

# Year 5 Quarter 4 report

January to March 2017





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## List of abbreviations

AABE Accounting and Auditing Board of Ethiopia

ACCA Association of Chartered Certified Accountants

BGS British Geological Survey

DFID Department for International Development

DGSE Department of Geological Survey and Mineral Exploration

DHM Department of Hydrology and Meteorology

DRC Democratic Republic of the Congo

FCO Foreign & Commonwealth Office

IC Investment climate

ICAEW Institute of Chartered Accountants in England and Wales

ICAZ Institute of Chartered Accountants of Zimbabwe

IFUSE Investment Facility for Utilising UK Specialist Expertise

IPA Infrastructure and Projects Authority

LR Land Registry

NMA National Minerals Agency

NMS National Meteorology Service

MEEP Ministry of Energy and Electric Power

MNREC Ministry of Natural Resources & Environmental Conservation

MOGE Myanmar Oil and Gas Enterprise

OCM Oversight Committee Meeting

PD Petroleum Directorate

PPP Public Private Partnership

RD Regulatory Delivery

SRO Senior Responsible Officer



## Summary of progress for this period

## **Overview of Quarter 4 (Q4)**

The Investment Facility for Utilising UK Specialist Expertise (IFUSE) is funded by the UK's Department for International Development (DFID) and shares specialist expertise from across the UK government, as well as certain professional standards bodies, to support business environment improvement in DFID's partner countries and regions. Through brokering government-to-government expertise the facility brings targeted and high level expertise to DFID's partners. A quarterly report is produced to provide information on the type of, and the number of deployments completed during the quarter. Previous reports have also provided detail of forthcoming deployments.

This report relates to Q4 (from January to March 2017) of Year 5 and as IFUSE is concluding on 31 March 2017, this is the last IFUSE Quarterly Report.

The final three months of the programme was a particularly busy period as demand from DFID and UK Partners increased after the announcement of the programme closure date. During this period, the impact IFUSE has had to date was also evaluated in the IFUSE Impact Summary. The main highlights of this reporting period are summarised below.

The seventeen deployments that took place in this quarter, provided technical assistance to support the following Investment Climate (IC) themes:

- Natural resources management/extractive industries
- Public Private Partnership (PPP)
- · Regulatory reform; and
- Accountancy and actuarial standards.

In Q4, the programme delivered 13 outward, three inward multiple deployments and one large conference. The deployments listed below have further information in Annex A.

### January:

- RD / Pakistan two experts undertook a week-long engagement with the objective to improve the
  regulatory environment in the Punjab region which in turn should strengthen the business environment
  and encourage private sector trade and investment
- BGS / Sierra Leone a detailed assessment of the technical capacity, capability and data holdings of the Petroleum Directorate to identify priority areas for future partnership work. Strengthening the capabilities of the Petroleum Directorate is vital to improve the investment climate for the petroleum sector in Sierra Leone.

#### February:

- IPA / Uganda trained seven PPP staff members and provided technical support to develop operational procedures and pipeline of potential PPP opportunities.
- ACCA / Conference IFUSE funded 15 delegates from government audit departments from countries such as Pakistan, Tanzania and Zimbabwe to attend the ACCA conference. This was a global event held in Johannesburg focused on addressing corporate governance, risk, better public financial management, and capacity building. Concurrent to the conference, ACCA and the International Federation of Accountants held a closed workshop for senior government officials on implementation of international audit standards.
- BGS / Myanmar the aim of this deployment was to enhance the development of extractive industries
  to support economic development and external investment. Experts assessed and made
  recommendations on existing geodata. They also supported the development of partnerships with
  relevant bodies.
- BGS / Morocco three experts provided training on data management to the Geology Directorate staff and created a structured workflow for development of a national, digital geological map and database.
- Land Registry / Zambia a scoping visit to assess and make recommendations on the computerised Land Information System, which will not only enhance transparency but will also reduce the time delays in acquiring land.

BGS / Central Asia – a return mission to Tajikistan and Kyrgyzstan to meet with relevant key government stakeholders. The main objective was to work with the geological agencies to agree and prepare a proposal on the focus of potential partnership working to be delivered beyond IFUSE.

#### March:

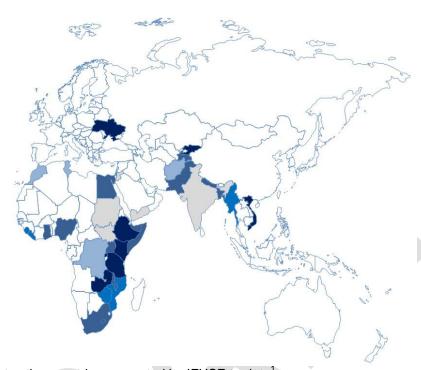
- ACCA / Ethiopia experts worked closely with the Accounting and Auditing Board of Ethiopia to
  understand their priorities, challenges, and objectives, and support the development of an
  implementation plan, comprising a detailed and practical action plan, to achieve the objectives set out
  in the strategy and the Board's long-term vision.
- BGS / Sierra Leone the World Bank is expected to fund the purchase of the software and hardware needed for the creation of a digitalised database of detailed geological data for Sierra Leone. The relevant bodies handling the database, however, do not currently have the capacity to manage this.
   BGS experts visited these bodies to train them, enabling the transformation.
- BGS / Kenya this deployment built on a previous one carried out in July 2016 to set up the Geodata Centre and support the digitalisation process. Digital, accurate and credible records provide more certainty for prospective mining industry/extractives investments.
- ICAEW / Zimbabwe a five day visit by experts who conducted a diagnostic landscape review and carried-out a stakeholder consultation. They also produced a detailed desktop review and benchmarking exercise (in the UK) of the existing Institute of Chartered Accountants of Zimbabwe professional qualification.
- Met Office / Nepal supported the Department of Hydrology and Meteorology Nepal to become the National Meteorology Service provider to the aviation sector, which are appointed by a UN body. This would increase the credibility and safety of the Nepal aviation sector.
- RD / Tanzania enhancing regulatory framework for the gas, oil and electricity sectors with particular focus on the legal measurement controls for these industries.
- Land Registry / Zambia after the initial scoping mission in February 2017, officials from the Ministry of Lands, Zambia visited Land Registry for a workshop on digitalisation and to discuss their business strategy.
- Met Office / Vietnam trained experts at the National Hydro-Meteorological Service of Vietnam in the
  use of newly acquired severe weather forecasting equipment to support their World Meteorological
  Organisation remit to become a Regional Severe Weather Forecast Support Centre.



## DFID countries and regions supported in Year 5 Q4

In Q4, IFUSE supported 15 DFID priority countries and regions including Ethiopia, Sierra Leone, Tajikistan, and Zimbabwe.

A total of 37 countries have been supported by IFUSE since the beginning of the programme.



The map below illustrates the countries supported by IFUSE to date<sup>1</sup>.



## **Number of Completed Deployments**

As with previous quarters, the majority of requests received in this quarter came from DFID and UK Partner organisations. The table below details the source of requests for the deployments completed in Phase 2 of IFUSE to date:

Source of TA requests	Year 5 to date	Year 4
DFID	12	20
UK Partner organisation	15	15
Beneficiary	4	5
Foreign & Commonwealth Office (FCO)	0	0
Third party <sup>2</sup>	0	1
Total	31	41

Note that this diagram covers individual countries supported to date but not the regions that have formed the focus of IFUSE deployments.

<sup>&#</sup>x27;Third party' here indicates organisations outside of the beneficiaries and UK Government.



## Key findings from the Impact Summary

In preparing for Programme close, a comprehensive review was conducted to establish the achievements and impact IFUSE has had on improving the Investment Climate (IC) in DFID priority countries. It has been identified that the most significant achievements of IFUSE have been in relation to the following three key IC areas of reform:



**Reducing time and cost of doing business.** IFUSE has reduced the time and costs of doing business, mostly through simplifying business regulations and targeting inspection requirements.



**Improving the predictability of the investment climate.** IFUSE deployments show evidence of improving the predictability of the Investment Climate, particularly through harmonising international standards and facilitating policy stability.



**Promoting fair and competitive markets**. IFUSE has been successful at improving the capacity of overseas governments and regulatory bodies to ensure a level playing field exists for businesses of all sizes.

In terms of impact, the following defining characteristics of IFUSE have enabled deployments to have an impact on the countries' investment climate:



**Responsiveness of the deployments**. Analysis of deployments shows that responding quickly to external events can increase the impact of IFUSE deployments.



**Short-term nature of the deployments.** The short-term nature of assignments (3 to 10 days) has added value to IFUSE and created positive impacts, enabling highly qualified experts to share their knowledge with low risk.



**Strong support in organising and designing the deployments.** PwC, the Managing Agent (MA) adopted a strong and distinctive approach to facilitating discussions between UK Partners, beneficiaries and DFID country offices in addition to providing logistical support.



Targeted and technical focus of peer-to-peer deployments. The peer-to-peer nature of IFUSE technical assistance has been critical to the success and sustainability of the facility. The nature of peer-to-peer advice is valued, because it comes from a position of empathy and understanding.



**Focus on relationship-building in the deployments.** Good relationships between the beneficiaries, experts and DFID country offices is a key outcome of the facility. Repeat deployments became more frequent, suggesting that stronger relationships have been fostered, and the conditions for increased impact improved as a result.



## **Oversight Committee Meeting**

The final IFUSE Oversight Committee Meeting (OCM) was held in January 2017 at DFID UK headquarters. It was attended by the IFUSE team, UK Partners as well as the DFID SRO for IFUSE and for the future GREAT 4 Partnership.

The purpose of this last OCM was to take the opportunity to reflect on the achievements of the programme over the last five years and to thank the UK partners for their contribution. The meeting also outlined the activities during the programme's final quarter and the key next steps ahead of the conclusion of IFUSE on 31 March 2017. Experts from two UK partner organisations, the Association of Chartered Certified Accountants (ACCA) and the Infrastructure and Projects Authority (IPA) showcased some of their IFUSE deployments and impact on the beneficiary country/organisation. The ACCA highlighted the support they provided to The Institute of Certified Public Accountants of Rwanda (ICPAR) through conducting audit quality reviews with a methodology and capacity building approach. This helped support ICPAR strengthen its capacity to regulate the accounting and auditing profession. In order to help the Afghan Government rebuild its infrastructure, the IPA provided a three day intensive capacity building training programme for 25 Government delegates. The impact of this deployment has given the Afghan Government a clearer idea of the benefits of Public-Private Partnership (PPP) and national infrastructure planning and helped shape Afghan polices for PPP whilst training up and energising a senior cross- Government team to work better together on PPP.

To support the second IFUSE Impact Summary, the Monitoring and Evaluation team facilitated a discussion around the secondary benefits UK Partner organisations received from participating in the programme and delivering deployments. Although not part of the programme design, this is an integral part of IFUSE, as the cooperation of UK Partner organisations is critical to the success or failure of the programme. As the IFUSE Impact Summary stated "Difficulties of quantification aside, the secondary benefits from IFUSE are strong and tangible in many cases". The findings from this discussion and additional interviews are summarised below:



### Individual benefits

- · The individuals who took part in IFUSE deployments have gained professionally and personally.
- It has enabled experts to take a more strategic view of organisational issues, to step outside their comfort zones and to be exposed to new learning opportunities.



## Organisational benefits

- IFUSE deployments have facilitated UKP organisations 1. to build an international network; 2. to apply knowledge from IFUSE deployments directly to help solve complex UK problems; 3. identify new opportunities for winning further work; and 4. to gain reputational benefits.
- For example, the Better Regulation Delivery Office (BRDO) developed a Regulatory Quality Framework for an IFUSE deployment and now applies this tool in other national and international engagements.



#### **Governmental benefits**

- At a governmental level, IFUSE deployments diversified or opened up diplomatic dialogue on other, more sensitive areas and provided opportunities for inter-agency networking.
- IFUSE has expanded DFID's reach in relatively new areas of work, such as in aviation regulation through a
  deployment of the Met Office in Tanzania.



# Annexes

## Annex A: IFUSE deployments in Q4 of Year 5





Delivery country	Pakistan
Deployment dates	23-27 January 2017
Beneficiary	Institute of Capital Markets Pakistan
UK Partner organisation	Regulatory Delivery (RD)
Type of deployment	Outward deployment
First or follow-up deployment?	First
Investment climate theme	Regulatory Reform
Description	The manner in which regulation is delivered by government agencies has been identified as having a direct impact on private sector businesses and their ability to grow and succeed. The Government of Punjab has therefore requested assistance with designing and prioritising reform of the regulatory environment, in an aim to improve the business environment and encourage private sector trade and investment. To make this target a reality, the Punjab Government is in the process of establishing an Investment Climate Reform Unit. To support this two RD experts undertook a week-long scoping mission to discuss the importance of regulatory reform with key government officials and private sector representatives. The aim was to assess the

regulatory landscape in the Punjab region, including the current regulatory structures, the specific challenges that are faced and provide expert advice on priorities for reform that are relevant to

the local context.

Delivery	Sierra Leone
Deployment dates	28 January – 4 February 2017
Beneficiary	National Minerals Agency and Petroleum Directorate, Sierra Leone
UK Partner organisation	British Geological Survey (BGS)
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Natural resources management / extractive industries
Description	The BGS has carried out two previous IFUSE deployments to Sierra Leone. This deployment built on these previous visits to lay the foundations for partnership working between the BGS, the National Minerals Agency and Petroleum Directorate in Sierra Leone. The deployment involved delivering an evidence-based assessment of the data, capacity and capability gaps at these organisations. The overall aim of this partnership is to improve governance and transparency in the mining and petroleum sectors of Sierra Leone, including improved availability of baseline data for these sectors, and increased capability to collect, gather and disseminate data.

	<b></b>
Delivery country	Uganda
Deployment dates	5 - 10 February 2017
Beneficiary	Ministry of Finance and Economic Planning, Uganda
UK Partner organisation	Infrastructure and Projects Authority (IPA)
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Public Private Partnerships (PPPs)
Description	The IPA PPP Foundation training provided seven staff members from the newly established PPP Unit in Uganda's Ministry of Finance Planning and Economic Development. The training objective was to provide the team with the technical support to develop operational procedures and the pipeline for the new PPP unit.



Delivery country	Public Sector Conference
Deployment dates	13 - 16 February 2017
Beneficiary	Various
UK Partner organisation	Association of Chartered Certified Accountants (ACCA)
Type of deployment	Large conference
First or follow-up deployment?	First
Investment climate theme	Financial sector regulation and supervision
Description	This was a global event held in Johannesburg, South Africa which brought together individuals working in public sector finance roles globally. Themes that were addressed at the conference include corporate governance, risk, better public financial management, and capacity building.  ACCA and the International Federation of Accountants also held a closed workshop for senior government officials. This included individuals such as Ministers, Accountant Generals, and Auditor Generals, who are charged with moving to internationally recognised financial reporting standards. It also enabled attendees to develop clear plans for their respective jurisdictions and provided opportunities to network, share learning, and work with other leaders directly.





Delivery country	Myanmar
Deployment dates	14 – 25 February 2017
Beneficiary	Ministry of Natural Resources & Environmental Conservation (MNREC), chiefly the Department of Geological Survey and Mineral Exploration (DGSE); Myanmar Oil and Gas Enterprise (MOGE), part of the Ministry of Energy and Electric Power (MEEP)
UK Partner organisation	British Geological Survey (BGS)
Type of deployment	Outward deployment
First or follow-up deployment?	First
Investment climate theme	Natural resources management/extractive industries
Description	<ul> <li>Myanmar is a resource-rich nation with significant potential for development of the extractive industry. Improvements in the industry would help support economic development and external investment. The purpose of this deployment was to:</li> <li>Conduct an initial assessment of the technical capacity and geological data within MOGE and DGSE, which provide essential support for the development of mining and hydrocarbon industries. Strengthening the capacity of MOGE and DGSE is key to improving the investment climate; high-quality data to underpin scientific understanding of potential resources are critical to encouraging significant investment and returns.</li> <li>Establish/develop good contacts within the MOGE and DGSE and develop a focus on technical areas for priority early partnerships.</li> <li>Assess the role of other external agencies (e.g. Oil for Development; World Bank) within the mining and hydrocarbon industries in Myanmar, and develop contacts.</li> <li>Make and develop industry contacts in the extractive industries to apparence technical figure is and investment.</li> </ul>

industries to encourage technical, financial and investment

support.





Delivery country	Morocco
Deployment dates	14 – 25 February 2017
Beneficiary	Ministry of Energy, Mines, Water and the Environment, Morocco
UK Partner organisation	British Geological Survey (BGS)
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Natural resources management/extractive industries
Description	The deployment involved three BGS experts spending two weeks working with staff in the Geology Directorate. The experts provided initial data management training and creating a structured workflow for development of a national, digital geological map and database. It is expected that the Geology Directorate will subsequently seek funding through donor organisations to carry out this major task. The main deliverable of this IFUSE deployment was a clear work plan for the development of an openly accessible national digital geological map and database, which is a key part of the Ministry's National Roadmap for the Development of Geological Infrastructures.









Delivery	Central Asia (Kyrgyzstan and Tajikistan)
country	

**Deployment** dates

25 February – 4 March 2017

**Beneficiary** 

Geological Agencies of Kyrgyzstan and Tajikistan

**UK Partner** organisation British Geological Survey (BGS)

Type of deployment

Two outward deployments

First or follow-up deployment? Follow-up

Investment climate theme

Natural resources management/extractive industries

**Description** 

The deployment was a return mission to Tajikistan and Kyrgyzstan to meet with relevant key stakeholders in the government departments, to carry out a brief review and assessment of development progress within the relevant Geological Agencies since the last BGS visit and report. The visit also included an assessment and review of recent work and ongoing projects by other donor agencies with the host geological agencies. The main objective was to work with the geological agencies to agree on the focus of potential partnership working and prepare a proposal for that work. The deployment also identified opportunities to build capacity to capture, understand and manage geological data in both agencies.



Delivery country	Ethiopia
Deployr dates	ent 12 - 18 March 2017
Benefic	ry Accounting and Auditing Board of Ethiopia
UK Part organis	er Association of Chartered Certified Accountants (ACCA)
Type of deployn	Outward deployment ent
First or follow-u deployn	
Investm climate	nt Accountancy and Actuarial Standards



#### theme

## **Description**

The deployment's specific objective was to work closely with the Accounting and Auditing Board of Ethiopia (AABE), to understand their priorities, challenges and objectives. The experts also supported the development of an implementation plan to achieve the objectives set out in the strategy and the Board's long-term vision. In preparing the implementation plan, the deployment included guidance on the options available for standard setting, rule-making, licensing, investigation and enforcement, financial statement review and audit inspections. It also addressed communications and public relations in AABE's role as an independent regulator.







IL	Delivery country	Sierra Leone
	Deployment dates	18 – 26 March 2017
	Beneficiary	National Minerals Agency (NMA) and Petroleum Directorate (PD), Sierra Leone
	UK Partner organisation	British Geological Survey (BGS)
	Type of deployment	Outward deployment
	First or follow-up deployment?	Follow-up
	Investment climate theme	Natural resources management/extractive industries
	Description	The deployment carried out a detailed assessment of the technical capacity, capability and data holdings of the PD, and identified priority areas for future partnership work.  Strengthening the capabilities of the PD is vital to improve the investment climate for the petroleum sector in Sierra Leone, especially now the oil price is beginning to show signs of an increase.  The experts reviewed the donor-funded projects that have already been put in place to support the NMA, and identified capacity gaps that should be dealt with to lay the foundation for possible future World Bank investment. This included addressing a previously-recognised problem around openness and transparency of existing geological data within Sierra Leone, and looking at the support required for the NMA's geo-data portal.  BGS also considered how future work with artisanal miners could improve their contribution to the sector.  The experts met with key stakeholders from industry and government and representatives from the NMA and PD, in particular to consider how greater availability of baseline data can be used to improve the investment climate  Finally, they facilitated the development of increased collaboration between the NMA and the PD, and encouraged knowledge transfer.







Beneficiary	Institute of Chartered Accountants of Zimbabwe (ICAZ)
UK Partner organisation	Institute of Chartered Accountants in England and Wales (ICAEW)
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Accountancy and Actuarial Standards
Description	The deployment involved a visit of five days to Harare by two experts to conduct a diagnostic landscape review and stakeholder consultation as well as a detailed desktop review and benchmarking in UK of the existing ICAZ professional qualification. The objective was to produce a detailed report with recommendations and a roadmap for developing a new ICAZ professional qualification in line with best international benchmarks. The report identified reforms to provide a more joined-up solution to the training of accountants at different levels, technician level as well as professional level. This has the potential to open up the profession to more young Zimbabweans





Delivery country	Nepal
Deployment dates	23 – 31 March 2017
Beneficiary	The Department of Hydrology and Meteorology (DHM), Nepal
UK Partner organisation	Met Office
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Natural resources management/extractive industries
Description	The deployment objectives were to:  • Assess the current capacity of DHM as a National

aviation sector.

Meteorology Service NMS provider to the aviation

Draft a strategy and implementation plan for the capacity development of DHM to be an effective and

compliant NMS to the aviation sector.

Define the training requirements of DHM to support their obligations as the designated NMS provider to the



Part of <u>Department for Business</u>, <u>Energy & Industrial Strategy</u>



Tanzania

**Deployment** dates

26 – 30 March 2017



Weights & Measures Agency, Tanzania



UK Partner organisation

Regulatory Delivery (RD)

Type of deployment

Inward multiple deployment

First or follow-up deployment?

First

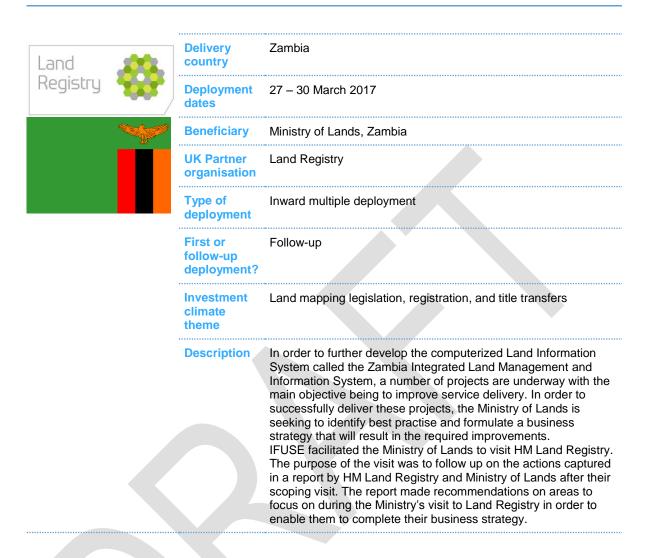
Investment climate theme

Regulatory Reform

## **Description**

The Weights & Measures Agency of Tanzania has requested assistance on creating a more efficient regulatory framework for the gas, oil and electricity sectors focussing on the legal measurement controls for these industries. At present, The Weights & Measures Agency has limited expertise in this area. Tanzania has significant untapped reserves of natural gas which if managed well, to be an important factor in private sector growth in terms of exports and increasing domestic revenues. As such effective regulation of this growing industry is a key priority. Creating a more consistent regulatory framework for these industries, should improve standards of suppliers and thus create more stable and reliable energy supplies, which are proven to help create a better investment climate.







Delivery country	Vietnam
Deployment dates	18 – 31 March 2017
Beneficiary	National Hydro-Meteorological Service, Vietnam
UK Partner organisation	Met Office
Type of deployment	Outward deployment
First or follow-up deployment?	Follow-up
Investment climate theme	Natural resources management/extractive industries
Description	This deployment was a follow-up to the previous three deployments carried out Oct/Nov 2014, June 2015 and August 2016. The purpose of this visit was to embed learning from the previous deployments.
	The overall objective of the deployment was to support the National Hydro-Meteorological Service of Vietnam in their World Meteorological Organisation remit to become a Regional Severe Weather Forecast Support Centre through the demonstration and delivery of a regional forecasting guidance product suitable for severe weather forecasting in the region.



We certify that any expenditure shown above in this report and detailed in the accompanying Statement of Expenditure has been actually and necessarily undertaken on behalf of the project as specified in the Project Document and as agreed by the Department for International Development. Any forecast of expenditure shown above and detailed in the accompanying Forecast of Expenditure represents a realistic forecast of payments to be made by the end of the forecast period.