the recruitment of Congolese experts</p> <p>5. Vacant positions will be opened for civil servants at post. The project aims to stabilize local civil servants. Congolese experts recruited will contribute to the levelling of skills through training sessions.</p>
----- 3.2.3 DCE/MCDEM institution building	<p>3.2.3.1 The database of the Diaspora is available</p> <p>3.2.3.2 The two directorates are equipped</p>	<p>----- DCE/MCDEM The Diaspora The Administration</p>	<p>----- 3.2.3.1 Availability of a database on the Diaspora 3.2.3.2 Number of directorates equipped</p>	<p>----- 3.2.3.1 The data base on the Diaspora is available in 2012 3.2.1.3 Two (2) directorates equipped in 2012</p>	<p>6. The capacity of the PIU has been strengthened. An administrative, financial and procurement procedures manual will be prepared.</p>
----- 3.2.4 Set up the FSRC	<p>3.2.4.1 Resources are allocated to the FSRC</p> <p>3.2.4.2 The procedures manual for FSRC use has been developed</p> <p>3.2.4.3 Government employees are trained</p> <p>3.2.4.5 The capacity of the Polytechnic Faculty is strengthened</p>	<p>----- The Administration ENA Polytechnic Faculty Young female students Young women</p>	<p>----- 3.2.4.1 Allocation of resources to the FSRC 3.2.4.2 Availability of a procedures manual 3.2.4.3 Number of Government employees trained 3.2.4.4 Number of teachers supplied to the Faculty 3.2.4.5 Availability of a system of</p>	<p>----- 3.2.4.1 UA 5.2 million is allocated to the FSRC in 2010 3.2.4.2 The procedures manual is available in 2011 3.2.4.3 500 Government employees trained on request, including 75 women, from 2011 3.2.4.4 24 part-time</p>	
Inputs	3.2.4.6 Scholarships are awarded to young female students				

HIERARCHY OF OBJECTIVES	EXPECTED RESULTS	REACH	PERFORMANCE INDICATORS	INDICATIVE TARGETS AND SCHEDULES	ASSUMPTIONS/RISKS
ADF : UA 20 million Studies Consultants	3.2.4.7 Awareness campaigns are organized for girls to enable them gain admission to the ENA and the Polytechnic Faculty		equipment maintenance at the Faculty 3.2.4.6 Number of young women on scholarship 3.2.4.7 Number of awareness campaigns for young women	teachers from 2011 to 2012 3.2.4.5 A system of equipment maintenance is available at the Faculty by 2012 3.2.4.6 25 female students receive scholarships from 2011 to 2010 compared to zero in 2010 3.2.4.7 Awareness campaigns are conducted from 2011 to 2015 compared to zero in 2010	

REPORT AND RECOMMENDATION OF ADB GROUP MANAGEMENT TO THE BOARD OF DIRECTORS CONCERNING A GRANT TO THE DEMOCRATIC REPUBLIC OF CONGO TO FINANCE THE PROJECT TO MOBILIZE AND REVITALIZE PUBLIC ADMINISTRATION HUMAN RESOURCES

I. PROPOSAL

Management hereby submits this report and recommendation on a proposal to award a grant of UA 20,000,000 to the Democratic Republic of Congo (DRC) to finance the Project to Mobilize and Revitalize Public Administration Human Resources (HR-MRP 2011-2015). The project is a follow up to a financing request sent by the Government to the Bank in 2009 and a preparatory study. The project appraisal mission was conducted in July 2010. A post-appraisal mission, which was fielded in October, helped to obtain consensus about project implementation arrangements. As an integrated project, the HR-MRP comes in the wake of four multi-sector operations¹ undertaken since the resumption of cooperation with the country in 2002. The specific objective is to provide the Administration with qualified human resources in economic management and civil engineering, to help implement the Government's 2011-2015 priority programme. The expected results (outputs) are: (i) adequate response to address the urgent need for qualified human resources for implementing the priority programme; and (ii) revitalization of key public institutions responsible for sustainably generating qualified human resources for use in implementing the programme.

II. STRATEGIC THRUST AND RATIONALE

2.1 Project Linkages with Country Strategy and Objectives

2.1.1 *Country's main strategic thrusts and project linkages.* The HR-MRP is in line with the National Growth and Poverty Reduction Strategy 2006-2010 (GPRS-1) and its operational programmes. GPRS-1 is based on five pillars that address the country's major challenges namely: (i) promotion of peace and good governance, including public administration capacity building; (ii) consolidation of macroeconomic stability and promotion of economic growth; (iii) improving access to social services; (iv) fight against HIV/AIDS; and (v) promotion of community dynamics. In this document, it is mentioned that the Government intends to promote the transfer of skills and resources (intellectual and financial) from the Diaspora to the country in general, and community dynamics in particular. A second generation GPRS (2011-2015) is undergoing finalization². This strategy, which is a follow up

¹ See details in Section 3.8

² *Budgetary Programming 2011-2015 Report: GPRS-2 Implementation (Rapport de Programmation Budgétaire 2011-2015. Mise en œuvre de la SNRP-2).* This document accompanied the presentation of the 2011 Finance Act.

to GPRS-1, aims to generate an average real growth projected at 5.14%, compared to 3.9% in 2007-2010, and to achieve the Millennium Development Goals (MDGs) by 2015. To this end, the Government intends to pursue the following areas of intervention: (i) promotion of good governance and consolidation of peace; (ii) institutional capacity building and improving the administration's response to the people's needs; (iii) enhancing conditions for sustainable growth, notably through an improved business climate and promotion of public-private partnership to intensify financial support to the road, energy and mining, transport and rural development sectors; (iv) improving access to basic social services and reducing vulnerability; and (v) strengthening the fight against HIV/AIDS and invalidating diseases. At the operational level, the implementation of this strategy involves:

- Pursuing the satisfactory implementation of the Economic and Financial Programme (EFP) 2009-2012 supported by the Extended Credit Facility (ECF) of the International Monetary Fund (IMF) and concluding a subsequent programme in 2013-2015. The EFP aims at the following objectives: (i) average real GDP growth of 5.5%; (ii) a 9% end-of-period inflation rate; (iii) gross reserves equivalent to 10 weeks of imports, excluding aid; and (iv) limitation of the current deficit (including grants) to 25% of GDP on average. In view of the challenges facing the country, the EFP comprises measures relating to tax and fiscal reform, monetary and financial policy and structural actions for reform of the Civil Service, the Central Bank of Congo and the business climate, decentralization, debt management, transparency in natural resource management as well as public enterprise reforms.
- Accelerating the implementation of Priority Action Programmes (PAPs) in the infrastructure, energy (water and electricity), mining, rural development, health and education sectors in support of growth and improvement of the living conditions of the population. The table below makes projections on future investments in the infrastructure, energy, education and health sectors³ under the five capital works presidential programme:

³ With regard to transport infrastructure, the following projects have been envisaged: the Kinshasa-Lubumbashi-Goma -Bukavu-Kisangani roads, rehabilitation of ports (Kinshasa, Lisala, and Bandundu) and airports (Ndjili, Goma, Lisala) and the Ilebo -Kinshasa-Matadi-Banana railway construction project. Further efforts will be made towards rehabilitating farm-to-market roads. In the energy sector, the Government plans to implement major projects, notably for: (i) electricity: Inga II, Zongo I and II, Lungudi, Katende and Kakobola; (ii) water: Lukunga, Lemba Imbu, Ngaliema and Nsele. Credits in the education sector will be used to build classrooms. In the health sector, the aim will be to set up new health centres and rehabilitate some establishments.

Table 1
Share of Capital spending (% of budget expenditure)

PAP Sector	History	Projections	Variation
	2008-2010	2011-2015	
Infrastructure, including energy	58.2	61.22	5%
Education	4.6	5.64	24%
Health	8.4	11.3	35%

Source: Budget Programming Report 2011-2015 (Government)

- Managing the implementation of PRONAREC 2011-2015, aimed at building the capacity of public administration in economic management. The programme is in the process of being adopted.

2.1.2 Linkage with the Country Strategy Paper (CSP). In the 2008-2012 Country Strategy Paper (CSP), which underwent a mid-term review in 2010, the initial intervention priorities were maintained, namely: (i) support to good governance; and (ii) promotion of pro-poor growth, including infrastructure development. In the CSP, it is noted that for the 2010-2012 period, the Bank will implement the Project to Strengthen Central Government Human Resources in 2010.

2.2 Rationale for Bank's Involvement

2.2.1 Why is the proposed project necessary? The effective and sustained management and implementation of the EFP, PAPs in the priority sectors and PRONAREC increase pressure on the Public Administration, which is already beset by several problems notably in terms of organizational and human capital, partly as a result of conflicts that have raged in the country as indicated in the project preparatory study conducted in 2010. The box below provides a summary of the situation:

Box 1

Assessment of Congolese Public Administration

The main structural weaknesses are summarized below:

- ❑ **Obsolete and ill-designed organic frameworks** that are often unfamiliar to ministries concerned;
- ❑ **Aging Government workforce:** The Congolese Public Administration has a workforce of over 400,000 executive and non-executive staff. This workforce is aging.
- ❑ **Lack of qualified human resources:** inadequate qualified human resources; lack of some skills; old age constitutes an impediment to the mastery of modern working methods; current profile inadequate for the missions;
- ❑ **Insufficient workforce motivation** mainly due to low wages (see Section A2 of Technical Annex) and deplorable working conditions;
- ❑ **An unstable workforce** in search of better livelihood aggravates the fragility of key ministries and institutions involved in the country's development;
- ❑ **Insufficient financial resources:** the already unduly low Government budget hardly covers operating and capital expenditures.

Source: Preparatory Study, 2010 (ADB)

2.2.2 Specifically, the preparatory study showed that the implementation of the priority programme requires additional skills in economic reforms and civil engineering. Thus, constraints preventing the administration from mobilizing and stabilizing⁴ these skills should be removed to make it possible to respond to these urgent needs and generate qualified human resources. A summary of these constraints is given in the box below:

Box 2

Major Constraints to the Mobilization, Stabilization and Sustainable Generation of Qualified Human Resources in Public Administration

- ❑ **Low wages and inadequate operating budgets**
- ❑ **A cumbersome civil service reform** whose fruits are yet to materialize;
- ❑ **An obsolete and inappropriate civil service statutory framework** hampering the recruitment of high-level staff on adequate terms;
- ❑ **A National College of Administration (ENA) that does not play its traditional role** in the selection and professional training of qualified staff to serve the State.
- ❑ **Virtual closure of the Polytechnic Faculty of the University of Kinshasa**, which has the responsibility for training civil engineers and technicians needed to implement the aforementioned sector programmes, following its desertion by many teachers;
- ❑ **Weak capacity to mobilize the Diaspora** to contribute to the country's development as recommended in the national poverty reduction strategy.

Source: ADB Preparatory Study, 2010

2.2.3 Thus, the project is necessary to reduce constraints to the mobilization, stabilization and sustainable generation of qualified human resources in public administration, to effectively implement the Government's Priority Programme 2011-2015. This will require an urgent response to address the need for additional skills to implement the EFP reforms for the 2011-2015 period and manage PRONAREC. From a more structural perspective and to ensure the sustainability of actions conducted in this intervention, the project aims to revitalize institutions responsible for sustainably generating qualified human resources for the Government, namely the ENA, the Polytechnic Faculty, *Direction des Congolais a l'Etranger* (Directorate for Congolese Nationals Abroad) and the *Maison des Congolais de l'Extérieur et des Migrants* (Centre for Congolese Abroad and Migrants) (skills in the Diaspora) to support the Government's priority programme. The project preparatory study and the project form part of operations earmarked for implementation under PRONAREC 2011-2015.

2.2.4 Why must the Bank Group be involved now? It is important to be involved now for four main reasons. *Firstly*, the socio-political context is relatively stable. *Secondly*, the national and international economic context marked by a relatively steady growth and the pickup of commodity prices is favourable. *Thirdly*, the country reached the Enhanced HIPC Initiative (HIPCI) completion point on 1 July 2010 and must maintain this viability through sustained growth and effective debt management. *Lastly*, the Government sent a request to the Bank for the financing of the project preparatory study followed by a second one for the project in 2009.

⁴ "Human resource mobilization" means the recruitment and bringing together of human resources for a collective action designed to enhance the performance of the administration. "Human resource stabilization" means maintaining these resources for a sufficient duration (5 years) to ensure the continuity and effectiveness of government action.

2.2.5 *Bank's comparative advantage and value added.* The project preparatory study helped to collect recent significant data that provides the Bank with comparative technical advantage. The Bank's value added is at two levels. First, project activities (as Appendix III indicates) are complementary to those of the other partners in the area of economic governance and human resource development as well as some ongoing Bank operations. These include the PUAICF 2009-2010 that supported the attainment of the Enhanced HIPC completion point and the 2011-2015 budget programming as well as some interventions funded with resources from Window III of the Fragile States Facility (FSF), particularly the enhancement of human resources in the Ministry of Finance and support to the mobilization of the Diaspora for development. Furthermore, the Bank drew on lessons from its previous operational experience during project design (see Section 3.8).

2.3 *Donor Coordination*

2.3.1 There is a system of donor coordination supervised by the Ministry of Planning, with the GPRS as its reference framework. Additionally, the adoption of PRONAREC 2011-2015 will provide a reference document for public administration capacity building. The platform for operations coordination at the macro level is the Country Assistance Strategy (CAS) established since 2007. Several thematic groups have been set up for the following thematic pillars: promoting good governance, consolidating macroeconomic stability and growth, improving social services, and promoting community dynamics as indicated in Annex C4. An overview of the themes and joint secretariats covering the project is summarized below:

Table 2.2
Aid Coordination in Areas Covered by the Project

THEMATIC GROUP	CO-SECRETARIES
Economic governance, transport infrastructure, health, Civil service	European Commission
Business climate and PPP	UNDP
Transport infrastructure	World Bank/IFC
Energy, electricity, drinking water, oil and gas	European Commission
Education and scientific research	ADB
Community dynamics	DFID
	Japan

Source: Government (2010)

2.3.2 The project appraisal provided an opportunity for consultations with the IMF and the country's major development partners including those belonging to the thematic groups listed above. As already noted, activities under the project components are complementary with the interventions of the major partners involved in economic/financial governance and human capital the development, notably the World Bank, IMF, UNDP, UNOPS, UNCDF, South Africa, GTZ, KFW, CIDA, AFD, CTB and IOM. Details are provided in Appendix III.

III. PROJECT DESCRIPTION

3.1 *Project Objective and Components*

3.1.1 Guiding principles for project conceptualization. Project design is based on the following six guiding principles:

- To achieve the development objectives of the 2011-2015 period, it is necessary to rehabilitate the public administration through improved human resources;
- A systematic approach including responses to address the urgent need for qualified human resources and structural change in terms of supply of qualified workforce for the administration and the economy is fundamental for implementing the economic and financial reforms, priority sector programmes and for overseeing the execution of PRONAREC during the 2011-2015 period;
- Congolese experts (Diaspora or local) who will be recruited by a private international agency for the project, will have to join the civil service as non-career staff. Indeed, the project anticipates the implementation of a motivating remuneration and human resource development policy as well as the recruitment of a medium-term high-level non-career staff as part of civil service reforms;
- It is necessary to strengthen the training of civil service executive and non-executive staff in targeted areas. Emphasis will be laid on in-service training and local transfer of knowledge;
- Need for flexibility in providing assistance for implementing the project over a five-year period, hence the establishment of a Special Capacity Building Fund (FSRC) which will operate on the basis of eligible demand and cover needs that could not be assessed at project design. A procedures manual will guide the use of the Fund;
- A programmatic approach is necessary for the capacity building effort to consolidate the project impact and enhance its sustainability.

3.1.2 Project objectives and components: The priority programme comprises the EFP 2009-2012, PRONAREC 2011-2015 and sector programmes in the areas of infrastructure, energy, health and education. *The project goal* is to contribute to the implementation of Government's Priority Programme 2011-2015. The *specific objective* is to provide the Administration in a selective and continuous manner with qualified human resources in economic management and civil engineering, as contribution to the implementation of Priority Programme 2011-2015. The project consists of three components: (i) meeting the urgent need for qualified human resources; (ii) support to the sustainable revitalization of targeted sources for generating qualified human resources; and (iii) project management.

3.2 *Project Components*

COMPONENT 1: MEETING THE URGENT NEED FOR QUALIFIED HUMAN RESOURCES TO IMPLEMENT THE PRIORITY PROGRAMME

Sub-Component 1.1: Meeting Urgent Reform Needs

3.2.1 Context, recent action and challenges: Following discussions with the Government and coordination with other TFPs, and taking into account other related Bank operations through the PUAICF and activities funded by the Window III of the Fragile States Facility (see Annex III), the Bank will concentrate its intervention on the following areas, a detailed presentation of which is given in Technical Annex C1.

3.2.2 **Civil Service:** Since June 2010, the Government has undertaken to step up the pace of the reforms with the following thrusts: (i) revision of civil service statutes; (ii) resumption of retirement programmes; (iii) revision of the organic framework and restructuring of ministries; (iv) finalization of staff identification following the adoption of a methodology; and (v) establishment in the ministries of a pool of experts who will play the role of agents of change and pacesetters. The reform of the *Ecole Nationale d'Administration (ENA)* (National School of Public Administration) forms part of the reform. Implementing the reform will result in budgetary savings that could be re-invested in the recruitment of replacements, review of the wage system, creation of a pension and retirement fund aimed at reducing the age and revitalizing public administration as well as bringing wages under control. The Government needs to be strengthened with qualified human resources to design and implement these operations.

3.2.3 **Monetary and financial policy:** In view of the challenges facing the Central Bank of Congo (BCC) to carry out its missions, a Strategic Reform Plan 2009-2012 was adopted. The actions aim to restructure and recapitalize the BCC, improve its capacity to formulate the monetary and exchange policy, strengthen the capacity for banking supervision, improve the soundness of the system and enhance accounting and transparency. Some government employees involved in implementing the strategic plan will retire end 2010. Following coordination with the IMF, three types of priority needs were identified for the pursuit of the plan, namely: (i) technical assistance needs for macroeconomic modelling; (ii) stabilization of key human resources; and (iii) in-service training needs.

3.2.4 **Debt management:** The DRC reached the Enhanced HIPC Initiative completion point on 1 July 2010. The main challenge facing the Government is to maintain debt sustainability. The General Directorate of Public Debt (DGDP) is responsible for public debt management under the supervision of the Ministry of Finance. The authorities approached the Bank to mobilize human resources for debt management, modernization of debt management and DGDP capacity building. The Government also requested support to join the Pole-DETTE Initiative to benefit from technical assistance from this African Institution (i.e. Pole-DETTE).

3.2.5 **Public finance reform:** Improved public procurement management and budget programming constitute the priority objectives of the public finance reform adopted in March 2010. *In the area of public procurement* where progress has been noted recently with, among other things, the adoption of the public procurement code, the Government expressed the need for support in finalizing the public procurement regulatory framework, operationalizing its new public procurement system and training public procurement actors. Furthermore, it is essential for COREF to have the necessary skills to carry out the reform. Concerning *budget programming*, significant progress has been made. Today, the Government has sector strategies for the 2011-2015 Priority Action Programming (PAP) and Medium-Term Expenditure Framework (MTEF) 2011-2015 for 36 ministries. The inclusion of all ministries in this exercise helped to speed up the preparation of the 2011 government budget and link it to the country's economic priorities. The Government hopes to refine the methodology and pursue the training of several workers involved in budget programming to enhance the ownership and sustainability of this tool. These operations are led by the Ministries of Planning and of the Budget. It is also necessary for the Ministry of Budget to acquire tools for integrated public finance and VAT management.

3.2.6 ***Reform of public enterprises:*** The DRC has a large portfolio made up of public enterprises and mixed companies. The reform of public enterprises has become necessary to revitalize the economy. A committee for the reform of the public enterprises portfolio (COPIREP) was created in 2002 for the purpose. The current priority areas of the reform are: (i) modernization of the legal and institutional framework of public enterprises; (ii) restructuring of structuring enterprises including GECAMINES, ONATRA, RVA, SNCC, SNEL and REGIDESO accompanied by respective sector reforms; and (iii) the divestiture of mixed enterprises. To carry out these reforms, COPIREP human resources need to be strengthened.

3.2.7 ***Assistance under the project and expected results:*** Assistance under the project will be mainly provided to the Ministry of Civil Service and to “champion institutions” in economic management capable of leading change, notably BCC, DPP, COPIREP, COREF, DGCMP, AMRP, UPPE-SRP and the National Secretariat for Capacity Building (SENAREC). Details are provided in Annex C1.

3.2.8 ***Civil service reforms:*** The project will recruit two (2) Congolese experts to support the reform. The first (a consultant) will be assigned to the Government for one year (renewable for five years) and will be responsible for the design, implementation and monitoring/evaluation of the reform. S/he will coordinate all project activities relating to the ENA and will be responsible for revising the organic framework of the Ministry of Civil Service and restructuring the ministry. A second expert will be recruited for one year to review the organic frameworks and restructure the Ministries of Finance, Budget and Economy⁵ or three other ministries designated by the Government. The long term expert will be supported with office equipment and materials/supplies. *The expected result (outcome): the reform will be successfully conducted from 2011 to 2015. Adoption by the Government of the bill on the new civil service statutes by the end of the second half of 2011 constitutes a grant condition.*

3.2.9 ***Reform of the BCC:*** To build the macroeconomic projection capacity, the project will mobilize an expert in macroeconomic modelling for monetary and financial programming. S/he will support the directorate for one year to develop the tool, run it and train the staff. Four Congolese staff of the BCC due for retirement end 2010 will be recruited by the project to ensure continuity in implementing the strategic plan in the areas of economic analyses, information technology, management of legal issues and human resource management for two (2) years, six (6) months, six (6) months and one (1) year, respectively. They will be responsible for training counterparts who will take over from them. The project will mobilize three (3) other experts for specific in-service training in the following areas: (i) management of the exchange reserves for the procurement room staff; (ii) putting in place of cost accounting for the staff of the Accounts Directorate ; and(iii) production of relevant external trade indicators for the Directorate of Statistics. Overall, about 100 persons including 35 women will be trained. The training in cost accounting will be conducted by a Congolese expert (an expert from the Permanent Council on Accounting in the Congo). Courses (i) and (iii) will be provided by the IMF with whom the BCC has an agreement. *The expected result (outcome): the strategic plan will be carried out successfully from 2011 to 2015.*

⁵ The Ministry of Planning has already been restructured

3.2.10 **Debt management:** Based on the needs outlined above, the project will provide the DGDP with one (1) consulting expert and eighteen (18) short-term experts from UNCTAD, the developer of the SYDADE debt management software, with which the DGDP has entered into an agreement to assist in the installation of a new debt management system. The first expert, a technical adviser, will be based at the DGDP for 12 months, renewable once, to assist the Directorate in managing all the operations needed to improve debt management. UNCTAD will support the DGDP to ensure the reliability of the database, optimize the institutional framework and training of the staff, integrate the DGDP into the expenditure chain of the Ministry of Finance and modernize the computerized debt management system (see details in Annex C). Membership in the Pole-DETTE Initiative will be covered by the project for four (4) years. *The expected result (outcome): the country's external debt remains sustainable from 2011 to 2015.*

3.2.11 **Tax and budgetary reform policies:** The project will provide: (i) two (2) technical assistants for one year, renewable once, to the ARMP and the DGCMP, to assist in the operation of these two key structures, the putting in place of regulatory instruments and arrangements needed for enforcing the public procurement law and training actors. The project will provide COREF one (1) public procurement expert for one year, renewable once, to support the Institution in managing the public procurement reform. *The expected result (outcome): public procurement governance improves.* With regard to budget programming, the project will ensure the continuity of the activities of the consultant already in place to fine-tune the budget programming methodology during the 2012 fiscal year and the continued training of employees from eleven (11) ministries involved in budget programming. The project will recruit for COREF one (1) expert in NICT to provide advisory support in making technological choices for setting up the GESIFIP⁶ system and procuring the VAT management software. *The expected result (outcome): budget programming improves from 2011 to 2015.*

3.2.12 **Public enterprise reforms:** The project will provide COPIREP with one (1) expert from its ranks during 24 months to assist (coach) the Institution in its areas of activity. The expert will be supported with office equipment and machinery/furniture. The project will fund the on-the-job training of four (4) project officers, already at post, in concessionary arrangements in the infrastructure sector and evaluation of enterprises. These experts will be provided with equipment. *Expected results (outcomes) from 2011 to 2015: the current priority areas of the public enterprise reform make progress.*

Sub-Component 1.2: Meeting the Urgent Needs of Managing the National Capacity Building Programme

3.2.13 **Context, actions and challenges:** During the National High Level Forum on Aid Effectiveness held in Kinshasa from 15 to 16 June 2009, SENAREC was designated the single window for capacity building actions in the DRC for improved coordination of TFP interventions under PRONAREC. An audit conducted in 2009 recommended the restructuring and strengthening of SENAREC to enable it play its role effectively. An instrument for the restructuring and strengthening of human resources prepared by the Ministry of Planning is currently undergoing discussion.

⁶ Integrated public finance management is software developed based on the current expenditure chain and incorporating functions such as the payroll, debt and implementation of budget revenue.

3.2.14 *Assistance under the project and expected results (outcomes):* To undertake the restructuring of SENAREC and taking into account the support from other TFPs, the project will contribute to strengthening SENAREC with human resources (four specialists in planning, monitoring/evaluation, auditing of capacity building programmes and training), IT hardware for these experts and vehicles. The project will finance internet connection over 48 months. It will contribute to SENAREC's operating budget to enable it perform its functions during the project period. *Expected results (outcome): the implementation of the PRONAREC Five-Year Priority Action Plan is managed from 2011 to 2015.*

3.2.15 Parallel to these actions aimed at addressing urgent human resource needs to enhance good economic governance required for the effective implementation of the government priority programme, structural actions will be carried out to revitalize the targeted institutions responsible for or likely to sustainably provide qualified human resources to public administration.

COMPONENT 2: SUPPORT TO THE SUSTAINABLE REVITALIZATION OF TARGETED SOURCES FOR GENERATING QUALIFIED HUMAN RESOURCES FOR IMPLEMENTING THE PRIORITY PROGRAMME

Sub-Component 2.1: Support to the Revitalization of the National School of Administration and Polytechnic Faculty of the University of Kinshasa

3.2.16 **Context, recent actions and challenges:** *The ENA, which has been in existence since 2007, does not play the traditional role expected of such an establishment, namely: elitist selection (on a competitive basis) and vocational training (initial or retraining) of Government employees. This hampers the qualification of personnel, the renewal of the workforce, the emergence of public service ethics and a spirit of leadership in the conduct of public affairs. Furthermore, the buildings housing the ENA are dilapidated and unsuitable, even as Management's working conditions and teaching are poor. Although a three-year strategic plan for 2010 -2012 has been designed, a review of the plan indicates the need to direct it towards a five-year term with the goal of creating a modern establishment tailored to the needs of a modern public administration. A task force was set up in 2004 to prepare the legal instruments of a new ENA. These instruments did not achieve any results. Other bilateral partners such as France, South Africa and Belgium expressed an interest for a new approach for the School.*

3.2.17 The *Polytechnic Faculty of the University of Kinshasa* was established to train civil engineers in the following areas: construction, electricity, information technology and mechanics. So far, it has trained 1070 engineers, including 30 women (3%). The proportion of engineers to the population is 0.005%. In 1990, the DRC and Belgium broke cooperation ties. This resulted in the departure of aid workers who constituted half of the teaching staff. Since then, the Faculty has faced a difficult situation characterized by: (i) the desertion of part of the Congolese teaching staff as a result of the sizable salary arrears; this has led to vacant courses and the extension of the training period; (ii) insufficient assistants and lack of support staff; (iii) an aging teaching corps and start of departures on retirement; and (iv) obsolete equipment. No wonder the inadequate training and the extension of the training period. The implementation of the five-project agenda, notably in the area of infrastructure and energy, requires the revitalization of the Polytechnic Faculty.

3.2.18 *Assistance under the project and expected results:* Concerning the ENA, the project proposes to support the creation of a new Institution through: (i) a review of the ENA 2010-2012 Strategic Plan with a view to adapting it to the ambitions of a truly developmental ENA

within a five-year programme of activities 2012-2016, backed by a budgeted action plan; (ii) the organization of a workshop to validate the Strategic Plan and its dissemination; (iii) the organization, in collaboration with the UNDP, French Cooperation Agency and South Africa, of a Donors' Roundtable that would bring the issue of the ENA to the fore and mobilize resources for the funding of the priority activities of the strategic plan ; (iv) strengthening Management with equipment and refurbishing training rooms. The project will reserve resources in the FSRC that will be allocated following the roundtable to the definition of a new teaching programme, mobilization of teachers for the teaching of courses of the new curricula, equipment and preparation of an architectural plan of the new ENA. Awareness campaigns targeting girls will be undertaken to increase their interest in the ENA. The Government undertook to provide the ENA with land before the end of 2011 for the construction of the school. *Expected result (outcome): civil servants trained by the ENA in the area of economics and finance (strengthened and provided with a modernized programme) are recruited into the administration from 2014 to 2015.*

3.2.19 With regard to the *Polytechnic Faculty*: The project will finance: (i) the recruitment of two (2) international consultants to assist the Faculty in drawing up a budgeted 2012-2016 Strategic Action Plan and its dissemination; (ii) the organization in 2011 of a Donors' roundtable on the faculty; (iii) the stabilization of part of the teaching staff (award of bonuses to 24 professors and 38 assistants/assistant teachers and six (6) laboratory technicians); (iii) the equipping of 17 laboratories for teaching and public services; (iv) the strengthening of the Faculty library; and (v) the purchase of a vehicle (bus). The project will also finance from the FSRC: (i) the implementation of its programme of 20 visiting professors, including those from the Diaspora; (ii) the recruitment of an international consultant (firm) to design an equipment maintenance strategy, including a self-financing system; (iii) scholarships will be awarded to young female students and awareness campaigns targeting them conducted to enhance their interest in the Faculty. The operations manual will define the system for monitoring project assistance to stabilize teachers and rules for the use of vehicles (see Annex C3). *Expected result (impact): (i) qualified engineers and technicians trained by the Faculty are recruited by the civil service and the private sector from 2012 to 2015.*

Sub-Component 2.2: Support to the Revitalization of the Institutional Framework for Diaspora Mobilization to Support Public Action

3.2.20 **Context, recent actions and challenges:** The DRC is facing the problem of brain drain and low return of skilled Congolese living abroad. According to the project preparatory study, about 7,000,000 Congolese live outside the country. The Ministry of Foreign Affairs (MAE) reported the existence of a sizable Diaspora qualified in various areas living in South Africa, Europe and North America, desirous of contributing to their country's development. In 2006, the Directorate of Congolese Nationals Abroad (DCE) at the Ministry of Foreign Affairs was created, followed in 2008 by the Centre of Congolese Abroad and Migrants (MCDEM). The weak capacity of the DCE and the MCDEM has not yet enabled them to optimize the contribution by the Diaspora to the country's development.

3.2.21 Assistance under the project and expected results: The project will build the capacity of the DCE and the MCDEM. Taking into account the interventions of OSFU⁷, the project will finance three (3) study trips by two executive staff from these institutions notably to Tunisia, Morocco and Senegal, to enable them to benefit from the experience in Diaspora mobilization. At the DCE level, the project will: (i) support the refurbishment of offices for Management; and (ii) supply computer and office automation equipment. With regard to the MCDEM, the project will finance: (i) the recruitment of an international consultant (firm) to generate a database on the Diaspora (assessment of the current situation and development of a database (Africa, Europe and Americas), maintenance and training) and the recruitment of experts from the Diaspora; (ii) improvement of the MCDEM web-site; and (iii) a power generator to ensure continuous electricity supply. The training of the staff from the two institutions will be financed from the FSRC. The Government has undertaken to conduct information campaigns on the project within and outside the country. *Expected result (outcome): (i) the database on the Diaspora is available by 2012; (ii) high-level non-career civil service employees are recruited through the MCDEM database from 2012 to 2015.*

Sub-Component 2.3: Special Capacity Building Fund (FSRC)

3.2.22 The creation of the Fund introduces flexibility into project management by empowering the beneficiaries in identifying, ranking, executing and managing activities (micro-projects) responding to their needs. The FSRC will be a rapid means for disbursing the project funds in the pre-defined intervention areas for 5 years of the project life as and when the priority needs are clearly known in this post-conflict country, which has weak public administration capacity to specifically define and motivate, draw cost estimates and identify the expected results. The FSRC will also help address urgent and unforeseen needs in the areas targeted by the FSRC that could negatively impact the process of revitalizing DRC's public administration human resources. As part of modernization of the ENA and the Polytechnic Faculty, the FSRC will facilitate the financing of a priority action plan following the adoption of different strategic plans and the organization of roundtables. The FSRC is made up of four components: (i) training, sensitization of sector ministries and participatory monitoring; (ii) building the capacity and modernization of the Polytechnic Faculty and the ENA; (iii) setting up a Polytechnic Faculty maintenance system; and (iv) promoting access by girls to the Polytechnic Faculty and the ENA through educational support and awareness raising. A detailed description of the FSRC is given in Technical Annex C2. The FSRC Procedures Manual which will be approved by the ADF will indicate the modalities for the use of FSRC resources (including the types of actions to be financed, eligibility criteria and conditions, modalities for implementing activities and the financial and accounting management of funds allocated to the beneficiaries). *The main expected result: (i) 500 employees of the ministries (economic governance and priority sectors) are trained.*

3.3 Technical Solutions Retained and Alternatives Explored

The approach adopted is a systemic, integrated, multi-sector approach linking urgency to the structural changes and based on Government's priority agenda. It appears to be adapted to the post-conflict context of the DRC where the needs of the administration for its

⁷ Under Window III of the FSF, OSFU finances studies on the Diaspora, formulation of the 2012-2016 strategic plan to optimize the contribution of the Diaspora to development and its dissemination, and to strengthen the office of the MAE.

strengthening are multidimensional and pressing. This approach was preferred to the traditional selective approach used for previous capacity building projects funded by the Bank.

3.4 *Project Type*

The aim is to improve the effectiveness of institutions involved in the governmental effort and reduce the structural constraints affecting the revitalization of the institutions responsible for sustainably generating qualified human resources for the public administration. An integrated institutional strengthening project such as this one, is more likely to achieve such an objective.

3.5 *Project Cost and Financing Arrangements*

In view of the strong commitment of the country to implement its priority programme, the size of financing allocated to key sectors through the Bank⁸ and the still fragile situation of DRC's public finances despite having reached the Enhanced HIPC completion point, the ADF will cover 100% of the project cost. Given the reasonable level of taxes and customs duty, the ADF will finance 100% of the project cost, including taxes and customs duty⁹. Thus, the total cost of the project, including taxes and customs duty, is estimated at UA 20 million (USD 29.49 million at the June 2010 exchange rate), comprising UA 9.23 million in foreign currency (46.13%) and UA 10.77 million in local currency (53.87%).

⁸ Table 2.1 indicates relatively significant shares of 2011 to 2015 budgets for sectors covered by the project. The budget programming report 2011-2015 indicates sizable allocations to economic governance (average of 6% of the budget from 2011 to 2015, compared to 1.4% in 2009).

⁹ See Bank Group Eligible Expenditure Policy, ADF/BD/WP/2007/72, ORPC, 2008 and DRC Country Financing Parameters, Summary Table, World Bank, 2005.

Table 3.1
Estimated Cost by Component [in UA Thousand]

COMPONENT	Total Cost in USD Thousand			Total Cost in UA Thousand			% in FE
	FE	LC	Total	FE	LC	Total	
1. Meeting urgent needs for implementation of Government programme	852.4	3 769.7	4 622.0	578.1	2 556.9	3 135.0	18.44%
1.1 Public Administration Reform Support	48.4	697.0	745.4	32.8	472.8	505.6	6.49%
1. BCC Reforms Support	90.6	790.4	881.0	61.5	536.1	597.6	10.28%
1.3 Public Debt Management Support	439.4	922.0	1 361.4	298.0	625.4	923.4	32.27%
1.4 SENAREC Support	79.3	282.0	361.3	53.8	191.3	245.1	21.95%
1.5 Tax and Fiscal Policies and Reforms	19.9	782.3	802.2	13.5	530.6	544.1	2.48%
1.6 Public Enterprise Reform Support	174.8	296.0	470.8	118.6	200.8	319.3	37.13%
B. Sustainable Revitalization of Sources for Generating High Level Human Resources	9 599.6	7 480.0	17 079.6	6 511.2	5 073.5	11 584.7	56.20%
2.1 ENA Restructuring and Revitalization	581.2	353.0	934.2	394.2	239.4	633.6	62.21%
2.2 Diaspora Mobilization Support	609.9	460.2	1 070.1	413.7	312.1	725.8	56.99%
2.3 Polytechnic Faculty Support	4 138.9	3 232.0	7 370.9	2 807.3	2 192.2	4 999.5	56.15%
2.4 Special Capacity Building Fund (FSRC)	4 269.6	3 434.8	7 704.4	2 896.0	2 329.7	5 225.7	55.42%
C. Project Management and Coordination	1 127.1	1 867.5	2 994.6	764.5	1 266.7	2 031.2	37.64%
Management and Coordination	933.1	1 867.5	2 800.6	632.9	1 266.7	1 899.6	33.32%
Audit	194.0	0.0	194.0	131.6	0.0	131.6	100.0%
TOTAL BASE COST	11 579.1	13 117.2	24 696.2	7 853.8	8 897.0	16 750.8	46.89%
Physical Contingencies	1 157.9	1 311.7	2 469.6	785.4	889.7	1 675.1	46.89%
Price escalation	864.5	1 456.2	2 320.7	586.4	987.7	1 574.1	37.25%
TOTAL	13 601.5	15 885.1	29 486.6	9 225.6	10 774.4	20 000.0	46.13%

N.B.: the exchange rates used are indicated in the introduction of the report (page (i)) [UA 1 = USD 1.47433]

Table 3.2:
Sources of Financing [in UA million]

Source of Financing	Foreign Exchange Cost	Local Currency Cost	Total Cost	Total %
ADB Group	9.23	10.77	20.0	100%
Total Project Cost	9.23	10.77	20.0	100%

Table 3.3
Project Cost by Expenditure Category [in UA million]

Expenditure Category	FE Cost	LC Cost	Total Cost	FE %
A. Works	309.5	180.5	490.0	63.17%
B. Goods	3609.4	101.7	3711.0	97.26%
C. Services	920.4	3097.2	4017.6	22.91%
D. Operation	3014.6	5517.6	8532.2	35.33%
Total Base Cost	7 853.8	8 897.0	16 750.8	46.89%
Physical contingencies	785.4	889.7	1675.1	46.89%
Price escalation	586.4	987.7	1 574.1	37.25%
Total	9 225.6	10 774.4	20 000.0	46.13%

Table 3.4
Expenditure Schedule by Component [in UA million]

COMPONENT	2011	2012	2013	2014	2015	Total
A. Meeting Urgent Needs for Implementation of Government Programme	1 132.1	1 142.8	545.8	414.2	386.0	3 620.9
B. Sustainable Revitalization of Sources for Generating High Level Human Resources	4 207.8	3 849.2	2 688.6	1 669.7	1 416.1	13 831.5
C. Project Management and Coordination	683.1	530.5	499.1	440.7	394.1	2 547.6
TOTAL	6 023.1	5 522.5	3 733.6	2 524.6	2 196.2	20 000.0

Table 3.5
Expenditure Schedule by Expenditure Category [in UA million]

EXPENDITURE CATEGORY	2011	2012	2013	2014	2015	Total
Works	404.1	178.1	0.0	0.0	0.0	582.2
Goods	2 606.7	1 481.0	88.2	94.2	92.7	4 362.9
Services	2 172.1	2 983.5	2 728.0	1 523.5	1 158.0	10 565.0
Operating costs	840.2	880.0	917.4	906.8	945.6	4 490.0
TOTAL	6 023.1	5 522.5	3 733.6	2 524.6	2 196.2	20 000.0

3.6 Project Target Area and Beneficiaries

The project area is the national territory. In terms of impact, the final beneficiary target is the entire Congolese population and the private sector. The latter will benefit from the improvement of the economic and financial situation and performance of the Administration in the supply of public services and management of the country's reconstruction. The targeted beneficiaries in terms of outcomes are the population and the private sector, which will operate in an environment in which economic governance has improved and the human capital administration undergone a qualitative structural change. Concerning outputs, the beneficiaries are essentially the Ministry of Civil Service and the Central Bank as well as public institutions supported by the project, especially those from the Ministry of Portfolio, Ministry of Budget, Ministry of Finance, Ministry of Foreign Affairs, Ministry of Planning and Ministry of Higher and University Education. The training operations funded by the FSRC will involve the entire administration. Female students will receive scholarships to enable them gain access to the Polytechnic Faculty. Over 250 women will be trained under the project.

3.7 Participatory Process for Project Identification, Design and Implementation

The project was identified in November 2008 after a general mission to the country. Following a request from the Government early 2009, the identification process continued with a project preparatory study. Various public administrations at the central (18 ministries) and provincial level (8 provinces) were consulted to establish a situation analysis and a needs assessment. The outcomes of the study were reviewed at a validation workshop involving the project stakeholders. The project design was based on the outcomes of the study and discussions held during the preparatory phases (April 2010) and project appraisal (July and October 2010), during which the authorities and beneficiaries recommended that a systemic and multi-sector approach be adopted, given the size of financing. With regard to the implementation arrangement, the authorities requested that the PIU be based at a Directorate

of the Ministry of Planning, that emphasis should be laid on the generation of local experts in project management and that the restructured SENAREC be active in managing the project. All these factors were taken into consideration.

3.8 *Bank Group Experience and Lessons Reflected in Project Design*

Since the Bank resumed cooperation with the country in 2002, it has initiated a number of operations to enhance public sector good governance. Recent multi-sector projects comprise the PAIM, PARER and PUIACF 2009-2010¹⁰. It is also worth mentioning that in the education sector, PASE 2004-2009 was completed in 2010. PAIM and PARER were completed in 2009. The PUIACF, which is an emergency operation to mitigate the effects of the international financial crisis, is due for completion in December 2010. The main lessons from PAIM and PARER, both focused on economic management, are: the need for high-level involvement of the beneficiaries in defining needs, proper identification of risks and taking of appropriate steps to mitigate such risks. The HR-MRP took into account these lessons by strengthening the participatory approach as indicated above, identifying risks and mitigative measures at the level of governance and sustainability of project outcomes (see Section 5.2 and 5.3). PASE performance in the area of training was limited in view of the high rate of losses for long term training abroad. Out of the six (6) professionals trained abroad, five (5) did not return. The current project took this lesson into account by giving preference to in-service training and the local transfer of knowledge (see Section 3.2.21 and the FSRC). Overall, the earlier projects have had limited impact. The project under consideration has adopted a systemic and multi-sector approach that includes urgent needs in economic management and actions related to institutions that provide qualified human resources to the administration and the economy. The financing amounts to UA 20 million and the initial period of implementation is five (5) instead of the usual three (3) years. A programmatic approach is being proposed to build on the long term outcomes of the project and ensure their sustainability. At the implementation level and in light of the numerous problems encountered in managing the Bank's portfolio in the DRC, major steps have been taken to reduce the risks, namely: (i) building the capacity of the PIU; (ii) need for an administrative, financial and procurement procedures manual.

¹⁰ PAIM: Multi-sector Institutional Support Project; PARER: Economic Recovery and Reunification Support Project; PUIACF: Emergency Programme to Mitigate the Impact of the International Financial Crisis.

3.9 Key Performance Indicators

Progress towards achieving the main results of the project for the beneficiaries will be measured through a project logical framework. The executing agency will be responsible for data collection and analysis. The mid-term performance indicators are indicated in the table below as well, and the trigger for a similar operation, i.e. the HR-MRP 2 in 2016-2020:

Box 3
Key Performance Indicators 2011-2013 and HR-MRP 2 Triggers

Mid-term Outcome Indicators

- Conclusion of a new economic and financial programme 2013-2015 supported by the IMF's ECF
- Over 50% of investments earmarked in sectors related to the five capital project programme made by 2013
- 900 administration staff trained in 2013, including 180 women
- 25 female students registered for the engineering cycle in 2013 at the Polytechnic Faculty, the curricula of which has been standardized
- The ENA academic programme modernized

Triggers of HR-MRP 2016-2020

Satisfactory HR-MRP 1 completion report.

IV. **PROJECT FEASIBILITY**

4.1 *Environmental and Social Impact*

Environmental and Climate Change

4.1.1 The Project will have no negative effects on the environment. Only minor development works will be executed.

Gender

4.1.2 The project will have no negative impact on gender. On the contrary, it will contribute to improving the skills of women. Although gender-based wage inequality does not exist in the DRC, the Project Preparatory Study indicated that women are poorly represented at the supervisory and managerial level, averaging only 20%. In recruiting the experts, the project will encourage female candidature. Special attention will be given to the selection of women for training. Thus, over 225 women will be trained. The project will promote female engineers and graduates from ENA. Scholarships will be awarded to 24 female students of the Polytechnic Faculty and targeted awareness campaigns conducted to spur girls' interest in ENA and the Polytechnic Faculty.

Social

4.1.3 The project will have no negative impact during the implementation phase with regard to contagious and communicable diseases. Instead, through the improvement of the overall level of knowledge in the country and the behavioural changes induced, the project will contribute to averting risky behaviour. At the socio-economic level, in view of project activities (recruitment of experts for jobs in the DRC (Diaspora and local skills), training,

local procurement of goods, stabilization of teachers of the Polytechnic Faculty), the project will have many positive impacts: halting of strikes by teachers of the Faculty, increased employment and consumption, income distribution, raising of the general level of knowledge about public administration; improved public service delivery; promotion of girls' education and promotion of community dynamics with the arrival of the Diaspora.

V. IMPLEMENTATION

5.1 *Implementation Arrangements*

5.1.1 **Project Institutional and Implementation Framework:** The Ministry of Planning will be the project executing agency. It is responsible for coordinating capacity building through the Counterpart Funds Secretariat (DSFC), a structure of this ministry. The project implementation institutional framework will have a structure comprising: (i) the Inter-ministerial Project Steering Committee (CIPP), decision- and policy-making body; (ii) the restructured SENAREC catering for the technical secretariat of the CIPP; (iii) the Counterpart Funds Secretariats where the Project Implementation Unit (PIU) will be established; and (iv) beneficiary structures. Overall, the PIU or Project Team will comprise: (i) a coordinator, Director of DSFC, (ii) a project officer (professional staff from the DSFC or another directorate of the ministry); (iii) three experts in procurement, financial management and monitoring-evaluation from the DSFC or another directorate of the Ministry of Planning; (iv) four external high-level technical assistance experts (consultants), to be recruited; (v) an operations assistant (civil servant); (vi) an administrative and financial assistant (accounting secretary); and (vii) a driver. Focal points will be appointed in various project beneficiary institutions for project implementation. Experts to be put at Government disposal will be recruited through an international private recruitment firm. The recruitment procedure will be laid out in the procedures manual. Details of the implementation institutional framework are given in Annex B3. *The creation of the steering committee, establishment of the PIU and release of buildings for the operation will constitute conditions for first disbursement of the grant. The appointment of counterparts and focal points will constitute other grant conditions.*

5.1.2 **Procurement arrangements:** The procurement of goods, works and consultancy services financed by the Bank will be based on Bank Rules and Procedures for the Procurement of Goods and Works or Bank Rules and Procedures for the Use of Consultants (May 2008 Edition), whichever applies, using standard Bank bidding documents as detailed in Annex B5 of the Technical Annexes. The DSFC will be responsible for the procurement of goods/works or consultancy services, as the case may be, training and other related activities (where applicable). The resources, capacity, expertise and experience of the DSFC were evaluated. Although these elements are adequate for tasks related to the procurement, they will be strengthened in line with new Bank procedures. The capacity of the DSFC will be boosted with technical assistance in procurement and training in Bank procedures. The project procurement plan, an initial sketch of which is presented in Annex B5 of the Technical Annexes, will be finalized by the Government and discussed during grant negotiations (see Annex B5).

5.1.3 **Disbursement:** The UA 20 million grant will be disbursed in accordance with current Bank procedures. A special account will be opened with a local commercial bank acceptable to the Bank. Disbursements will be made into the special account to finance the revolving funds and by the direct payment method (see details in Annex B6). *The opening of a special account in a local commercial bank acceptable to the Bank will be a condition for first disbursement of the grant.*

5.1.4 **Financial management and audit:** The financial management arrangements will follow the Bank's rules of procedure (see details in Annex B4). The PIU will be responsible for the administrative, financial and accounting management of project components. The PIU already has financial experts on its staff whose qualifications are deemed acceptable, and an internal audit division that can extend its mission to the project under consideration. However, in view of the lack of a financial management system that meets Bank requirements, the system currently in use at the DSFC will be strengthened and steps taken to ensure satisfactory financial management by putting the following arrangement in place: (i) opening of a special account to receive grant resources; (ii) recruitment of a financial staff from the DSFC; (iii) procurement and configuration of the accounting software; (iv) recruitment of an internal auditor; (v) preparation of a project procedures manual (Annex C3); and (vi) training in Bank rules and procedures. Project financial accounting based on standards acceptable to the Bank should help to identify and track expenses by component, category and source of financing. The manual should clearly define the duties of each of the parties involved in project implementation as well as the modalities for managing the special capacity building fund. To ensure a separation of administrative, financial and accounting tasks, the project coordinator will be the manager of the successive annual budgets and, in collaboration with the accountant, authorize various transactions of the special account. The DSFC will ensure that the general, budgetary and cost accounting plans adopted are included therein.

5.1.5 The project audits will be conducted by an external auditing firm acceptable to the Bank, based on Bank procedures. The audit will be on an annual basis. The audit reports, including the audited financial statements, will be sent to the Bank latest six months after the closure of each financial year (see details in Annex B6). The manual should be produced within three months following the first disbursement. The Table of Contents of the Manual is given in Annex C3. *Production by the PIU of a Project Procedures Manual acceptable to the Bank within three months following the first disbursement will constitute another grant condition.*

5.1.6 **Monitoring.** The project physical implementation period is estimated at 60 months (January 2011 to December 2015). The PIU will be strengthened with the appointment of a monitoring/evaluation expert who will put an effective project monitoring mechanism in place. The mechanism includes internal and external auditing. As soon as the grant protocol agreement becomes effective, a launch mission will be organized. Mindful of the fragile nature of the DRC, a minimum of two supervision missions will be conducted annually. Quarterly and annual activity reports will be prepared and forwarded to the Bank. Internal monitoring will be based on the logical framework and the mid-term indicators. Specific key milestones are presented in the table below:

Table 3.6
Project Implementation Monitoring Schedule

Schedule	Milestone	Monitoring Activities /Feedback Loop
Jan. 2011	Launch mission	Training of project managers
2011-2015	Supervision and mid-term review missions (start	Mission reports
2011-2014	Annual project auditing 2010, 2011, 2012	Audit reports
Dec. 2015	Project completion	Completion reports

5.2. Governance

Project implementation could be hampered by governance-related problems (fraud and corruption), particularly in the recruitment of Congolese experts, procurement, financial management and regular attendance by Polytechnic Faculty staff after receiving the bonuses. Mitigative measures against these risks are provided in the following table:

Table 3.7
Governance Risks and Mitigative Measures

Governance Risks Identified	Risk Assessment	Mitigative Measures
Influence peddling and nepotism in the recruitment of Congolese experts	High	<ul style="list-style-type: none"> ▪ The project procedures manual that will be developed latest 3 months after the first disbursement will outline the recruitment procedure to be followed to the letter. ▪ Recruitment of Congolese experts will be conducted outside the ministries and the political arena. An international consultant (firm) will be selected through competitive bidding to undertake the recruitment exercise in a professional manner.
Risks related to procurement	Average	<ul style="list-style-type: none"> ▪ The capacity of the PIU in procurement will be strengthened ▪ The procedures manual will outline the procurement procedures. ▪ The Bank's rules of procedure on procurement will be used.
Financial risk management	Average	<ul style="list-style-type: none"> ▪ The capacity of the PIU in financial management will be strengthened. ▪ The procedures manual will outline the financial management procedures. ▪ External audits will be conducted
Absenteeism of Polytechnic Faculty staff supported by the project	Average	<ul style="list-style-type: none"> ▪ The procedures manual will set out arrangements for risk monitoring and mitigation.

5.3. Sustainability

As previously noted, the project preparatory study and the project itself were the subject of financing requests from the Government. SENAREC (a national capacity building regulatory organ) coordinated the conduct of the preparatory study and participated alongside the beneficiary institutions in the identification. As indicated in Section 1 of the report, the project is in line with the GPRS 2006-2010 and the preliminary thrusts of GPRS 2011-2015, as well as the operational programmes underpinning them. The acceptance by the Government of the grant disbursement conditions (Section V) helps to mitigate some risks, including the major one related to the non-adoption of the new civil service statutes that could jeopardize the modernization of public administration and integration of experts recruited by the project into the civil service. The recurrent costs of the project estimated at UA 3.9 million or USD 5.8 million for 5 years, could easily be covered at the end of the project with the expected improvement in public finances.

5.4. Risk Management

The project will be implemented in a post-conflict fragile State. The overall risk, mainly in relation to the outcomes, remains high. The table below provides a preliminary indication of risks and mitigative measures. These risks must be compared to the risk of not providing assistance to the country in this difficult situation.

Table 3.8
Other Risks and Mitigative Measures

Risk Identified	Risk Assessment	Mitigative Measures
Reversibility of Government's commitment	Low	The Government confirmed the validity of the project and reiterated the timeliness of its implementation in the current difficult context. The satisfactory implementation of the 2009-2012 financial arrangement with the IMF and the resumption of the public reform programme are valid indicators of the non-reversibility of the Government's commitment during the project period.
Security and political instability	High	The presence of United Nations peacekeeping missions and the improvement in diplomatic relations with neighbouring countries, notably Rwanda and Uganda reduce this risk. The principle of gradual withdrawal of MONUC from the country should not contribute to a significant reversal of the peace situation, which remains fragile. The presidential elections scheduled for November 2011 should not undermine the stability of the coalition government.
Difficult cohabitation between experts recruited and their counterparts in the civil service	Average	Vacant positions will be open for civil servants at post. The project aims to stabilize key local government employees with proven expertise. The experts recruited will contribute to the levelling out of skills through the training courses.

5.5. Knowledge Building

The project introduces new approaches that could enrich operational policies and institutional support interventions in post-conflict countries. These include: (i) the need for a systemic and multi-sector approach that embodies urgency and structural changes in place of the traditional selective and atomistic approach; (ii) the need for sizable financing to enhance the impact and initial duration of longer projects; (iii) the relevance of a programmatic approach to consolidate project outcomes over the long term and ensure their sustainability; and (iv) the introduction of flexibility in project implementation through the creation of the FSRC. This knowledge will be acquired through the following processes: activity reports prepared by the executing agency, supervision and mid-term review reports and project completion reports, and "discussions and working papers" from the Knowledge Department. This knowledge and the lessons will be disseminated within the Department, the Bank and in the host country through seminars hosted by the Bank. This knowledge will also be disseminated through OPEV reports.

VI. LEGAL FRAMEWORK

6.1. *Legal Instrument*

The financial instrument proposed is a UA 20 million grant to the Democratic Republic of Congo (DRC).

6.2. *Conditions for Bank Intervention*

6.2.1 Effectiveness

- Grant effectiveness is subject to the signing of the protocol agreement between the ADF and the DRC.

6.2.2 Conditions Precedent to First Disbursement

- Evidence of opening a special account with a commercial bank acceptable to the ADF to receive the resources of the grant (§ 5.1.3).
- Evidence of establishing the Inter-Ministerial Steering Committee (CIPP) as the decision- and policy-making body for implementing the project (§ 5.1.1).
- Evidence of establishing the PIU and providing office space for its operation (§ 5.1.1).

6.2.3 Other Conditions

- Evidence of appointment of national counterparts at the PIU by the Government and appointment of focal points by the Government and the BCC, latest three months following grant effectiveness (§ 5.1.1).
- Evidence of the adoption by the Government of the bill on the new Civil Service statutes latest end of the second half of 2011 (§ 3.2.8).
- Submit to the ADF the project procedures manual acceptable to the Bank within three months following the date of first disbursement (§ 5.1.5).

6.3 *Compliance with Bank Policies*

The project is in accordance with all applicable Bank policies. No exception is requested.

VII. RECOMMENDATION

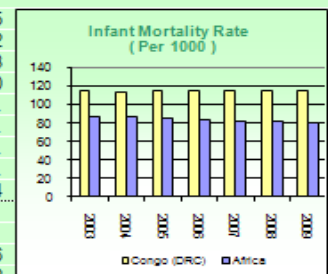
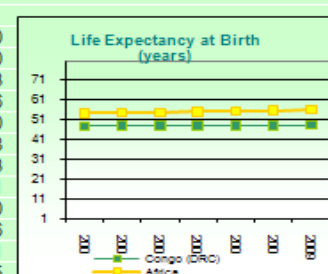
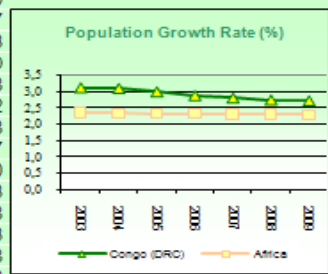
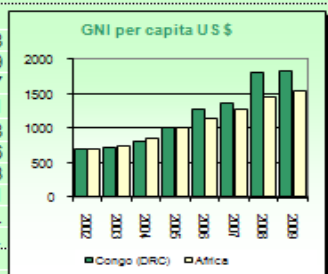
Management recommends that the Board of Directors should approve the proposed grant of UA 20 million to the Government of the DRC for the purpose and under the conditions set forth in this report.

**Democratic Republic of Congo – Project to Mobilize and Revitalize
Public Administration Human Resources (HR-MRP)
APPRAISAL REPORT**

Appendix I. Comparative Socioeconomic Indicators

**Congo (DRC)
COMPARATIVE SOCIO-ECONOMIC INDICATORS**

	Year	Congo (DRC)	Africa	Developing Countries	Developed Countries
Basic Indicators					
Area ('000 Km²)		2 345	30 323	80 976	54 658
Total Population (millions)	2010	67,8	1 031,5	5 629	1 069
Urban Population (% of Total)	2010	35,2	40,0	44,8	77,7
Population Density (per Km²)	2010	28,9	3,4	66,6	23,1
GNI per Capita (US \$)	2009	1 830	1 550	2 780	39 688
Labor Force Participation - Total (%)	2010	37,6	39,5	45,6	54,6
Labor Force Participation - Female (%)	2010	38,5	41,4	39,8	43,3
Gender -Related Development Index Value	2007	0,370	0,433	0,694	0,911
Human Develop. Index (Rank among 169 countries)	2010	168	n.a	n.a	n.a.
Popul. Living Below \$ 1 a Day (% of Population)	2006	59,2	42,3	25,0	...
Demographic Indicators					
Population Growth Rate - Total (%)	2010	2,7	2,3	1,3	0,7
Population Growth Rate - Urban (%)	2010	4,6	3,3	2,4	1,0
Population < 15 years (%)	2010	46,4	40,3	29,2	17,7
Population >= 65 years (%)	2010	2,9	3,8	6,0	15,3
Dependency Ratio (%)	2010	96,2	77,6	52,8	49,0
Sex Ratio (per 100 female)	2010	98,3	99,5	93,5	94,8
Female Population 15-49 years (% of total population)	2010	22,6	24,4	53,3	47,2
Life Expectancy at Birth - Total (years)	2010	48,0	56,0	66,9	79,8
Life Expectancy at Birth - Female (years)	2010	48,0	57,1	68,9	82,7
Crude Birth Rate (per 1,000)	2010	43,7	34,2	21,5	12,0
Crude Death Rate (per 1,000)	2010	16,6	12,6	8,2	8,3
Infant Mortality Rate (per 1,000)	2010	113,9	78,6	49,9	5,8
Child Mortality Rate (per 1,000)	2010	193,7	127,2	51,4	6,3
Total Fertility Rate (per woman)	2010	5,8	4,4	2,7	1,8
Maternal Mortality Rate (per 100,000)	2008	670,0	530,2	440,0	10,0
Women Using Contraception (%)	2005	61,0	75,0
Health & Nutrition Indicators					
Physicians (per 100,000 people)	2004	10,2	42,9	78,0	287,0
Nurses (per 100,000 people)*	2004	50,6	116,6	98,0	782,0
Births attended by Trained Health Personnel (%)	2007	74,0	52,7	63,4	99,3
Access to Safe Water (% of Population)	2008	46,0	64,9	84,0	99,6
Access to Health Services (% of Population)	2005	...	65,4	80,0	100,0
Access to Sanitation (% of Population)	2008	23,0	41,0	54,6	99,8
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2005	3,2	4,6	1,3	0,3
Incidence of Tuberculosis (per 100,000)	2007	392,0	315,2	161,9	14,1
Child Immunization Against Tuberculosis (%)	2009	95,0	81,8	89,0	99,0
Child Immunization Against Measles (%)	2009	86,0	81,0	81,7	92,6
Underweight Children (% of children under 5 years)	2003	71,0	30,9	27,0	0,1
Daily Calorie Supply per Capita	2007	1 605	2 462	2 675	3 285
Public Expenditure on Health (as % of GDP)	2006	1,3	2,4	4,0	6,9
Education Indicators					
Gross Enrolment Ratio (%)					
Primary School - Total	2009	90,3	102,8	106,8	101,5
Primary School - Female	2009	83,0	99,0	104,6	101,2
Secondary School - Total	2009	36,7	35,0	62,3	100,3
Secondary School - Female	2009	26,2	30,6	60,7	100,0
Primary School Female Teaching Staff (% of Total)	2009	26,3	38,1
Adult literacy Rate - Total (%)	2008	66,6	64,8	81,0	...
Adult literacy Rate - Male (%)	2008	77,5	74,0	86,6	...
Adult literacy Rate - Female (%)	2008	56,1	55,9	75,6	...
Percentage of GDP Spent on Education	2005	...	4,6	...	5,4
Environmental Indicators					
Land Use (Arable Land as % of Total Land Area)	2008	3,0	7,8	9,9	11,6
Annual Rate of Deforestation (%)	2005	...	0,7	0,4	-0,2
Annual Rate of Reforestation (%)	2005	...	10,9
Per Capita CO2 Emissions (metric tons)	2008	0,0	1,2	1,9	12,3



Sources : ADB Statistics Department Databases; World Bank: World Development Indicators; last update : janvier 2011
UNAIDS; UNSD; WHO; UNICEF; WRI; UNDP; Country Reports.
Note : n.a. : Not Applicable ; ... : Data Not Available.

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AFRICAN DEVELOPMENT BANK
REGIONAL OFFICE IN DRC - CDFO

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OPERATIONS TABLE
STATUS OF ONGOING PROJECTS IN DR OF CONGO

SECTOR	PROJECT ABBREVIATION	AMOUNT (UA)		Disbursement Ratio	LOCATION				KEY DATES		
		COMMITTED	DISBURSED						SIGNATURE	EFFECTIVE STARTUP DATE	EFFECTIVE CLOSING DATE
Agriculture and Rural Development	PARSAR	18 000 000,00	7 751 849,14	43,07%	Bas-Congo	Bandundu	-	-	25/5/2004	02/04/2005	31/03/2011
		7 000 000,00	4 331 064,54	61,87%	Bas-Congo	Bandundu	-	-	25/5/2004	02/04/2005	31/03/2011
	PRESAR	35 000 000,00	21 906 564,33	62,59%	Katanga	Kasai Or	Kasai Occ	-	02/02/2006	05/12/2006	31/01/2013
	ESA	1 850 000,00	1 052 051,72	56,87%	Bas-Congo	Bandundu	2 Kasai - Kin	Manie - P.Orient	10/11/2006	17/1/2007	30/12/2010
	PRODAP	6 790 000,00	491 224,04	7,23%	RDC	BURUNDI	TANZANIA	ZAMBIA	02/01/2005	19/12/2008	31/01/2012
Four (4) operations comprising three (3) projects and one (1) study.		68 640 000,00	35 532 753,77	51,77%							
Infrastructure	Roads	52 450 000,00	22 249 259,74	42,42%	Kinshasa	Bandundu	Kasai Occ	Kasai Oriental	29/12/2005	27/6/2007	31/12/2011
	PMEDE	35 700 000,00	-	0,00%	Kinshasa	Bas-Congo	-	-	04/10/2008	-	31/12/2014
	PEASU	70 000 000,00	17 593 468,69	25,13%	Bas-Congo	Equateur	Kasai Occ	-	08/09/2007	04/04/2008	31/12/2012
Three (3) operations involving projects .		158 150 000,00	39 842 728,43	25,19%							
Social Sectors	PAPDDS/Health	20 000 000,00	3 783 881,14	18,92%	P: Orientale	-	-	-	25/05/2004	17/03/2005	30/09/2010
		5 000 000,00	1 816 841,23	36,34%	P: Orientale	-	-	-	25/05/2004	17/3/2005	30/09/2010
	PARSEC	15 000 000,00	1 399 262,40	9,33%	Katanga	N.Kivu- S.Kivu	P.Orientale	Maniema	08/09/2007	25/09/2008	30/09/2011
Three (3) operations involving projects .		40 000 000,00	6 999 984,77	17,50%							
Multisector	PMURIS	27 000 000,00	24 166 418,65	89,51%	Kinshasa	Bas-Congo	-	-	06/04/2003	02/03/2004	31/07/2010
	PUAICF	65 000 000,00	65 000 000,00	100,00%	Entire DRC				13/05/2009	23/07/2009	31/07/2010
one (1) operation involving a project .		92 000 000,00	89 166 418,65	96,92%							
TOTAL: 11 operations comprising 10 active projects and	valued in ULA at	358 790 000,00	171 541 885,62	47,81%							
	USD equivalent of	545 360 800,00	260 743 666,14	47,81%							

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Appendix III: Major Related Projects Financed by the Bank and Other Development Partners of the DRC

Donor	Projects/activity	Status	Objective	Implementa- tion Period	Project Amount	Sector Strategy to which the Interventions Re- spond	HR-MRP Intervention Areas (Value Added)
COMPONENT 1: MEETING URGENT QUALIFIED HUMAN RESOURCE NEEDS FOR IMPLEMENTATION OF PRIORITY PROGRAMME							
<i>A. Mobilization of high level HT and specific training</i>							
1.1. Support to public administration reforms							
UNDP	Census of Workers without EPSP in DRC	Ongoing	Verification of workforce numbers	2010		Promoting good govern- ance-Pillar I PRGSP --- Improving access to social services Pillar III PRGSP (structural reforms)	Meeting the urgent need for experts to conduct reform and revise organic frameworks and restruc- turing of ministries -
	Popularization of code of ethics	Ongoing	Promotion of civil servants' code of ethics	2009 -2010			
	Strengthening of computer equipment	Ongoing	Promotion of ICTs	2009 -2010			
WORLD BANK	Support for departure for retirement	Future	Control of workforce	2010-2018	USD 16000000	Undergoing evaluation	
	Support for identification of civil servants and EPSP workers and mapping	Future	Control of 2/3 of workforce	2010 -2011	Undergoing evaluation		
	Support for restructuring of ministries and revision of organic frameworks	Future	Rationalization of job and workforce numbers	2010 -2011	Undergoing evaluation		
	Support for the establishment of a pension fund	Future	Control of workforce and description of school mapping	2010-2011	Undergoing evaluation		
GTZ	National Forum Against Corruption	Completed	Fight against corruption	December 2009			
	Roundtable on the fight against corruption	Completed	Fight against corruption	mai-10			
UNOPS	National Forum Against Corruption	Completed	Fight against corruption	Dec 2009			
SOUTH AFRICA	Census	Completed	A technical support, strengthening of enumerators				
1.2. Support to public debt management after reaching completion point							
World Bank ADB	Installation of SYGADE 5.3	Completed	Installation of software, training of users (IT specialist, analysts and debt managers)	2005-2007	\$250,000	Consolidating macroeco- nomic stability and growth- Pillar II PRGSP (structural reforms)	Meeting urgent need for experts for effective SY- GADE 6 debt management and training
IMF/ AFRITAC	Support for debt management	Completed	Technical assistance -Evaluation of management system	March-10			
1.3. Support for Central Bank of Congo reform							
IMF	Technical assistance	Completed	?	2008 -2009		Consolidating macroeconomic stability and growth- Pillar II PRGSP (structural reforms)	

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Donor	Projects/activity	Status	Objective	Implementa- tion Period	Project Amount	Sector Strategy to which the Interventions Re- spond	HR-MRP Intervention Areas (Value Added)
	Assistance for recapitalization and migration to IFRS	Ongoing	Recapitalization of BCC and standardization of accounting system				Meeting urgent need for stabilization of experts – technical assistance for macroeconomic modelling and training for the implementation of the 2009-2012 strategic plan
World Bank	Support for payment system	Ongoing	Modernization of national payments system				
(KFW	Support to risk management centre		Modernization of the risks management centre				
CIDA	Support for HR management	Ongoing	Capacity building in the area of HRM				
World Bank/UNDP & UNCDF/CIDA	Support for microfinance	Ongoing	Establishment of microfinance sector supervision tools				
USAID	Support for supervision of microfinance sector	Ongoing	Application of FINA supervision software				
1.4. Support for public enterprise reform for improvement of business climate							
French Development Agency (AFD)		Future	Obtaining a studies fund as part of the restructuring of transport sector enterprises (ONATRA and RVA)			Consolidating macroeconomic stability and growth- Pillar II PRGSP (structural reforms)	Meeting urgent need for experts for the reform of public enterprises and training of project officers
1.5 Support for public finance reform (public procurement and budget programming)							
World Bank		Ongoing	Procurement expert for training ending in February 2011			Consolidating macroeconomic stability and growth- Pillar II PRGSP (structural reforms)	Meeting urgent need for fine-tuning of programming methodology and train workers
ADB			2 Budget programming experts to prepare the action plan for 12 months in 2012 and implementation				
UNDP			Support for 2011-2015 budget programming with PUAICF				
			Support for 2011-2015 budget programming				

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Donor	Projects/activity	Status	Objective	Implementa- tion Period	Project Amount	Sector Strategy to which the Interventions Re- spond	HR-MRP Intervention Areas (Value Added)
COMPONENT 2: SUPPORT FOR REVITALIZATION OF SOURCES OF SUSTAINABLE GENERATION OF HUMAN RESOURCES QUALIFIED HUMAN RESOURCES FOR IMPLEMENTATION OF PRIORITY PROGRAMME							
2.1 : Support for revitalization of ENA							
SOUTH AFRICA	ENA I Project	Completed	Capacity building, Equipment, formula- tion of strategic plan	2007 -2009	nsp	Promoting good govern- ance - Pillar I PRGSP (Structural reforms)	Support for mobilization of interest and resources for a new ENA – capacity building
	ENA II Project	Ongoing	Census of government employees and workers, fight against corruption	2010 -2012			
UNDP	Support for creation of ENA	Completed	Production core regulatory instruments				
2.2 : Support for revitalization of institutional framework of mobilization of Diaspora to support the government's effort							
UNDP	Organization of the initial meetings of Congolese Abroad	Completed	Organization of the initial meetings of Congolese Abroad	August 2008		Promoting community dynamics - Pillar V PRGSP (Non-existence of sub- sector strategy on the Diaspora)	Strengthening the capacity of the MAE - Support for Strategic Plan 2011-2015 for mobilization of the Diaspora for development
IOM	IOM-MIDA Great Lakes III	Ongoing					
Great Britain	Equipping of MCDEM	Completed	Sensitization against clandestine emi- gration	2008 -2009			
ADB/OFSU	Support for mobilization of Diaspora for devel- opment	Ongoing	Various studies on Diaspora contribu- tion	2010	USD 300 00		
2.3 : Support for revitalization of Polytechnic Faculty							
IOM / Belgium		Completed	MIDA Great Lakes of Central Africa			Improving access to social services - Pillar III PRGSP (Non-existence of sub- sector strategy)	Stabilization and mobiliza- tion of teachers – Capacity building for Faculty - implementation of 2011- 2015 Strategic Plan of Faculty
DRC Government	Support for operating budget		Make it possible to close 2008-2009 academic year		\$100,000		

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Appendix IV: Map of Project Area

