DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

PSIP, DSIP, LLGSIP & WSIP

ADMINISTRATIVE GUIDELINES 4A/2019

12th April, 2019

ACRONYMS

APC	Authority to Pre-Commit
CACC	Central Agency Coordinating Committee
CEO	Chief Executive Officer
COC	Certificate of Compliance
CRF	Consolidate Revenue Fund
NPC	National Procurement Commission
DA	District Administrator
DDA	District Development Authority
DIRD	Department of Implementation & Rural Development
DMT	District Management Team
DNPM	Department of National Planning & Monitoring
DoF	Department of Finance
DPLGA	Department of Provincial & Local Level Government Affairs
DPMT	District Project Management Team
DSIP	District Service Improvement Program
DSP	Development Strategic Plan
DoT	Department of Treasury
DFM	District Finance Manager
DoW	Department of Works
DCNPC	District Committee of National Procurement Commission
FI	Financial Instruction
IPA	Investment Promotion Authority Registration
JPP&BPC	Joint Provincial and Budget Priority Committee
LLG	Local Level Government
LLGC	Local Level Government Council
LLGSIP	Local Level Government Services Improvement Program
MP	Member of Parliament
NEC	National Executive Council
NPA	National Procurement Act
NPC	National Procurement Commission
OLP&LLG	Organic Law on Provincial & Local Level Government
PA	Provincial Administrator
PEC	Provincial Executive Council
PFD	Project Formulation Document
PFMA 1995	Public Finance Management Act 1995
PID	Project Identification Documentation
PMT	Provincial Management Team

PPMT	Provincial Project Management Team
PSIP	Provincial Services Improvement Program
PCNPC	Provincial Committee of National Procurement Commission
PFM	Provincial Finance Manager
PWU	Provincial Works Unit
TEC	Tenders Evaluation Committee
TOR	Terms of Reference
WDC	Ward Development Committee
WSIP	Ward Service Improvement Program

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INDEPENDENT **STATE OF PAPUA NEW GUINEA**

Provincial Service Improvement Program, District Service Improvement Program, Local Level Government Service Improvement Program and Ward Service Improvement Program Administrative Guideline

This is the 4th revised SIP Administrative Guideline 4A/2018 sanctioned through **NEC Decision NG 240/2018** through its Special Meeting No. 20/2018 that supersedes the SIP Administration Guideline 1B 2014 emanated from NEC Decision NG 414/2013 of 18th November 2013 for the implementation of SIP at subnational levels.

NEC has **rescinded** its NEC Decision *NG 414/2013* and "**giving rise**" to NEC Decision NG 240/2018 for the SIP funds allocations to six priority sectors for ease of implementation at the subnational levels.

This Administrative Guideline 4A/2018 issued for the Provincial Service Improvement Program, District Service Improvement Program, Local Level Government Service Improvement Program and Ward Service Improvement Program complimenting DoF's guideline for financial expenditures issued as Financial Instruction 4/2019 dated 12th April 2019 by the Secretary for Department of Finance.

Aihi Vaki
Acting Secretary for Department
of Implementation & Rural
development

August 2019

I, as the Minister for Finance and Rural Development, under *section 3(c) of PFM4 (amended),* issue and endorse **The 4th Revised SIP Administrative Guideline 4A/2019.**

Hon. Charles Abel, MP
Minister for Finance and Rural Development

Dated 13th day of August 2019

Section 1: Introduction

This is the fourth edition of the Administrative Guideline emanated from the NEC Decision Number NG 240/2018 superseding the previous NEC Decision Number NG 414/2013 for Service Improvement Program (SIP) implementation at the subnational levels.

This revised and consolidated Administrative Guidelines with its revised Financial Instruction set out detailed administrative procedures and processes in the entire management and administrations of the SIP funds. This Administrative Guidelines detailed out the sector disbursement, usage and accountability or operations of these funds to ensure impact project developments in the rural areas.

This Administrative Guideline is devised to act as buffer to impede any possibility of abuse and or fund diversion by the recipients. It should further be noted that the provision of a Five-Year Development Plan for the Province or District or LLG respectively will act as a principal prerequisite to the drawing down of these funds at the beginning of each fiscal year.

This revised and consolidated Administrative Guideline is detailed out in sections. It starts with Section 1 Introduction; Section 2 outlines the purposes while Section 3 defines the objectives and the principles of the SIP (PSIP, DSIP & LLGSIP) Administrative Guideline. Section 4 details out the Sectoral Development Funds Allocation and Disbursement while Section 5, 6, 7 and 8 outlines project identification and selection and procurement, tendering and payment processes while Section 9 details out the project implementation, monitoring and reporting processes. Section 10 details out the punitive measures in implementation of SIP funds at the subnational levels while Section 11 outlines project commission and handover.

It must be noted that the application of this instructive guideline is fundamental to monitoring the expenditure of the PSIP/DSIP/LLGSIP and any breach to certain sections of this guideline may warrant referral to court of law by prosecuting authorities.

Section 2 Purpose of PSIP, DSIP and LLGSIP Administrative Guidelines

2.1 The purpose of this Administrative Guidelines is to guide agencies involved in the implementation of the Provincial Services Improvement Program (PSIP), District Services Improvement Program (DSIP) and Local Level Government Services Improvement Program (LLGSIP) on the requirements they shall meet in selecting, approving, procuring, implementing and reporting projects funded under the PSIP, DSIP, LLGSIP and WSIP.

2.2 The revised Administrative Guidelines issued shall be read in conjunction with the PSIP, DSIP, LLGSIP and WSIP Financial Instructions No: 4A/2017 of 13thFebruary 2017 issued by the Secretary for the Department of Finance.

2.3 This Administrative Guideline **DOES NOT** apply to **NCD and Bougainville**. In the case of NCD Electorates all SIP projects are to be cleared by the Department of Implementation and Rural Development (DIRD).

Section 3: Objectives and Principles

The Administration Guideline of the Service Improvement Program captures the intent of the Medium-Term Development Plan III (MTDPIII 2018-2022), DSP (2010-2030) and Vision 2050.

The National Service Delivery Framework as described in the National Planning & Monitoring Responsibility Act 2016 is the guiding template to the development planning process and service delivery for the country; hence SIP AG is binding under this Framework.

3.1. Objectives of the PSIP, DSIP, LLGSIP and WSIP.

The primary objective of the PSIP, DSIP, LLGSIP and WSIP is to provide minimum service delivery standards through re-establishment of basic infrastructure and facilities, including socio-economic activities for essential services such as health, education, law and justice, agriculture and SMEs, quality water and sanitation, transport (air, sea and land), Communication and Rural Electrification, Rural Housing, Human Resource Capacity, and for Community Development at the prescribed Service Delivery centers in the National Service Delivery Framework.

3.2. Principles of the PSIP, DSIP, LLGSIP and WSIP.

The key principles of the PSIP, DSIP, LLGSIP and WSIP are: greater ownership, affordability, value-adding, inclusive & sustainability, leadership, and optimum resource utilization. Underpinning the key principles is the Government's Policy of *"Achieving National Equity in Development through the Strengthening of Basic Service Infrastructure and Inclusive Sustainable Economic Growth"*. The theme of the policy encapsulates the spirit of the PSIP, DSIP, LLGSIP and WSIP and is directly related to the Principles of the Medium-Term Development Plan III (MTDPIII 2018-2022), DSP (2010-2030) and Vision 2050.

The key features of PSIP, DSIP, LLGSIP and WSIP are:

1. ***Priorities of Province, District, LLG and Ward, five (5) Year Development Plans:*** PSIP, DSIP, LLGSIP and WSIP funding must target the priorities of current five-year development plan.

   All 5 Year Province, District and Local Level Government Development Plans should be aligned to the National Service Delivery Framework, and must be vetted and approved by DNPM prior to submission to DIRD.

2. ***Community Participation***: Local communities are important partners of the PSIP, DSIP, LLGSIP and WSIP therefore shall participate directly in the implementation of the projects and programs to encourage partnership and ownership.

3. ***Facilitated by the Provincial Project Management Team (PPMT) and District Project Management Team (DPMT).*** PPMT to facilitate the PSIP in their respective provinces and DPMT to facilitate the DSIP, LLGSIP and WSIP in their respective districts, LLGs and Wards, ensuring that Provincial and Local Level Governments and their administrations can sustain and resource any future development financing needs.

4. ***Involvement by Political Leaders.*** Members of Parliament and Presidents of LLG shall provide Political Leadership and facilitate initiatives to address funding and other (capacity, policy, etc) gaps and constraints but **NOT** to implement the SIP.

5. ***Partnership among All Stakeholders.*** The program components will be delivered using existing systems and processes of the Government, encouraging public-private partnerships (PPP), agreements with development partners and other forms of external support aligned with Government's rural development initiatives.

6. ***Value for money***: PSIP, DSIP, LLGSIP and WSIP projects shall follow all required procurement procedures where procured goods and services delivered on time at expected standard of quality.

7. ***Value added and Economies of scale***: The focus shall be on impact projects, encouraging expansions of the value-added chain, and on economies of scale. Scarce financial resources are to be managed stringently to bring maximum outputs.

Section 4: Sectoral Development Funds Allocation and Disbursement

4.1 NEC Decision NG 240/2018 of 16th August 2018 directed the PSIP, DSIP, LLGSIP and the 2017 budget decision on WSIP funds be allocated to the following five (5) sectors as shown below. The level of funding received by the sectors should reflect the needs and priorities of the Province and Districts.

SECTOR	ALLOCATION			
	PSIP	DSIP	LLGSIP	WSIP
Infrastructure Services Support;	30%	30%	30%	-
Health Services Improvement	20%	20%	20%	-
Education Services Support:	20%	20%	20%	-
Law & Justice Services;	10%	10%	10%	-
Economic Sector Support	10%	10%	10%	-
Administration	10%	10%	10%	-

4.2 The SIP Sectoral allocation funds shall be complimentary towards co-funding of impact projects within and along administrative boundaries of the 3 levels of government and to be used for co-funding with development partners through a Public Private Partnership arrangement.

4.3 The pre-requisite for annual SIP disbursement are the following; a rolling 5 Year development Plan, Budget, Meeting Minutes & Resolutions and Annual Activity Plans.

4.4 Disbursement of SIP funds is subject to the cash flow situation and shall be released strictly upon the receipt of previous year's SIP Implementation reports. Failure to comply is deemed as a serious breach of Administrative Guideline and Finance Instruction.

4.5 SIP funds shall **NOT** be disbursed by DIRD to Provinces, Districts, LLGs and Wards unless the preceding year's reports are submitted, appraised and certified by SIP Interagency (DIRD, DoF, DNPM, DoT) Clearance Committee (SCC).

4.6 The release of SIP funds to concerned administrations be subject to a Consent Letter from respective administration in terms of emergency and natural disasters.

4.7 Funds for PSIP, DSIP, and LLGSIP and **except** WSIP shall not be transferred from one priority sector to another unless approval is given by Secretary of DIRD in consultation with Secretary DoF based on the relevant 5YDP, Budget and Resolutions *(JPP&BPC, DDA and LLGA).*

4.8 The NEC Decision maintains the current Administrative Break-up of 10.0% of the total Appropriation. This 10% is to be broken down into the following categories;

a) **3% General Administration Component** for Administration Support including Joint Provincial Planning and Budget Priority Committees (JPP&BPCs; and District Development Authority (DDA) and Provincial Project Management Team (PPMT), District Project Management Team (DPMT);

b) **3% MP Electoral Support Fund** for travel and project identification and monitoring activities by the Chairperson of JPP&BPC, Chairperson of DDA and the LLG Assembly, Chairperson or their delegates (a member of JPP&BPC, DDA and LLG Assembly);

c) **4% Project Scoping Costs** and related activities by PPMT, DPMT, PWU and compliance monitoring as defined in Project Identification Documents (PID) *(Refer to Attachment 1)* Project Formulation Documents (PFD)*(Refer*

*to Attachment 2)*approved by JPP&BPC and DDA for scoping and implementation, respectively;

Section 5: Project Identification, Selection and Approval

(Refer to Appendix 1: Attachment 1 Flow Chart and Attachment 2 Process Maps)

5.1 Ward Level

5.1.1. The respective communities identify projects and submits proposals to the Ward Development Committee (WDC).

5.1.2. The Ward Development Committee deliberates, selects and prioritizes proposals, allocate funding and implement projects according to their Ward Development Plans (WDP).

5.1.4. The Ward Development Committee may seek support from LLGSIP, DSIP and PSIP.

5.2 Local Level Government Level

5.2.1. The Ward Development Committee (WDC) consults with all communities in identifying projects and submits proposals through Ward Members (Councilors) to the LLG Assembly. Legitimate associations or individuals may also submit their proposals directly to the LLG Manager, who will register and direct the proposals to the LLG Assembly for consideration.

5.2.2. LLG Assembly deliberates, selects and prioritizes proposals and submits the PIDs *(Refer to Appendix 2, Attachment no-1: PID)* of prioritized proposals to DPMT or Provincial Works Unit (PWU) for scoping and technical assistance up to the formulation of PFDs.

5.2.3. The DPMT or PWU submits completed PFDs to LLG, Assembly for review, endorsement and budget allocation for the approved projects.

5.2.4. Scoping works and mobilization expenses shall be funded out of the 4% Project Scoping Cost component prescribed in section 4.8, sub-section (c).

5.2.5. The LLG Assembly shall be composed of the President as the Chairperson and all the Ward Members (Councilors), Representatives of Church, Women and Youth. *(refer to amended OLPLLG [Amended No11-2006, section 29: sub-section (1)]*

5.2.6. LLG President / or Manager submits a copy of approved projects and budget to District Administrator or CEO of the DDA, Provincial Administrator and DIRD.

5.2.7. DIRD to guide and facilitate where required.

5.3 District Level

5.3.1. The LLG Ward Members or Ward Development Committees (WDC) in consultation with District Administration Sectoral Advisers consult with other interested parties in identifying projects and submit proposals through LLG Presidents to DDA Board for deliberations. Legitimate associations and individuals may also submit their proposals directly to the Office of the District Administrator/CEO or through DPMT or PWU, who will register and submit the proposals to the DDA Board.

5.3.2. DDA Board deliberates, selects and prioritizes proposals and submits the PIDs *(Refer to Appendix 2, Attachment no-1: PID)* of prioritized proposals to DPMT or PWU for scoping and technical assistance up to the formulation of PFDs *(Refer to Appendix 2, Attachment no-2: PFD)*.

5.3.3. The DPMT or PWU submits completed Project Documentations (PID, PFD, BOQ, SOW) to DDA Board for review, endorsement and budget allocation for the approved projects in-line with the Five (5) Year District Development Plan.

5.3.4. Scoping and mobilization expenses shall be funded out of the 4% Project Scoping Cost component prescribed in section 4.8, sub-section (c).

5.3.5. The DDA Board is composed of the Open Member as the Chairperson and all the LLG Presidents, Representatives of Church, Women, Youth (*refer to amended OLPLLG [Amended No11-2006, section 29: sub-section (1)] and* DDA Act.

5.3.6. DDA Board Chairperson/CEO (District Administrator) submits a copy of approved projects and budget to Provincial Administrator, DIRD, DNPM, DoF and DoT.

5.4 Provincial Level

5.4.1. The JPP/BPC in consultation with the respective DDA Board Chairman, Provincial Administration, Sectoral Program Advisors and other interested parties identify projects and submit project documentations directly to the PPMT, who will register and submit to the JPP&BPC for deliberation.

5.4.2. JPP&BPC selects and prioritizes proposals and submits the PIDs of prioritized proposals to PPMT or PWU for scoping and technical assistance up to the formulation of PFDs.

5.4.3. The JPP&BPC is composed of the PEC appointed by the Governor, as the Chairperson, all Chairpersons of the DDA (or nominees), Representatives of Church, Women and Youth. *[refer to amended OLPLLG (Amended No11-2006, section 25: sub-section 2b]*

5.4.4. The PPMT or PWU submits completed PFDs to JPP&BPC for review, endorsement and budget allocation for the approved projects.

5.4.5. JPP&BPC submits a copy of approved projects and budget to Provincial Administrators, District Administrators, DIRD, DNPM, DoF and DoT.

5.4.6. The role of Provincial Project Management Team (PPMT), District Project Management Team (DPMT) or Provincial Works Unit (PWU) shall be to conduct; project scoping, documentation and appraisal in consultation with relevant provincial, district and local level government sector advisors and national agencies; and provide technical advice to JPP&BPC, DDA and LLG Assemblies.

5.4.7. Scoping and mobilization expenses should be funded out of the 4% Project Scoping Cost component prescribed in ***Section 4.8, sub-section (c).***

5.4.8. PPMT shall comprise of the Provincial Administrator as Chairperson, Provincial Works Unit Manager (in the absence of the Provincial Works Unit Manager, then the Provincial Works Manager-DOW) as Deputy Chairperson, Provincial Planner, Provincial Finance Manager and key sector advisors.

5.4.9. DPMT shall comprise of the District Administrator or CEO of DDA as Chairperson, District Engineer (in the absence of the District Works Engineer, then the Provincial Civil Engineer) as Deputy Chairperson, District Planner, District Finance Manager and appropriate sector advisors.

5.4.10. If the Provincial Works Unit or Department of Works (DoW) and other sector agencies are unable to assist in the scoping and documentation for new infrastructure, upgrade, maintenance and renovation of existing infrastructure, it could be outsourced, subject to approval by JPP&BPC and DDA Board.

5.4.11. The relevant provincial, district and local level government sector advisors shall provide all technical oversight for the PSIP, DSIP and LLGSIP implementation.

5.4.12. All copies of Project Documentations and Contract Agreements shall be submitted by the Provincial and District Administrators/CEO to relevant national agencies consistent with the Financial Instructions for compliance.

Section 6. Project Documentation Requirements

6.1 A Project Formulation Document (*Refer to Appendix 2, Attachment no-2: PFD)* is compulsory for projects valued up to K5,000; attaching the following requirements

i) Project Identification Document *(Refer to Appendix 2, Attachment no-1: PID)*
ii) Letter of Request from proponents
iii) Supporting letter from appropriate authorities / Sector Advisors
iv) Three quotes (verbal and/written)
v) WDC, LLG Assembly, DDA Board, PEC/JPP&BPC Meeting Minutes and Resolution where necessary

6.2 A Project Formulation Document *(Refer to Appendix 2, Attachment no-2: PFD)* is compulsory for projects valued at K5,001 and up to K500,000, attaching the following requirements

i) Project Identification Document *(Refer to Appendix 2, Attachment no-1: PID)*
ii) Supporting letter from appropriate authorities / Sector Advisors
iii) Three written quotes

iv) Pro-Forma Standard Contract Document according to nature of works
v) WDC, LLG Assembly, DDA Board, PEC/JPP&BPC Meeting Minutes and Resolution where necessary
vi) Other documents relevant to standard procurement requirements

6.3 A Project Formulation Document *(Refer to Appendix 2, Attachment no-2: PFD)* is compulsory for projects valued at K500,001 and up to K5,000, 000

(i) Project Identification Document *(Refer to Appendix 2, Attachment no-1: PID)*
(ii) Supporting letter from appropriate authorities / Sector Advisors
(iii) Minor/Major Contract Documents
(iv) Authority to Pre-Commit (APC)
(v) WDC, LLG Assembly, DDA Board, PEC/JPP&BPC Meeting Minutes and Resolution where necessary
(vi) Other documents relevant to standard procurement requirements

6.4 A Project Formulation Document *(Refer to Appendix 2, Attachment no-2: PFD)* is compulsory for projects valued at K5,000,001 and up to K10 million

i) Project Identification Document *(Refer to Appendix 2, Attachment no-1: PID)*
ii) Supporting letter from appropriate authorities / Sector Advisors
iii) Major Contract Document
iv) Authority to Pre-Commit (APC)
v) WDC, LLG Assembly, DDA Board, PEC/JPP&BPC Meeting Minutes and Resolution where necessary
vi) Other documents relevant to standard procurement requirements

6.5 A Project Formulation Document *(Refer to Appendix 2, Attachment no-2: PFD)* is compulsory for projects valued at K10 million and above

i) Project Identification Document *(Refer to Appendix 2, Attachment no-1: PID)*
ii) Supporting letter from appropriate authorities / Sector Advisors
iii) Major Contract Document
iv) Authority to Pre-Commit (APC)
v) WDC, LLG Assembly, DDA Board, PEC/JPP&BPC Meeting Minutes and Resolution where necessary
vi) NEC Approval
vii) Other documents relevant to standard procurement requirements

Section 7 Procurement, Selection and Tendering Process

(Refer to Appendix 1: Attachment 1 Flow Chart and Attachment 2 Process Maps)

7.1 Procurement Requirement

i) For procurements valued up to K5,000 three verbal quotations to be registered, are required for approval by the District Administrator or the CEO of the DDA as the Chairman of the DPMT

ii) For procurements valued at K5, 001 and up to K500, 000 at the District and the Province, a three written quotation and pro-forma contract are required for approval by the District Administrator and the Provincial Administrator respectively, using a standardized procurement system, approved by the National Procurement Commission.

iii) For procurements valued at K500, 001 and K2, 500,000, an APC and a minor/major works contract are required for approval by National Procurement Commission (NPC) facilitated by District Procurement Committee (DCNPC) using a standardized procurement system arising from a District Development Authority.

iv) For procurements valued at K500, 001 and K5, 000,000, an APC and a minor/major works contract are required for approval by National Procurement Commission (NPC). Facilitated by Provincial Procurement Committee (PCNPC) using a standardized procurement system.

v) For procurements valued at K10, 000,000 and above, an APC, scrutiny by NPC and a major contract are required for approval by NEC and forwarded to Governor General to execute on behalf of the State.

vi) *The Provincial Committee of the NPC has jurisdiction over procurement greater than K500, 000 but equal to or less than K5,*

000,000 arising from a provincial government or District if the jurisdiction of the District Committee of the NPC is exceeded.

vii) Where there is no District Committee of the NPC in the district of a concerned Province or Provincial Committee of NPC in the Province, an APC and a minor/major works contracts for values referred to in **parts (iii)** to **(v)** of **section 7.1** above, DIRD in consultation with relevant National Government agencies facilitate on behalf of the concern LLG, DDA and Provincial Government.

viii) In cases, where there are less than three suppliers due to remoteness and/or lack of suppliers, a written justification is required from DPMT/PPMT, to DCNPC/PCNPC for deliberation and awarding of contract.

7.2. Selection, Tendering and Awarding

(Refer to Appendix 1: Attachment 1 Flow Chart and Attachment 2 Process Maps)

7.2.1 Selection

(i) The LLG Assembly, District Development Authority, PEC/JPP&BPC submits the approved and selected projects for funding to the respective District Project Management Team (DPMT) and Provincial Project Management Team (PPMT).

(ii) The DPMT and PPMT or PWU shall receive and prepare tender documents utilizing the 4% Project Scoping and Mobilization Cost component of SIP to carry out these duties.

(iii) The DPMT and PPMT or PWU then submit the completed tender documents to the respective District and Provincial Committee of the NPC for tendering.

7.2.2 Tendering and Awarding

(i) For contracts valued at K5, 001 and up to K500, 000, the DPMT or PWU shall carry out tendering and awarding using a standardized procurement system, approved by the National Procurement Commission, and the execution of contracts is by the respective Administration.

(ii) For contracts valued at K500, 001 and up to K2, 500,000, the DPMT or PWU shall prepare and forward tender documents to District committee of the NPC for tendering, awarding and execution of contracts on behalf of the DDA.

(iii) For contracts valued at K500, 001 and up to K5, 000,000, the DPMT and PPMT/PWU (if the jurisdiction of the District Committee of the NPC is exceeded) shall prepare and forward tender documents to the Provincial Committee of the NPC for tendering, awarding and execution of contract on behalf of the LLG, DDA and Provincial Government.

(iv) For contracts valued at K5, 000,001 and up to K10, 000,000, respective District and Provincial Committee of the NPC shall prepare and forward the tender documents to NPC for tendering, awarding and execution of contracts on behalf LLG, DDA and Provincial Government.

(v) A District Committee of the NPC shall consist of, CEO/DA of the DDA/District Administration ex officio as the chairman, ex officio, District Finance Manager ex officio, an appointee to represent;

a. the interest of Justice, Law and Order in the District
b. the interest of the community in the District
c. the interest of the Women in the District

(vi) A Provincial Committee of the NPC shall consist of, Provincial Administrator ex officio as the chairman, Provincial Works Manager ex officio, Advisor Planning & Budgeting ex officio, Provincial Finance Manager ex officio, an independent person appointed by Finance Minister

Note: In cases where PPMT or DPMT is non-functional or non-existent, the PWU shall be utilized.

7.3 Non-Functional PCNPC

Where District and Provincial Committee of the NPC is non-functional, project scope and tender documents including JPP&BPC and DDA Budget Resolutions, PFDs and related project documents from relevant sector agencies, shall be submitted by Provincial Administrator and District Administrator/CEO to DIRD to facilitate.

(i) The DIRD Project Appraisal Committee (DIRDPAC) receives, registers and undertakes appraisal of PFDs approved under PSIP, DSIP and LLGSIP (WSIP) to ensure that submissions are complete and meet all compliance requirements as per the PFMA.

(ii) A submission failing the appraisal shall be referred back to the relevant Provincial or District Administrators/CEOs of DDA with appropriate recommendations, for correction/s and re-submission.

(iii) Where appropriate, a project submission passing the preliminary assessment criteria shall be recommended for the NPC to tender and award.

(iv) At the close of the tender period, the DIRD and relevant agencies that are part of the Tenders Evaluation Committee (TEC), shall evaluate all the Bids, and submit recommendations to the NPC.

(v) The NPC shall deliberate on the TEC's recommendations and award the contracts.

(vi) The NPC shall execute the contract on behalf of the state.

(vii) Terms of Reference and Composition of TEC:

- **TOR**
  - Evaluate Bids: compliance to relevant laws (IPA Registration Documents, COC, and Insurance etc.), financial and technical capacity, business standing, company profile, bid amount.
- **Composition**
  - DIRD (Chair), NPC, DoW, DoF, DoT and State Solicitor and other relevant agencies depending on the sectoral nature of the project/s.

Section 8: Payment Process

(Refer to Appendix 1: Attachment 1 Flow Chart and Attachment 2 Process Maps, attachment 3 DIRD Chq Release Form)

8.1 Provincial Administrators', Provincial Finance Managers', District Administrators'/CEOs' of DDA and District Finance Managers' and LLG Managers' shall receive, register, evaluate all invoices and relevant documents, and pay the Contractors and Service Providers progressively.

8.2 Details of payment should be recorded in DIRD Cheque Release Form *(Appendix 1, Attachment No 3)* and approved by the JPP&BPC/DDA Chairman or LLG Council President with respective Provincial Administrator, District Administrator and LLG Managers.

8.3 It is mandatory for the Provincial and the District Administrators or the CEO of DDA as well as Provincial and District Finance Managers to ensure that all projects, including projects procured by PPMT and DPMT, District and Provincial Committee of the NPC, are implemented according to the terms and conditions of the contract.

8.4 For every contract, 10% of the total contract value shall be retained according to the time period specified in the contract. If the Project Manager is not satisfied with the works done, especially in the case of the defaulting contractors, he/she can recommend to Provincial or District Administrators for the amount retained or forfeited to the State.

Section 9: Project Implementation, Monitoring and Reporting.

(Refer to Appendix 3: Attachment 1 DIRD SIP Acquittal Appraisal Checklist, Attachment 2 Fix Asset Registry Form, Attachment 3 Progressive Status Report, Attachment 4 Project Implementation Review- Physical Form, Attachment 5 Project Implementation Review- Financial Form)

"LLGSIP, DSIP & PSIP must be strictly monitored and evaluated periodically for value of money and its impact to service delivery. DNPM in collaboration with DIRD and other Central Agencies should work together to ensure that SIP funding is tracked regularly, optimized and producing tangible benefits to the people and to the country as a whole". (MTDP III Vol.1 Chapter 7, section 7.7, pg 76)

9.1 Project Implementation should commence after mobilization payment is made to the Contractor/s and service provider/s in the respective Provinces, Districts and Local Level Governments.

9.2 Certified copies of project documentation, contracts, project status reports (including GPS tagged detail pictures of proposed projects), payment records, schedule of payments, implementation plan and cash flow, Asset Registers *(refer to Appendix 3, Attachment 2 Fix Asset Registry Form)* and Project Completion Reports shall be submitted to DIRD using standard DIRD reporting template for monitoring and evaluation purposes.

9.3 All Provincial and District Administrators and LLG Managers shall provide quarterly management reports on the physical and financial status of the PSIP, DSIP, LLGSIP and WSIP activities to the JPP& BPC, DDA, Provincial Management Team (PMT), District Management Team (DMT), DIRD and other relevant agencies. Sector Advisers are obliged to assist in preparing quarterly management reports.

9.4 Provincial, District Administrators and LLG Managers are required to bring to the Quarterly Project Reviews, the following: -

(i) Progressive Status Report (PSR) on each Project *(Refer Appendix 3, Attachment No 3).*

(ii) Expenditure Report including the bank statement together with the PGAS/IFMS print-out on the actual spending of previous quarter on each Project activity and activity plans and cash-flow estimates for the next Quarter (project forms to be used: In this instance are PIR-

Finance Form *(Appendix 3, Attachment No 4)* and PIR-Physical Form: *(Appendix 3, Attachment No 5).*

(iii) The Provincial Works Manager and relevant authorities shall assist the Provincial, District Administrators and LLG Managers in monitoring, supervision and reporting on the performance of contracted projects.

9.5 The PPMT, DPMT or PWU shall assist DIRD on-site inspection of the PSIP, DSIP and LLGSIP projects under implementation.

9.6 DIRD shall coordinate program monitoring and reviews with Department of National Planning & Monitoring, Department of Finance, Department of Treasury, Department of Provincial and Local Level Government Affairs, PM&NEC and Department of Works to physically verify reports from the provinces, districts, local level governments and Wards when and where required.

9.7 DIRD shall provide implementation reports (physical and financial status) of the PSIP, DSIP and LLGSIP to the Central Agency Coordination Committee (CACC), Department of National Planning & Monitoring, Department of Finance, Department of Treasury, PM&NEC, Department of Provincial and Local Level Government Affairs and other relevant agencies.

9.8 DIRD shall coordinate semi-annual reviews of PSIP, DSIP and LLGSIP with Province, District and LLG Administrations.

9.9 For reports on projects completed, the following information shall form the structure of the SIP Acquittal Report by the Provincial, District Administrator or CEO of DDA and LLG Managers to DIRD: -

(i) Executive Summary – Including Physical and Financial Status.
(ii) Introduction
(iii) Project Description, Activities implemented and Costs
(iv) Details of Project Output Achieved and Quantitative and Qualitative Assessment of Project Impact and Outcomes Achieved
(v) Problems Encountered and Lessons Learnt
(vi) Recommendations and Way forward.

9.10 All LLG Managers, District Administrators and Provincial Administrators including Provincial and District Finance Managers are required to input all payment information on SIP into the DIRD SIP Acquittal Appraisal Checklist and submitted in electronic copy as part of the Acquittal Report to DIRD
(Refer to Appendix 3, Attachment 1 DIRD SIP Acquittal Appraisal Checklist)

Section 10: Project Completion, Commissioning and Handover

(Refer to Appendix 1: Attachment 1 Flow Chart and Attachment 2 Process Maps)

10.1 Upon completion of a project, the contractor shall report to the relevant government agency (e.g. DoW-Provincial Works Manager for infrastructure) for completion certification.

10.2 Completion Certificates shall be handed over to the Provincial, District Administrators or CEO of DDA and LLG Managers by the contractors upon fulfillment of all the terms and conditions of the contract.

10.3 After issuance of completion certificate, the responsible political leader should commission and handover the project to its beneficiaries.

Section 11: Punitive Measures on Non-Compliance

11.1 Leaders

Political Leaders who fail to comply with Administrative Guidelines and Financial Instructions for expenditure of the PSIP, DSIP, LLGSIP and WSIP funds shall be dealt with in accordance with the provisions of the Leadership Code.

Note: [refer to section 27 of the Constitution on the Leadership Code of the Ombudsman Commission and other relevant laws as applicable]

11.2 National Departmental Heads, Administrators and other Accountable Officers

i) In the event of non-compliance of procurement procedures, accounting and reporting requirements as per section *102, 112* and *113* of *Public Finance Management Act (PFMA) 1995 and Monitoring & Responsibility Act 2016,* the Secretary of Finance in consultation with the Secretary of DIRD and relevant agencies, shall suspend section 32 powers of the Provincial Administrator, District Administrator or CEO of DDA and LLG Manager and other delegated officers, for a particular Province(s), District(s) and LLG(s).

ii) For actions criminal in nature, National Departmental Heads, Provincial and District Administrators or CEO of DDA shall be referred to relevant authorities for suspension and dismissal from office. *(Refer to General Order 8.24 for National Department Heads, 8.37 for Provincial Administrators and District Administrators and the PFMA 1995)*

11.3.Contractors

The Contractor shall fulfill the provisions of the contract and NPC Procurement Manual. In the event that the contractor fails to fulfill his/her contract obligations:

i. Contract shall be terminated forthwith;
ii. Contractor shall be referred to appropriate authorities for investigation and possible conviction;
iii. Contractor shall be blacklisted for any future engagements; and

iv. Contracts entered outside of the Administrative Guideline and Financial Instruction shall be deemed as null and void.

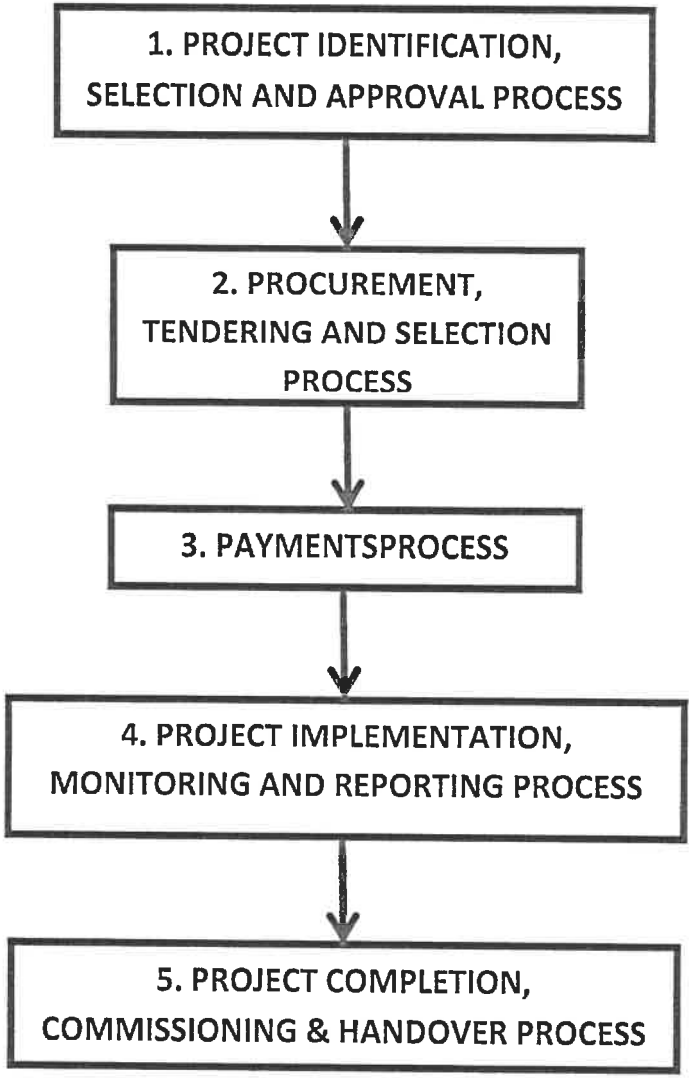
11.4. Cases of Non Compliance

In cases of non-compliance, the DIRD and Department of Finance shall jointly manage the respective PSIP, DSIP and LLGSIP Accounts, until such time the situation warrants re-instatement (as provided for in paragraphs 11.1, 11.2 and 11.3).

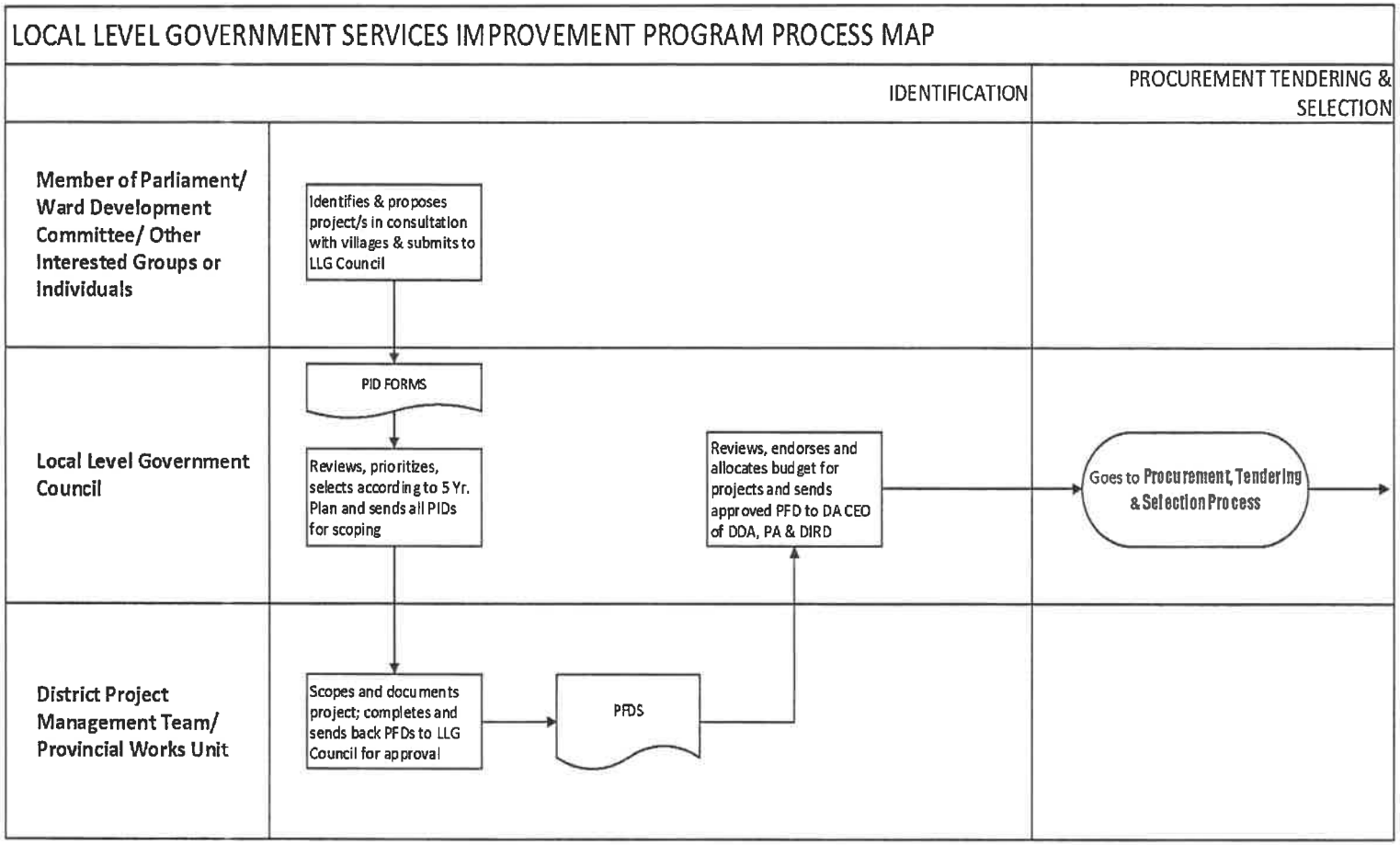
APPENDIX 1: GENERAL FLOW CHART AND PROCESS MAPS

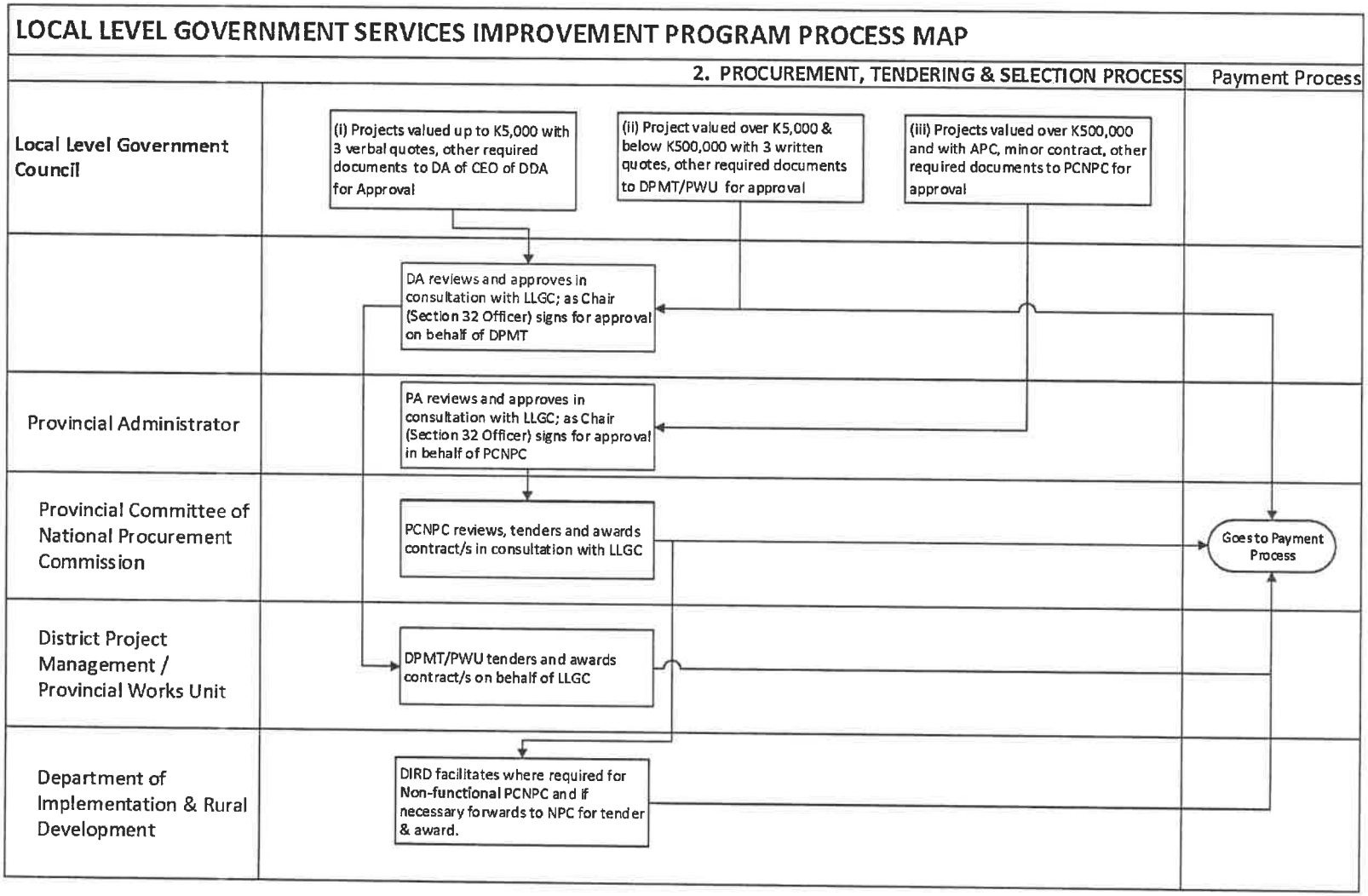
PROVINCIAL, DISTRICT, LOCAL LEVEL GOVERNMENT AND WARD SERVICE SERVICE IMPROVEMENT PROGRAMS

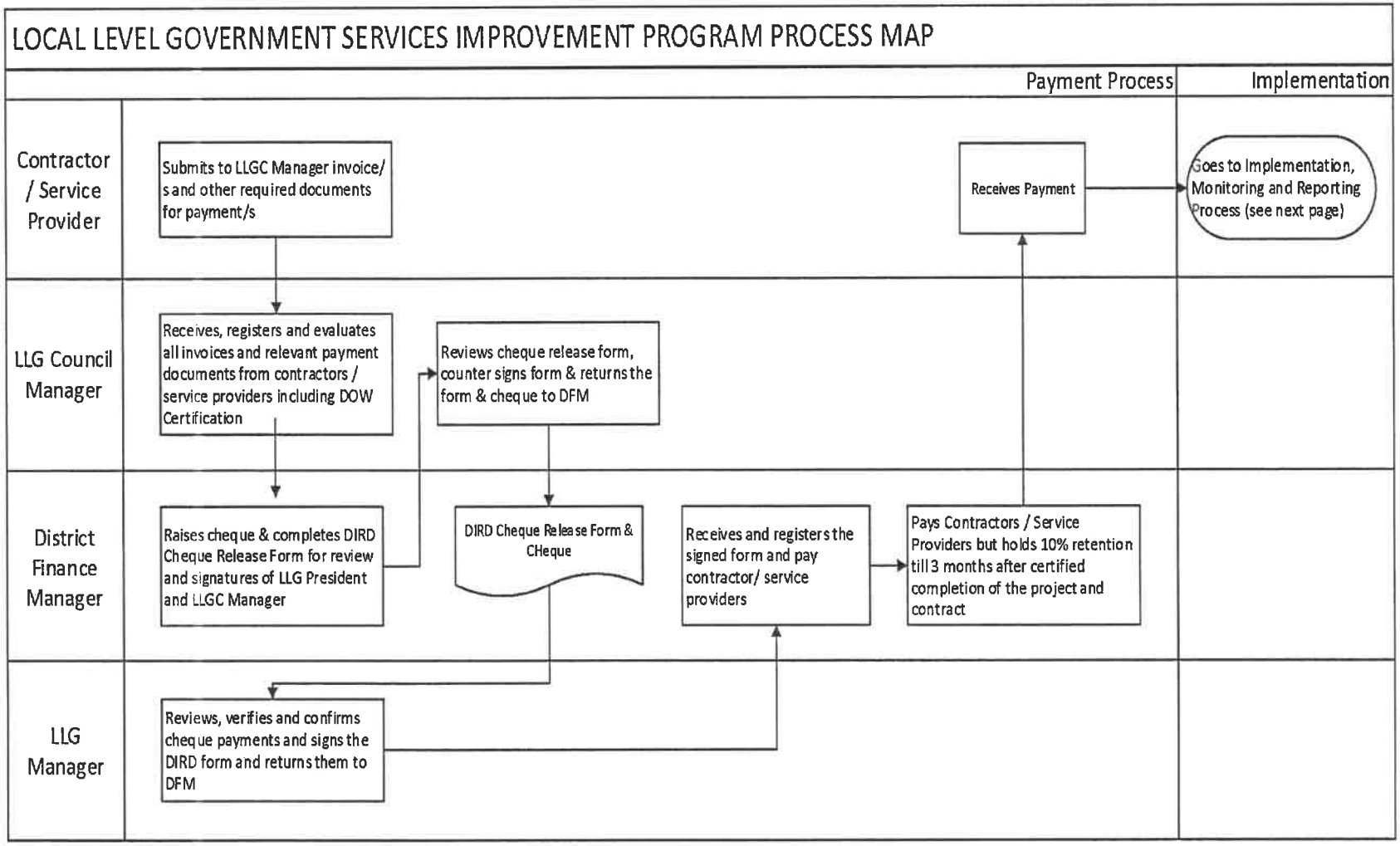
ATTACHMENT 1. GENERAL FLOW CHART

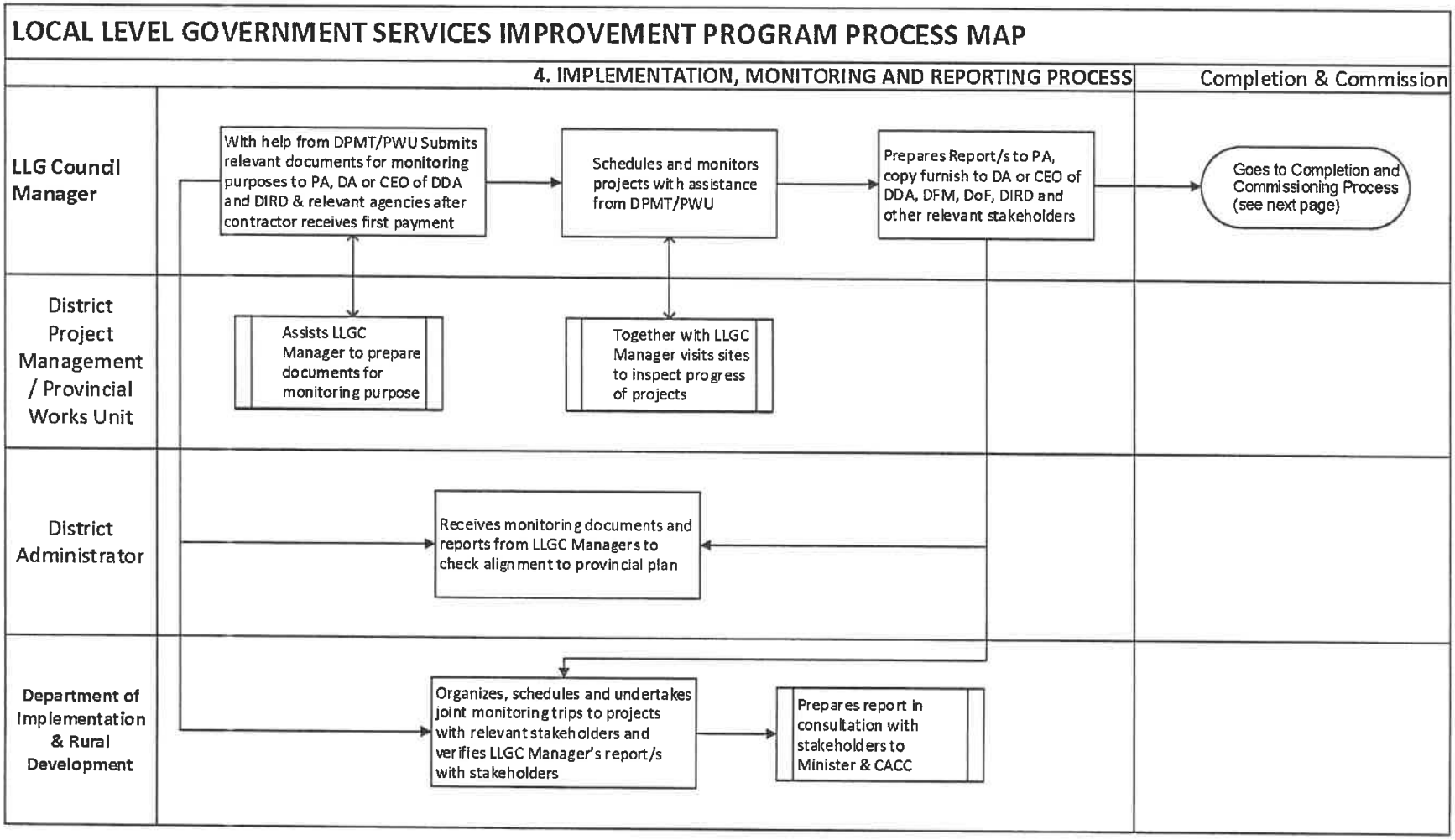


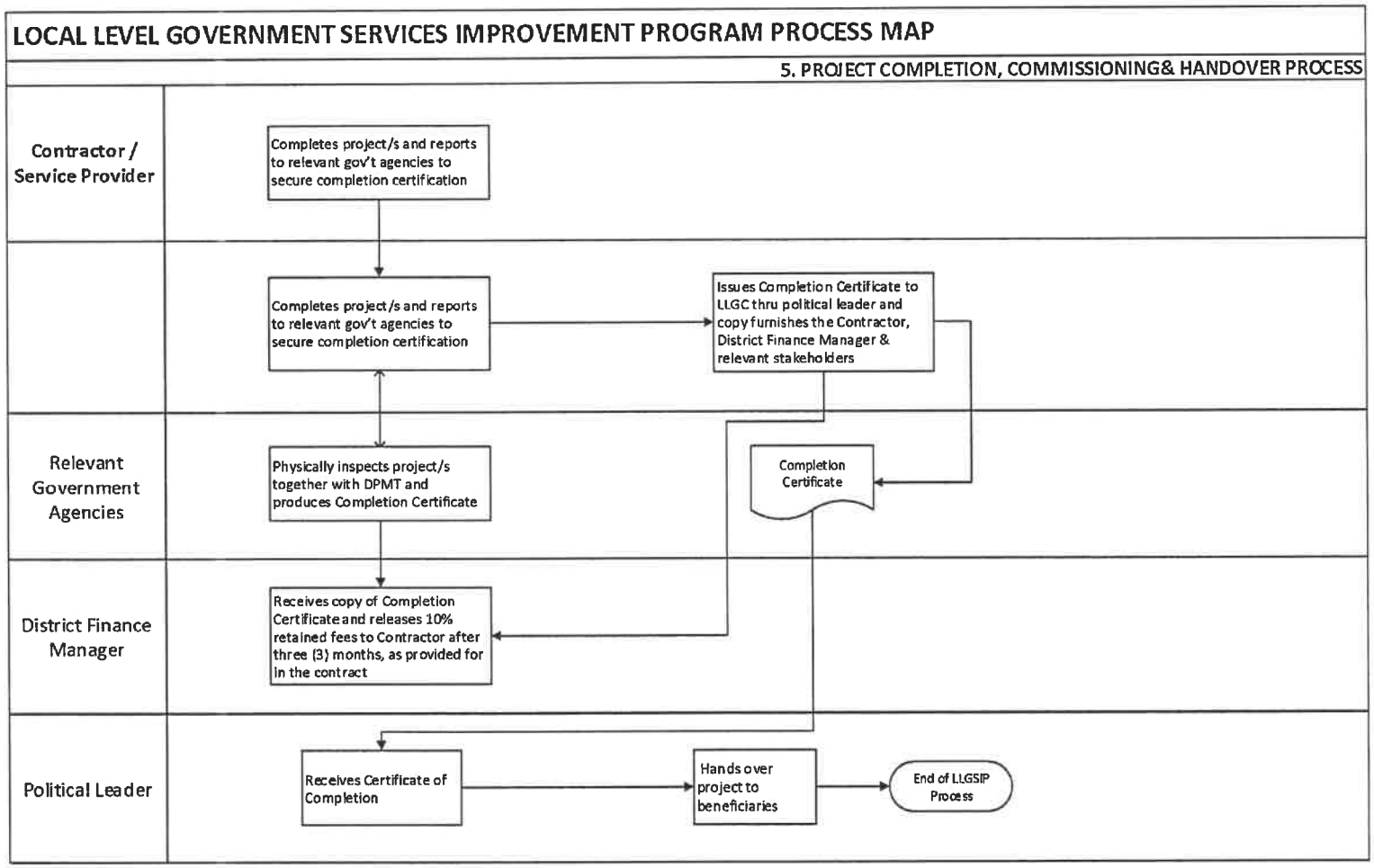
ATTACHMENT 2. PROCESS MAP

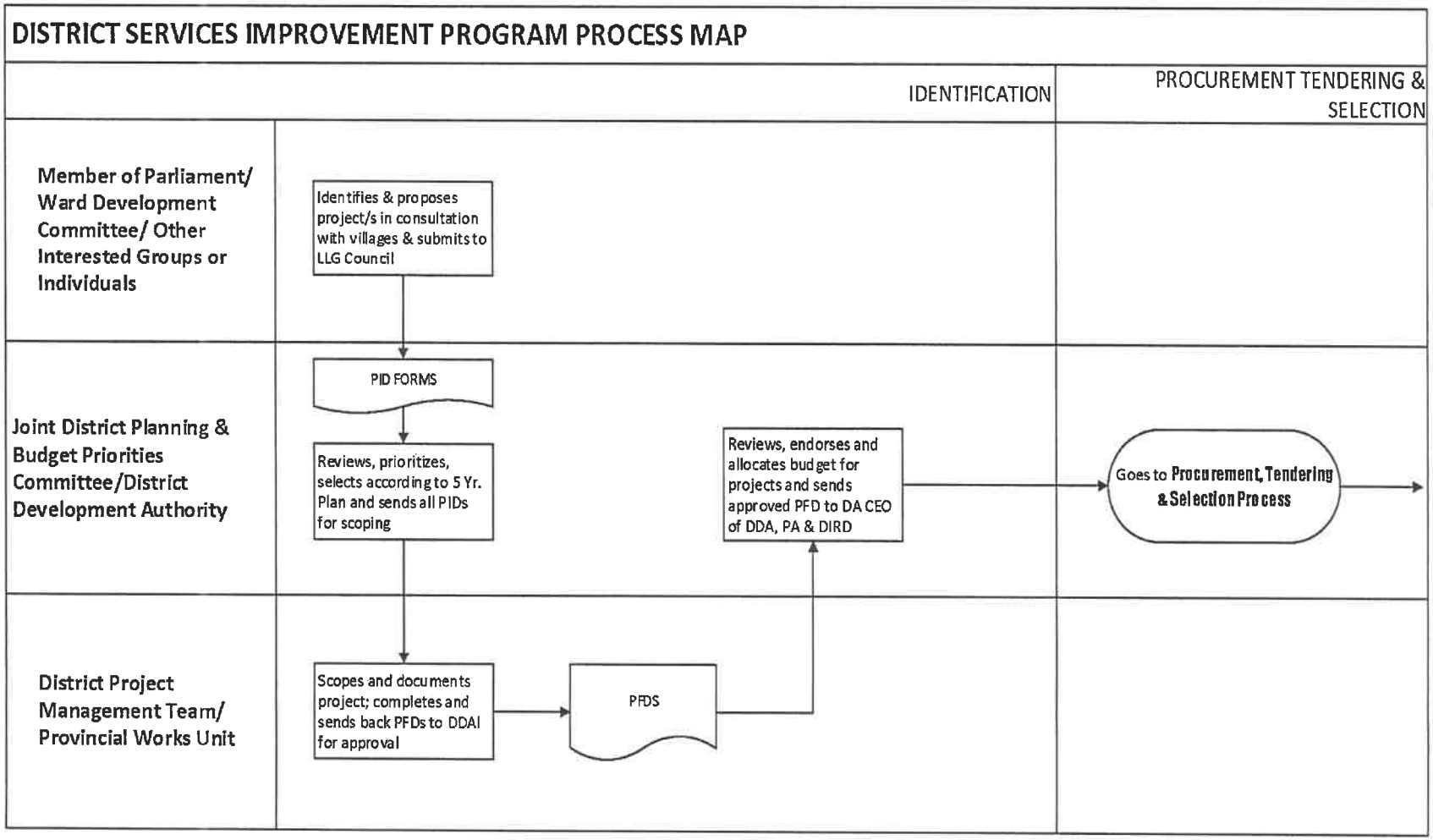


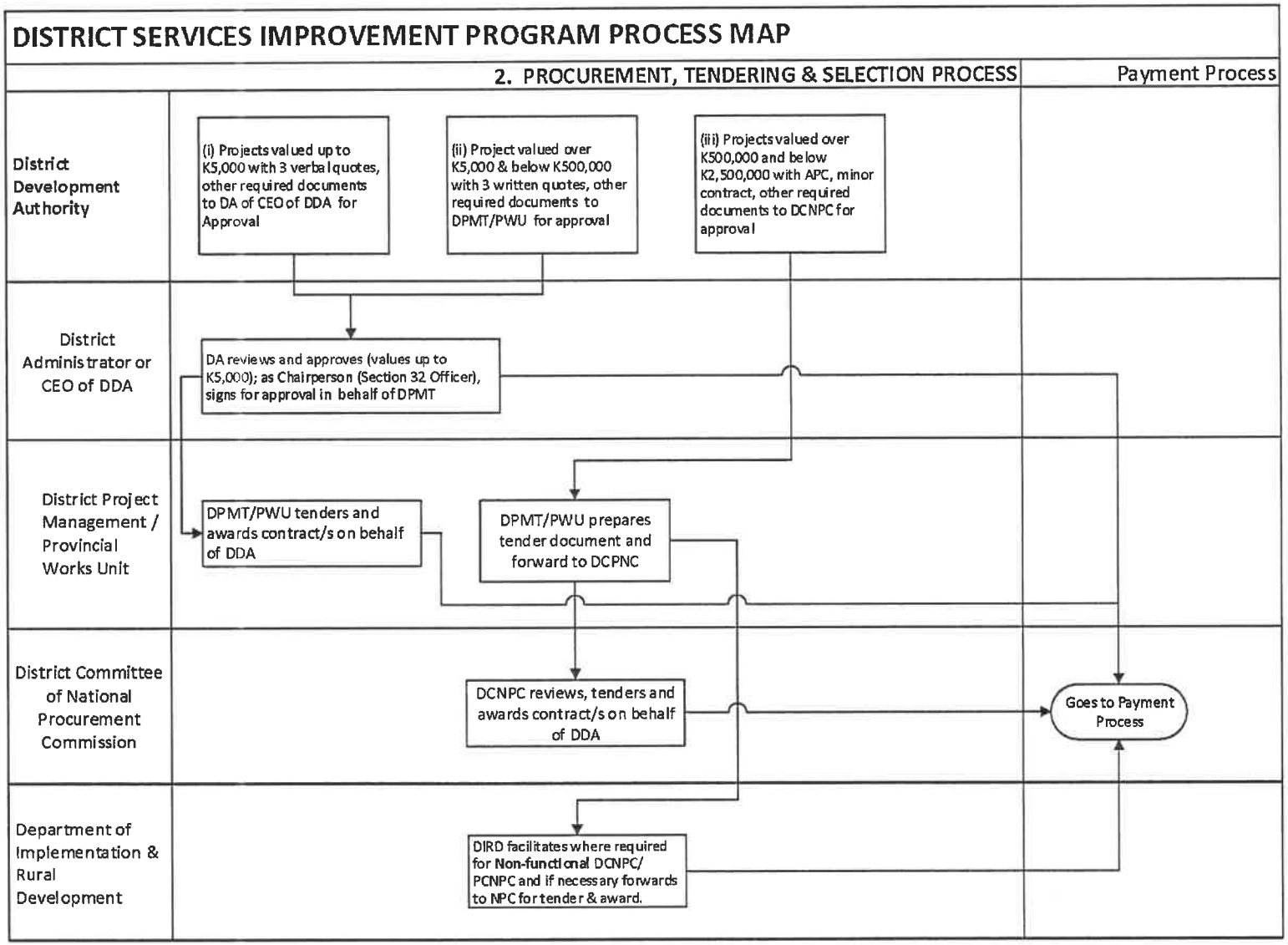

LOCAL LEVEL GOVERNMENT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
2. PROCUREMENT, TENDERING & SELECTION PROCESS
Payment Process
Local Level Government Council
(i) Projects valued up to K5,000 with 3 verbal quotes, other required documents to DA of CEO of DDA for Approval
(ii) Project valued over K5,000 & below K500,000 with 3 written quotes, other required documents to DPMT/PWU for approval
(iii) Projects valued over K500,000 and with APC, minor contract, other required documents to PCNPC for approval
DA reviews and approves in consultation with LLGC; as Chair (Section 32 Officer) signs for approval on behalf of DPMT
Provincial Administrator
PA reviews and approves in consultation with LLGC; as Chair (Section 32 Officer) signs for approval in behalf of PCNPC
Provincial Committee of National Procurement Commission
PCNPC reviews, tenders and awards contract/s in consultation with LLGC
Goes to Payment Process
District Project Management / Provincial Works Unit
DPMT/PWU tenders and awards contract/s on behalf of LLGC
Department of Implementation & Rural Development
DIRD facilitates where required for Non-functional PCNPC and if necessary forwards to NPC for tender & award.

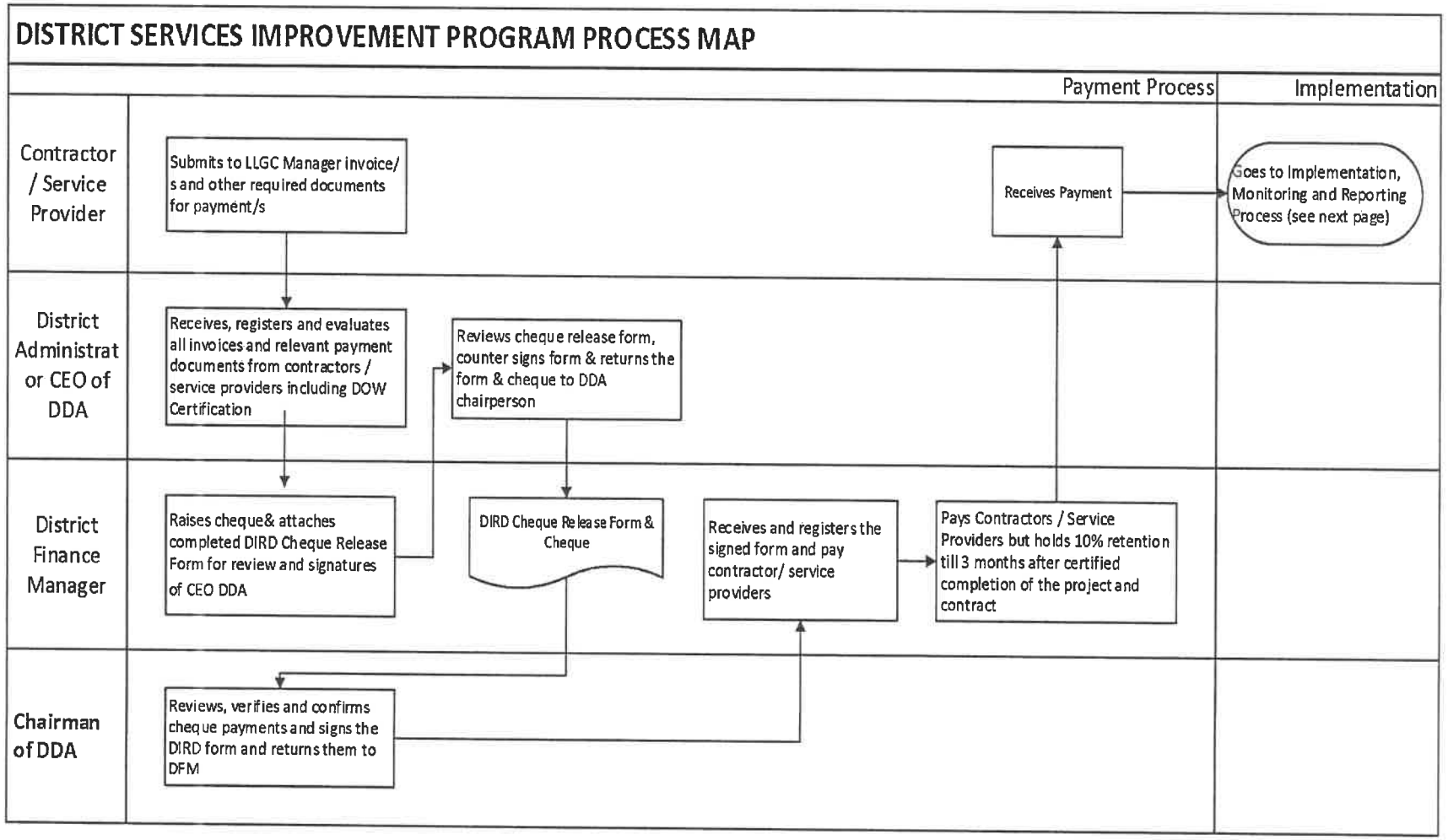

LOCAL LEVEL GOVERNMENT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
Payment Process
Implementation
Contractor / Service Provider
LLG Council Manager
District Finance Manager
LLG Manager
Submits to LLGC Manager invoice/s and other required documents for payment/s
Receives Payment
Goes to Implementation, Monitoring and Reporting Process (see next page)
Receives, registers and evaluates all invoices and relevant payment documents from contractors / service providers including DOW Certification
Reviews cheque release form, counter signs form & returns the form & cheque to DFM
Raises cheque & completes DIRD Cheque Release Form for review and signatures of LLG President and LLGC Manager
DIRD Cheque Release Form & CHeque
Receives and registers the signed form and pay contractor/ service providers
Pays Contractors / Service Providers but holds 10% retention till 3 months after certified completion of the project and contract
Reviews, verifies and confirms cheque payments and signs the DIRD form and returns them to DFM

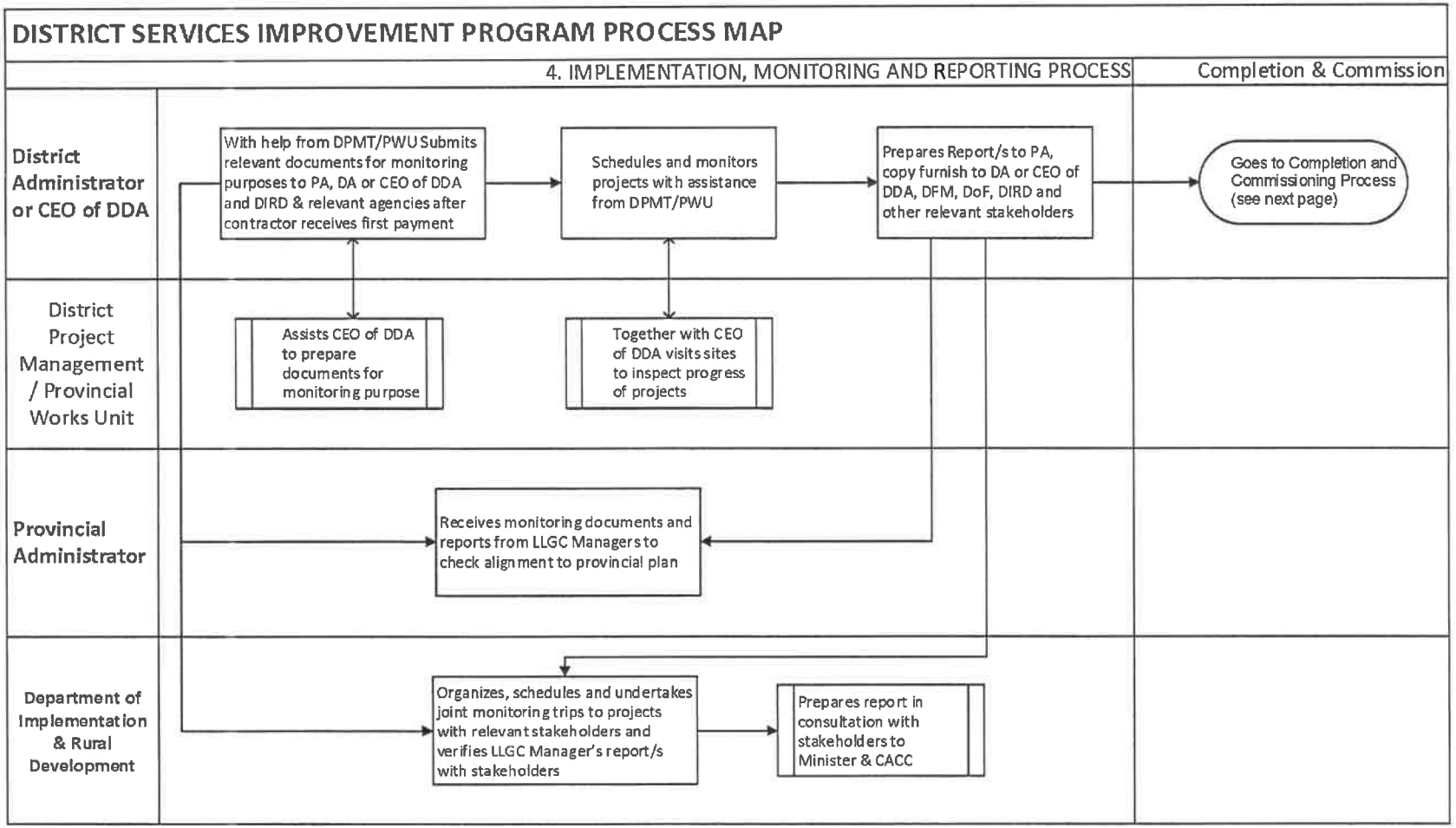

LOCAL LEVEL GOVERNMENT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
4. IMPLEMENTATION, MONITORING AND REPORTING PROCESS
Completion & Commission
LLG Council Manager
With help from DPMT/PWU Submits relevant documents for monitoring purposes to PA, DA or CEO of DDA and DIRD & relevant agencies after contractor receives first payment
Schedules and monitors projects with assistance from DPMT/PWU
Prepares Report/s to PA, copy furnish to DA or CEO of DDA, DFM, DoF, DIRD and other relevant stakeholders
Goes to Completion and Commissioning Process (see next page)
District Project Management / Provincial Works Unit
Assists LLGC Manager to prepare documents for monitoring purpose
Together with LLGC Manager visits sites to inspect progress of projects
District Administrator
Receives monitoring documents and reports from LLGC Managers to check alignment to provincial plan
Department of Implementation & Rural Development
Organizes, schedules and undertakes joint monitoring trips to projects with relevant stakeholders and verifies LLGC Manager's report/s with stakeholders
Prepares report in consultation with stakeholders to Minister & CACC

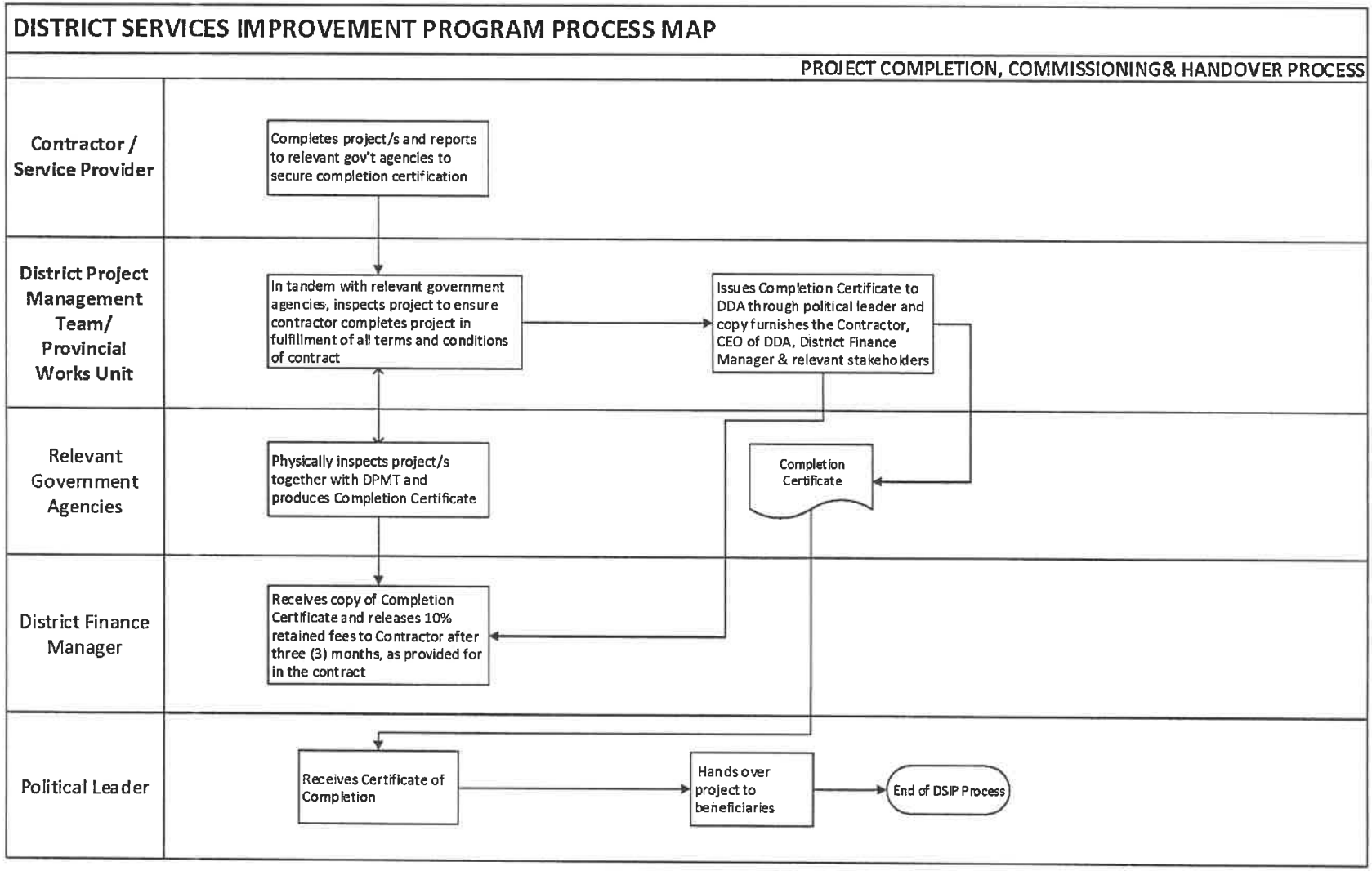

LOCAL LEVEL GOVERNMENT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
5. PROJECT COMPLETION, COMMISSIONING& HANDOVER PROCESS
Contractor / Service Provider
Completes project/s and reports to relevant gov't agencies to secure completion certification
Completes project/s and reports to relevant gov't agencies to secure completion certification
Issues Completion Certificate to LLGC thru political leader and copy furnishes the Contractor, District Finance Manager & relevant stakeholders
Relevant Government Agencies
Physically inspects project/s together with DPMT and produces Completion Certificate
Completion Certificate
District Finance Manager
Receives copy of Completion Certificate and releases 10% retained fees to Contractor after three (3) months, as provided for in the contract
Political Leader
Receives Certificate of Completion
Hands over project to beneficiaries
End of LLGSIP Process

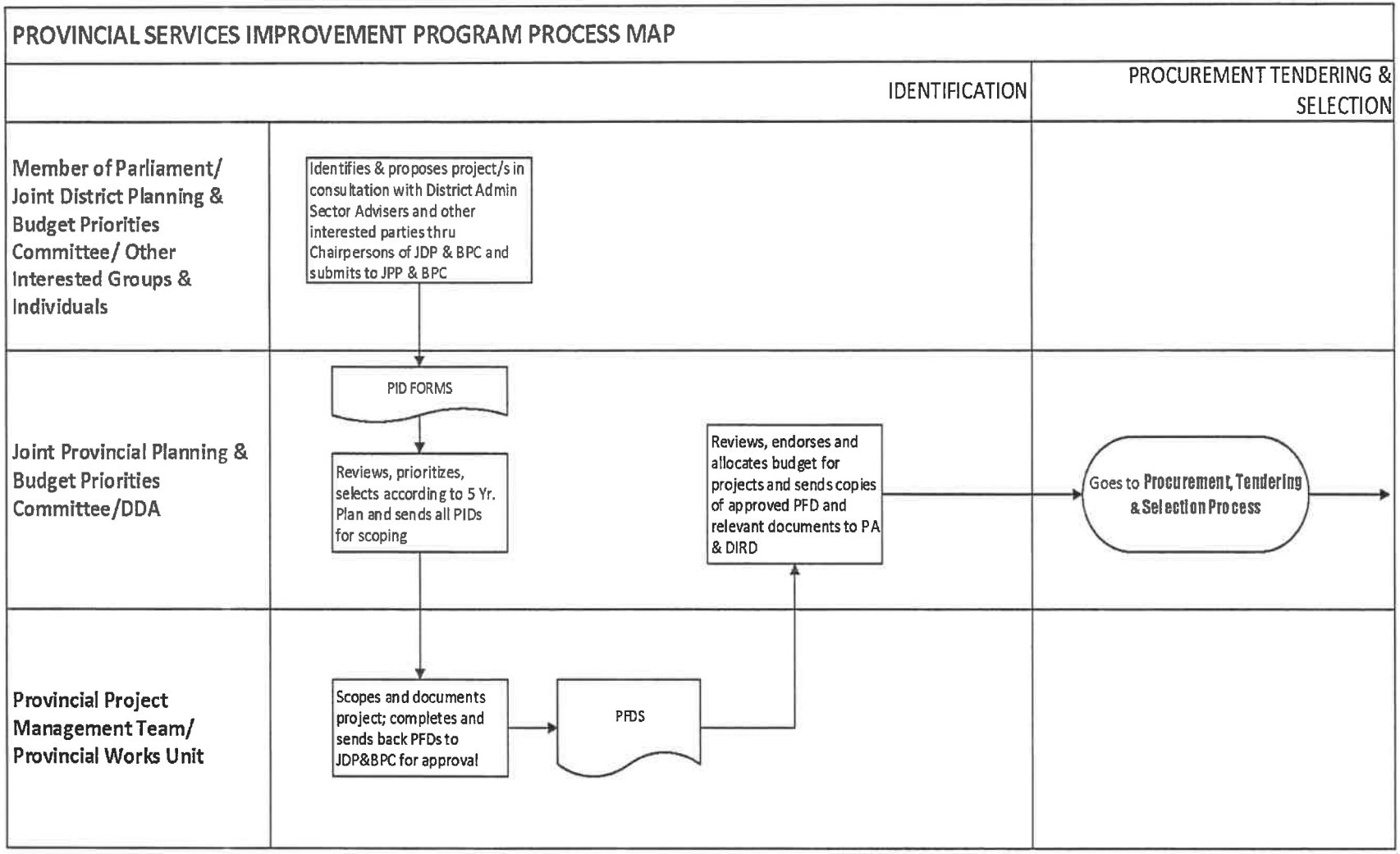

DISTRICT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
IDENTIFICATION
PROCUREMENT TENDERING & SELECTION
Member of Parliament/ Ward Development Committee/ Other Interested Groups or Individuals
Identifies & proposes project/s in consultation with villages & submits to LLG Council
Joint District Planning & Budget Priorities Committee/District Development Authority
PID FORMS
Reviews, prioritizes, selects according to 5 Yr. Plan and sends all PIDs for scoping
Reviews, endorses and allocates budget for projects and sends approved PFD to DA CEO of DDA, PA & DIRD
Goes to Procurement, Tendering & Selection Process
District Project Management Team/ Provincial Works Unit
Scopes and documents project; completes and sends back PFDs to DDAI for approval
PFDS

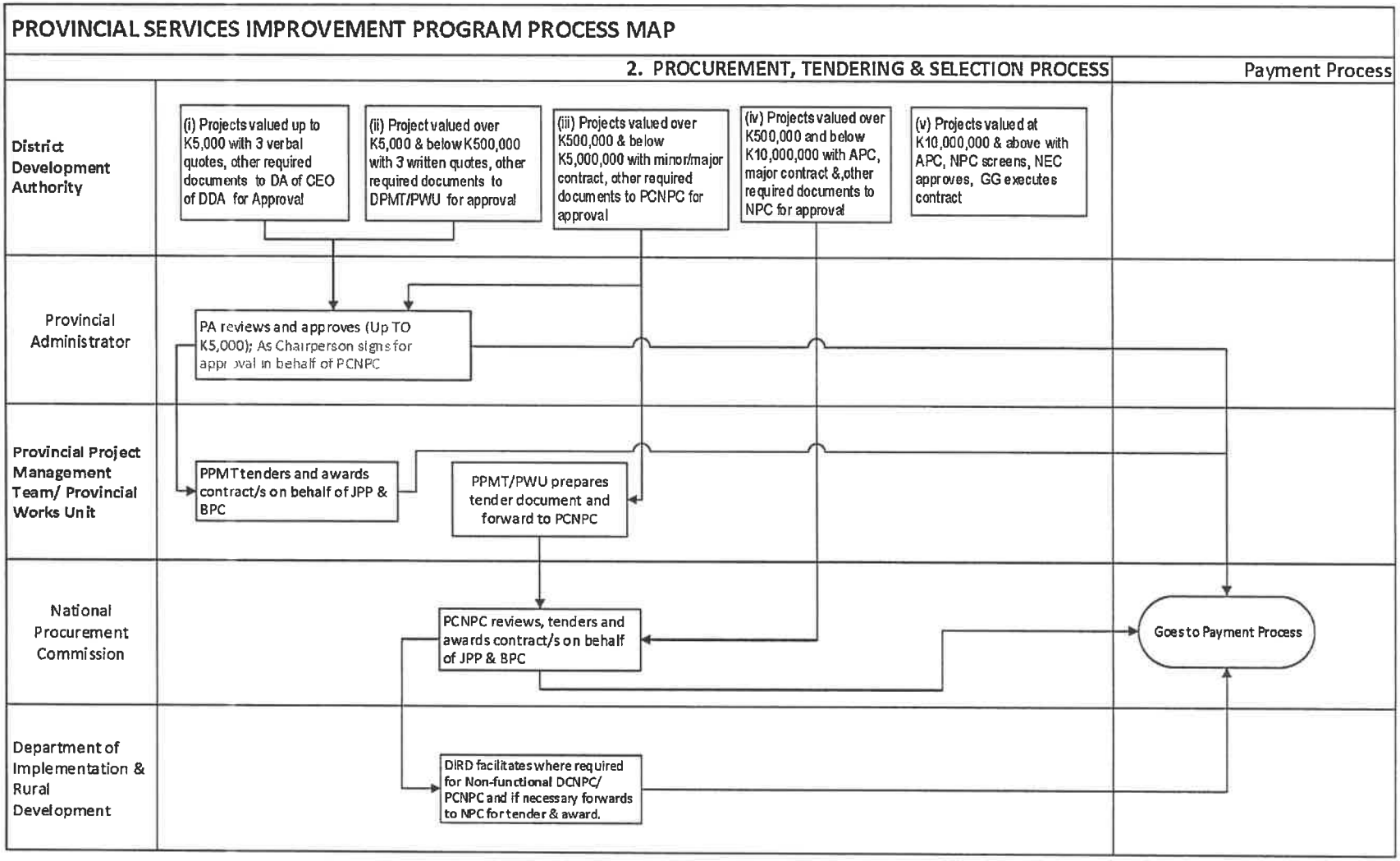

DISTRICT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
2. PROCUREMENT, TENDERING & SELECTION PROCESS
Payment Process
District Development Authority
(i) Projects valued up to K5,000 with 3 verbal quotes, other required documents to DA of CEO of DDA for Approval
(ii) Project valued over K5,000 & below K500,000 with 3 written quotes, other required documents to DPMT/PWU for approval
(iii) Projects valued over K500,000 and below K2,500,000 with APC, minor contract, other required documents to DCNPC for approval
District Administrator or CEO of DDA
DA reviews and approves (values up to K5,000); as Chairperson (Section 32 Officer), signs for approval in behalf of DPMT
District Project Management / Provincial Works Unit
DPMT/PWU tenders and awards contract/s on behalf of DDA
DPMT/PWU prepares tender document and forward to DCPNC
District Committee of National Procurement Commission
DCNPC reviews, tenders and awards contract/s on behalf of DDA
Goes to Payment Process
Department of Implementation & Rural Development
DIRD facilitates where required for Non-functional DCNPC/ PCNPC and if necessary forwards to NPC for tender & award.

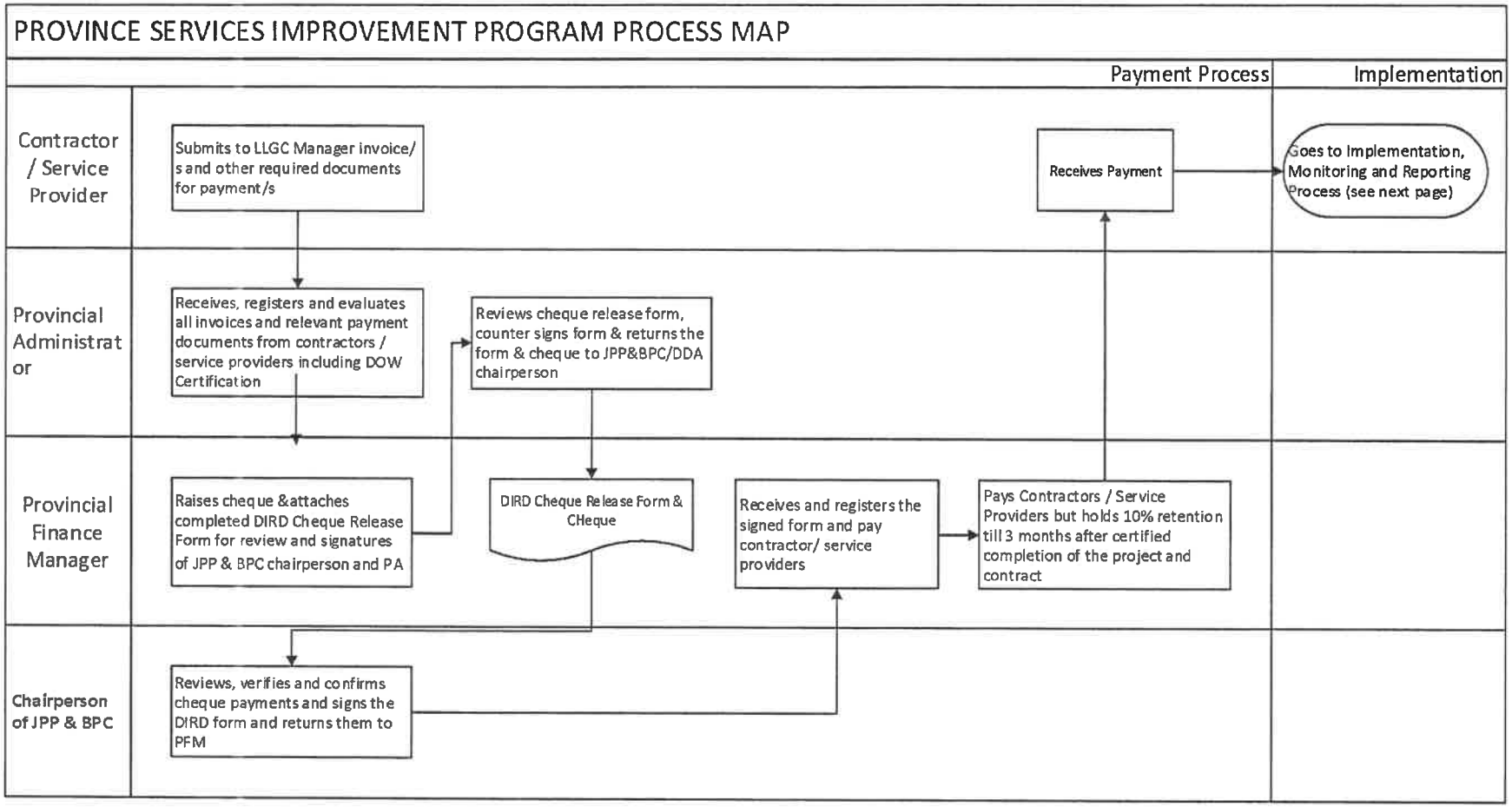

DISTRICT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
Payment Process
Implementation
Contractor / Service Provider
Submits to LLGC Manager invoice/ s and other required documents for payment/s
Receives Payment
Goes to Implementation, Monitoring and Reporting Process (see next page)
District Administrat or CEO of DDA
Receives, registers and evaluates all invoices and relevant payment documents from contractors / service providers including DOW Certification
Reviews cheque release form, counter signs form & returns the form & cheque to DDA chairperson
District Finance Manager
Raises cheque& attaches completed DIRD Cheque Release Form for review and signatures of CEO DDA
DIRD Cheque Release Form & Cheque
Receives and registers the signed form and pay contractor/ service providers
Pays Contractors / Service Providers but holds 10% retention till 3 months after certified completion of the project and contract
Chairman of DDA
Reviews, verifies and confirms cheque payments and signs the DIRD form and returns them to DFM

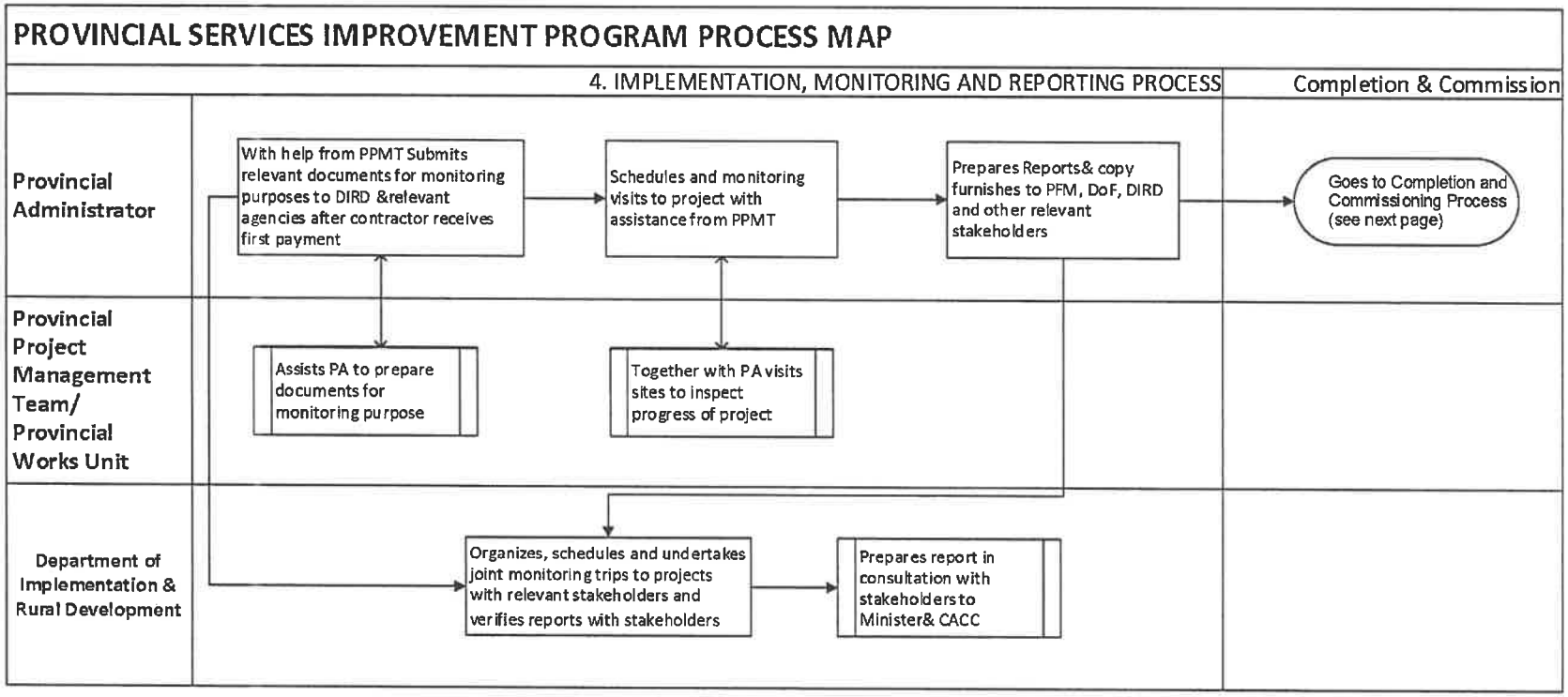

DISTRICT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
4. IMPLEMENTATION, MONITORING AND REPORTING PROCESS
Completion & Commission
District Administrator or CEO of DDA
With help from DPMT/PWU Submits relevant documents for monitoring purposes to PA, DA or CEO of DDA and DIRD & relevant agencies after contractor receives first payment
Schedules and monitors projects with assistance from DPMT/PWU
Prepares Report/s to PA, copy furnish to DA or CEO of DDA, DFM, DoF, DIRD and other relevant stakeholders
Goes to Completion and Commissioning Process (see next page)
District Project Management / Provincial Works Unit
Assists CEO of DDA to prepare documents for monitoring purpose
Together with CEO of DDA visits sites to inspect progress of projects
Provincial Administrator
Receives monitoring documents and reports from LLGC Managers to check alignment to provincial plan
Department of Implementation & Rural Development
Organizes, schedules and undertakes joint monitoring trips to projects with relevant stakeholders and verifies LLGC Manager's report/s with stakeholders
Prepares report in consultation with stakeholders to Minister & CACC

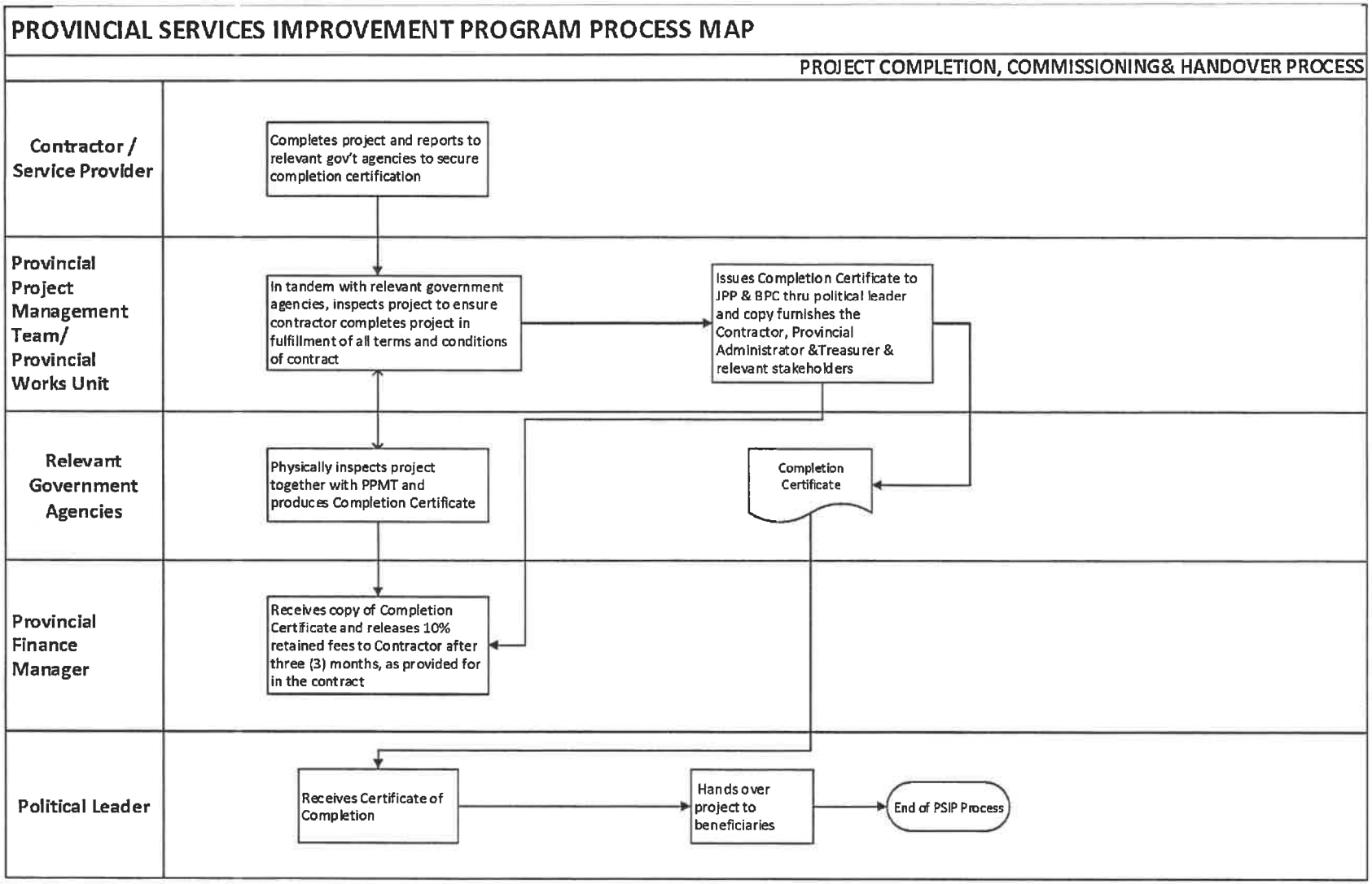

DISTRICT SERVICES IMPROVEMENT PROGRAM PROCESS MAP
PROJECT COMPLETION, COMMISSIONING& HANDOVER PROCESS
Contractor / Service Provider
Completes project/s and reports to relevant gov't agencies to secure completion certification
District Project Management Team/ Provincial Works Unit
In tandem with relevant government agencies, inspects project to ensure contractor completes project in fulfillment of all terms and conditions of contract
Issues Completion Certificate to DDA through political leader and copy furnishes the Contractor, CEO of DDA, District Finance Manager & relevant stakeholders
Relevant Government Agencies
Physically inspects project/s together with DPMT and produces Completion Certificate
Completion Certificate
District Finance Manager
Receives copy of Completion Certificate and releases 10% retained fees to Contractor after three (3) months, as provided for in the contract
Political Leader
Receives Certificate of Completion
Hands over project to beneficiaries
End of DSIP Process


PROVINCIAL SERVICES IMPROVEMENT PROGRAM PROCESS MAP
IDENTIFICATION
PROCUREMENT TENDERING & SELECTION
Member of Parliament/ Joint District Planning & Budget Priorities Committee/ Other Interested Groups & Individuals
Identifies & proposes project/s in consultation with District Admin Sector Advisers and other interested parties thru Chairpersons of JDP & BPC and submits to JPP & BPC
Joint Provincial Planning & Budget Priorities Committee/DDA
PID FORMS
Reviews, prioritizes, selects according to 5 Yr. Plan and sends all PIDs for scoping
Reviews, endorses and allocates budget for projects and sends copies of approved PFD and relevant documents to PA & DIRD
Goes to Procurement, Tendering & Selection Process
Provincial Project Management Team/ Provincial Works Unit
Scopes and documents project; completes and sends back PFDs to JDP&BPC for approval
PFDS


PROVINCIAL SERVICES IMPROVEMENT PROGRAM PROCESS MAP
2. PROCUREMENT, TENDERING & SELECTION PROCESS
Payment Process
District Development Authority
(i) Projects valued up to K5,000 with 3 verbal quotes, other required documents to DA of CEO of DDA for Approval
(ii) Project valued over K5,000 & below K500,000 with 3 written quotes, other required documents to DPMT/PWU for approval
(iii) Projects valued over K500,000 & below K5,000,000 with minor/major contract, other required documents to PCNPC for approval
(iv) Projects valued over K500,000 and below K10,000,000 with APC, major contract &,other required documents to NPC for approval
(v) Projects valued at K10,000,000 & above with APC, NPC screens, NEC approves, GG executes contract
Provincial Administrator
PA reviews and approves (Up TO K5,000); As Chairperson signs for approval in behalf of PCNPC
Provincial Project Management Team/ Provincial Works Unit
PPMT tenders and awards contract/s on behalf of JPP & BPC
PPMT/PWU prepares tender document and forward to PCNPC
National Procurement Commission
PCNPC reviews, tenders and awards contract/s on behalf of JPP & BPC
Goes to Payment Process
Department of Implementation & Rural Development
DIRD facilitates where required for Non-functional DCNPC/ PCNPC and if necessary forwards to NPC for tender & award.


PROVINCE SERVICES IMPROVEMENT PROGRAM PROCESS MAP
Payment Process
Implementation
Contractor / Service Provider
Submits to LLGC Manager invoice/ s and other required documents for payment/s
Receives Payment
Goes to Implementation, Monitoring and Reporting Process (see next page)
Provincial Administrat or
Receives, registers and evaluates all invoices and relevant payment documents from contractors / service providers including DOW Certification
Reviews cheque release form, counter signs form & returns the form & cheque to JPP&BPC/DDA chairperson
Provincial Finance Manager
Raises cheque &attaches completed DIRD Cheque Release Form for review and signatures of JPP & BPC chairperson and PA
DIRD Cheque Release Form & CHeque
Receives and registers the signed form and pay contractor/ service providers
Pays Contractors / Service Providers but holds 10% retention till 3 months after certified completion of the project and contract
Chairperson of JPP & BPC
Reviews, verifies and confirms cheque payments and signs the DIRD form and returns them to PFM


PROVINCIAL SERVICES IMPROVEMENT PROGRAM PROCESS MAP
4. IMPLEMENTATION, MONITORING AND REPORTING PROCESS
Completion & Commission
Provincial Administrator
Provincial Project Management Team/ Provincial Works Unit
Department of Implementation & Rural Development
With help from PPMT Submits relevant documents for monitoring purposes to DIRD &relevant agencies after contractor receives first payment
Schedules and monitoring visits to project with assistance from PPMT
Prepares Reports& copy furnishes to PFM, DoF, DIRD and other relevant stakeholders
Goes to Completion and Commissioning Process (see next page)
Assists PA to prepare documents for monitoring purpose
Together with PA visits sites to inspect progress of project
Organizes, schedules and undertakes joint monitoring trips to projects with relevant stakeholders and verifies reports with stakeholders
Prepares report in consultation with stakeholders to Minister& CACC


PROVINCIAL SERVICES IMPROVEMENT PROGRAM PROCESS MAP
PROJECT COMPLETION, COMMISSIONING& HANDOVER PROCESS
Contractor / Service Provider
Completes project and reports to relevant gov't agencies to secure completion certification
Provincial Project Management Team/ Provincial Works Unit
In tandem with relevant government agencies, inspects project to ensure contractor completes project in fulfillment of all terms and conditions of contract
Issues Completion Certificate to JPP & BPC thru political leader and copy furnishes the Contractor, Provincial Administrator &Treasurer & relevant stakeholders
Relevant Government Agencies
Physically inspects project together with PPMT and produces Completion Certificate
Completion Certificate
Provincial Finance Manager
Receives copy of Completion Certificate and releases 10% retained fees to Contractor after three (3) months, as provided for in the contract
Political Leader
Receives Certificate of Completion
Hands over project to beneficiaries
End of PSIP Process

ATTACHMENT 3: DIRD CHEQUE RELEASE FORM (FORM 11)

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

FORM 11 : PSIP/DSIP RELEASE FORM

JOINT PROVINCIAL / DISTRICT PLANNING AND BUDGET PRIORITY COMMITTEE

SERVICES IMPROVEMENT PROGRAMME (PSIP,DSIP)

DIRD CHEQUE RELEASE FORM

PROVINCE / DISTRICT NAME: _____

BANK ACCOUNT NUMBER: _____

No	Cheque Number	Cheque Date	JPP/JDP&BPC Meeting Number	JPP/JDP&BPC Resolution Number	Cheque Payee (Contractor Name)	Project Description	Amount
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

PREPARED BY: Provincial / District Administrator / CEO DDA DATE: SIGNATURE: _____

ENDORSED BY: JPP/JDP&BPC Chairman DATE: SIGNATURE: _____

APPENDIX 2: PROJECT IDENTIFICATION DOCUMENT and PROJECT FORMULATION DOCUMENT

ATTACHMENT 1: PROJECT IDENTIFICATION DOCUMENT

ATTACHMENT No 1

PID

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

PROJECT IDENTIFICATION DOCUMENT

SECTION A: SUMMARY INFORMATION

Project Title _____

Project Location _____

Originating Organisation _____

Contact name and address _____

_____

Phone _____ Fax _____

Summary Description of Project

How long do you estimate it will take to complete the project? _____

SECTION B: PROJECT DESCRIPFMION AND JUSTIFICATION

1. How was the project identified?
2. Who was consulted (number and types of beneficiaries, landowners, others?)
3. How is the project in line with District, Provincial, Sectoral Strategies or national Development priorities?
4. (a) What problem or opportunity does the project seek to address? (b) Identify stakeholders who may share this problem that you may need to consult?
5. What is the objective of the project?
6. What will the project do to achieve this objective? (Identify tangible outputs)
7. Identify all those who will benefit from this project and explain how they will benefit?
8. What will the originating organisation contribute to the project?
9. How will the project resources and activities be maintained once the project ends?
10. Identify any land ownership issues
11. What are other funding sources for this project other than the Public Investment Program?

PID submitted by:

Name: _____ Signature: _____

Title: _____ Date: _____

ATTACHMENT 2: PROJECT FORMULATION DOCUMENT

ATTACHMENT No 2

DEPARTMENT OF IMPLEMENTAITON AND RURAL DEVELOPMENT

PFD

PROJECT FORMULATION DOCUMENT

1. Project
   Title:_____
2. Location:
   Electorate:_____Ward:_____

3. Province/District: _____LLG:_____
4. Originator of
   Project:_____
5. Address:
   _____
   _____
6. Phone/Fax:
   _____

7. ***Project: Objective*** [Please state the objective(s) of the Project]
   _____
   _____
   _____

8. ***Project Description***– Provide a brief description of the Project and its likely effects (please quantify effects).
   _____
   _____
   _____

9. ***Project Rationale*** – Please justify (give reasons) why this project is nominated?

Beneficiaries – State the likely outcome(s) of the Project on the village communities as a result of this project (Please describe/quantify benefits)

_____

_____

_____

10. ***Project Sustainability*** – How is this project going to be sustained after the Project is competed? (Please be specific)

_____

_____

_____

11. ***Project Duration*** – How will it take to implement the project?

_____

Expected start date: _____ / _____ / _____

Expected finish Date: _____ / _____ / _____

12. Summary of Estimated Project Costs:

Manpower	K_____
Equipment	K_____
Materials	K_____
Capital Works	K_____
Total	K_____

13. ***Are there any counter-part contributions*** (If yes, please state amount and source)?

---

14. ***Financial Gap*** (What funding are you seeking)

---

15. **Project Alignment** (Specific reference to how the project is aligned with the 5-years development plan of the Province, District and/or LLG)

---

16. **Project Site Geographical Identification** (where available, attach GPS tagged pictures of the proposed project's site)

Project Site Photograph/Pictures

Submitted by:

Name: _____ Signature: _____

Position or Designation: _____ Date: _____

Verified by: Name: _____ Signature:_____

Designation: _____

APPENDIX 3:

(Refer to Appendix 3: Attachment 1 DIRD SIP Acquittal Appraisal Checklist, Attachment 2 Fix Asset Registry Form, Attachment 3 Progressive Status Report, Attachment 4 Project Implementation Review- Physical Form, Attachment 5 Project Implementation Review- Financial Form)

ATTACHMENT 1: DIRD SIP ACQUITTAL APPRAISAL CHECKLIST

Province:	
District	
Programme	
MP:	
DA:	
DFM:	
Year	

SIP CHECKLIST

General Information on the Payments										Verification - Documents Supporting the Payments/Expenditures							
No	Sector	Project Title	Project/ Contract Number	Project Value	ILPOC #	Chq #	Sevice Provider/ Contractor	Payment Status	Status of Project (Complete/On-going	JDP&BPC Minutes & Budget Resolution & DPMT Resolutions	Project Formulation Documentation (PFD) & Project Summary	Contract Documents/Proforma Contract /MOAs	Physical Report (Inspection/photographs)	Financial Report(PGAS, Bnk Rec, 3 Quotes Expenditure Summary)	Cheque Copies	Completion Certification (DoW Inspection Report)	Recommendation/Comments

ATTACHMENT 2: FIX ASSET REGISTER FORM

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

SIP ASSET REGISTRY FORM

Name of Reporter _____ Signature: _____

Name of Witness _____

(Finance Office) _____ Signature: _____

DATE OF PURCHASE	TYPE OF ASSET	MODEL	SERIAL No	QUANTITY	UNIT COST	ACTUAL COST	ECONOMIC LIFE (estimate)	STATUS			NAME OF CUSTODIAN
								In Use	For Repair	Beyond Repair	

PROVINCIAL ADMINISTRATOR _____ SIGNATURE: _____ DATE: _____

ATTACHMENT 3: DEVELOPMENT PROJECT – PROGRESSIVE STATUS REPORT TEMPLATE

ATTACHMENT No 3

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

DEVELOPMENT PROJECT – PROGRESS STATUS REPORT [Form PSR]

PROVINCE: _____

DISTRICT: _____

LOCAL LEVEL GOVERNMENT: _____

WARD: _____

MAIN PROGRAM: _____

A. PROJECT: _____

B. OBJECTIVE:_____

_____

_____

_____

_____

_____

C. IMPLEMENTATION PROGRESS:

_____

_____

_____

_____

D. OUTPUT & ACHIEVEMENT:

E. ISSUES & CONTRAINTS:

F. DISBURSEMENT ARRANGEMENT:

(K'000)

GoPNG	DONOR	TOTAL	QTR1	QTR2	QTR3	QTR4	TOTAL

G. RECOMMENDATION:

H – Project Site Geographical Identification (where available, attach GPS tagged pictures of the project's site to certify advance)

Project Site Photograph/Pictures

EXPLANATORY NOTES

A. Indicate name of particular project under each Programme

B. What is the Project Objective(s)?

C. Report on how the Project was implemented

D. What were the planned activities for implementation in the Quarter being achieved?

E. Indicate hindrances why planned activities have not been achieved, obstacles, etc.

F. Release of warrants directly to either service provider or to the Province or District Treasury

G. General comments on the implementation of the project either for re-scoping or continuity

H. Geographical Positioning System (GPS) tagged pictures to facilitate remote monitoring

ATTACHMENT 4: PROJECT IMPLEMENTATION REVIEW FORM FINANCIAL

ATTACHMENT No 4

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

PROJECT IMPLEMENTATION REVIEW [FORM– PIR FINANCIAL]

<table>
<tr><td colspan="4">A. PROJECT ACTIVITIES</td><td>B. MAIN OBJECTIVES</td></tr>
<tr><td colspan="2">Province:</td><td colspan="2">District:</td><td></td></tr>
<tr><td colspan="2">Main Programme Name:</td><td colspan="2">LLG Name</td><td></td></tr>
<tr><td colspan="2">Programme Name:</td><td colspan="2">Number of Projects:</td><td></td></tr>
<tr><td colspan="4">Project/Activity:</td><td></td></tr>
<tr><td colspan="4">C. ACTIVITY RESOURCE INFORMATION</td><td></td></tr>
<tr><td>Start Date:</td><td>Funding</td><td>Donor Currency</td><td>Kina Equivalent</td><td></td></tr>
<tr><td>Completion Date:

Revised Completion Date</td><td>Government:
Loan:
Grant:
Total:</td><td></td><td>K_____
K_____
K_____
K_____</td><td>D. Contract Detail Information
_____
_____
_____
_____</td></tr>
<tr><td colspan="4">E. PROGRAMME BUDGETAPPROPRIATION</td><td></td></tr>
</table>

Original Appropriation 2013: Revised Appropriation 2013: Cumulative W/A TYTD Expenditure	K_____ K_____ K_____K_____K_____K_____	Disbursement Arrangement: Balance of Chart of Accounts as of:	_____ _____ _____ _____ _____ _____ _____

EXPLANATORY NOTES

PART A Information on Province /District/LLG and the number of projects on the main programmes

PART B What is the objective of the Project?

PART C Information of funding

PART D Brief information on approved contractor on the Project including, if project has donor component

PART E Budget information on Program/Project total funding. It includes statement on status of o/s balance in the Project Operating Account.

ATTACHMENT 5: PROJECT IMPLEMENTATION REVIEW FORM – PHYSICAL

ATTACHMENT No 5

DEPARTMENT OF IMPLEMENTATION AND RURAL DEVELOPMENT

PROJECT IMPLEMENTATION REVIEW [FORM– PIR PHYSICAL]

2017 PROJECT REVIEW AT:_____ **QUARTER PROJECT IMPLEMENTATION REVIEW [FORM – PIR]**

PHYSICAL IMPLEMENTAION ACTIVITY/WORK AREA (1)	Performance indicator (Unit of Measurement) (2)	Work planned durir Quarter (3)	Work Activity Achieved (4)	Problem Areas: Internal Problems Actio Required/Taken External Problems–Acti Output Implications (5)	Work Schedule for New Quarter (6)

Achieved External Problems – Activities

Output Implications

(1)_____

(2)_____

(3) _____

(4)_____

(5)_____

(6)_____

EXPLANATORY NOTES

(1) Plan Activities of the Project for Implementation

(2) How to execute these Plans and Activities

(3) Plan of Activities to be executed within each Quarter

(4) What were the achievements on Planned/Implemented Activities on Quarterly basis?

(5) List of problems encountered during the Quarter under review.

(6) Approach to which to remedy the problem.

APPENDIX 4: ROLES & RESPONSIBILITIES OF ROLE PLAYERS IN THE PSIP, DSIP & LLGSIP

ATTACHMENT 1. PROVINCIAL SERVICE IMPROVEMENT PROGRAM

DUTIES & RESPONSIBILITES OF ROLE PLAYERS

DDA	JPP & BPC	PPMT/PWU	PA	DC&PC of NPC	DIRD
• Identifies & proposes projects • Receives priority PID & consults PPMT/PWU	• Reviews, prioritizes & selects PIDs for scoping • Reviews PFD, endorses & allocate budget and sends approved PFD to PA & DIRD • Gets quotes for projects and, depending on the cost and the corresponding thresholds, sends them to appropriate and authorized person or body for approval.	• Scopes & documents projects & sends PFD to JPP & BPC • Tenders and awards contracts valued within its authority in consultation with JPP & BPC • Assist in site visits and monitoring of projects • Together with relevant gov't agencies, inspects project to ensure it is complete & all terms & condition of contract fulfilled • Issues Completion Certificate to JPP & BPC thru political leader cc Contractor, PFM & relevant stakeholders • Submits monitoring reports to PA	• Reviews and approves projects valued within threshold levels of his authority in consultation with JPP & BPC/DDA; and Approves projects required for tender & contract award by DPMT/PWU also in consultation with and in behalf of JPP & BPC/DDA • Countersigns cheque for payment • Receives monitoring documents & Reports from JPP & BPC & PPMT/PWU to check alignment to Provincial plans & schedules site visits & monitoring with PPMT/PWU • Receives, registers, evaluates invoices & payment documents & sends to PFM • Submits reports to appropriate HIGHER authorities, cc DIRD &	• Reviews, tenders and awards contracts valued within threshold levels of its authority in consultation with the respective LLGA, DDA, PEC/JPP & BPC	• Facilitates where required for Non-functional PCNPC and if necessary forwards to NPC for tender and award • Organizes, schedules & undertakes joint monitoring trips to projects with stakeholders to verify PA's report/s • Prepares report in consultation with stakeholders to Minister & CACC

			other relevant stakeholders & agencies		

NPC	Contractor / Service Provider	PFM	Chairman of JPP & BPC	Other Relevant Agencies	Political Leader
• Reviews, tenders and awards contract/s on behalf of JDP & BPC	• Submits to PA invoices & relevant payment Documents • Receives payment • Starts implementation of contract or service • Completes project & report to relevant gov't agencies to secure certification	• Raises cheque & completes DIRD Cheque release form for review and signatures of JPP & BPC Chairman & PA • Registers cheque & files signed cheque release form • Pays contractor but holds 10% retention as required • Receives copy of Completion Certificate & releases 10% retention to Contractor after 3 months	• Reviews and signs cheque release form	• Inspect projects together with PPMT/PWU before issuance of Completion Certificate by DPMT	• Receives Certificate of Completion & hands it over to beneficiaries

ATTACHMENT 2: DISTRICT SERVICE IMPROVEMENT PROGRAM

DUTIES & RESPONSIBILITES OF ROLE PLAYERS

MP/ LLGC/ Groups/ Individuals	DDA	DPMT/PWU	DA or CEO of DDA	PA	PCNPC	DIRD
• Identifies & proposes projects • Receives priority PID & consults DPMT/PWU	• Reviews, prioritizes & selects PIDs for scoping • Reviews PFD, endorses & allocate budget and sends approved PFD to DA or CEO of DDA, PA & DIRD • Gets quotes for projects and, depending on the cost and the corresponding thresholds, sends them to appropriate and authorized person or body for approval.	• Scopes & documents projects & sends PFD to DDA • Tenders and awards contracts valued within its authority in consultation with DDA • Assist in site visits and monitoring of projects • Together with relevant gov't agencies, inspects project to ensure it is complete & all terms & condition of contract fulfilled • Issues Completion Certificate to DDA thru political leader cc Contractor, DFM & relevant stakeholders • Submits monitoring reports to DA or CEO of DDA	• Approves projects valued within threshold levels of his authority for payment in consultation with LGC; and Approves projects required for tender & contract award by DPMT/PWU also in consultation with and in behalf of DDA • Countersigns cheque for payment & Cheque Release Form • Receives monitoring documents from DDA & schedules site visits & monitoring with DPMT/PWU • Receives, registers, evaluates invoices & payment documents & sends to DFM • Reviews and signs cheque release form • With help from DPMT/PWU submits implementation & monitoring reports to PA, DIRD & relevant agencies	• Reviews and approves projects valued within threshold levels of his/her authority in consultation with DDA; and Approves projects required for tender & contract award by DPMT/PWU also in consultation with and in behalf of DDA • Countersigns cheque for payment • Receives monitoring documents from DA to check alignment to Provincial plans • Submits reports to appropriate Higher authorities, cc DIRD & other relevant stakeholders & agencies	• Reviews, tenders and awards contracts valued within threshold levels of its authority in consultation with DDA	• Facilitates where required for Non-functional PCNPC and if necessary forwards to NPC for tender and award • Organizes, schedules & undertakes joint monitoring trips to projects with stakeholders to verify DA's or CEO's of DDA report/s • Prepares report in consultation with stakeholders to Minister & CACC

NPC	Contractor / Service Provider	DFM	Chairman of DDA	Other Relevant Agencies	Political Leader
• Reviews, tenders and awards contract/s on behalf of DDA	• Submits to DA or CEO of DDA invoices & relevant payment Documents • Receives payment • Starts implementation of contract or service • Completes project & report to relevant gov't agencies to secure certification	• Raises cheque & completes DIRD Cheque release form for review and signatures of DDA Chairman & DA or CEO of DDA • Registers cheque & files signed cheque release form • Pays contractor but holds 10% retention as required • Receives copy of Completion Certificate & releases 10% retention to Contractor after 3 months	• Reviews and signs cheque release form	• Inspect projects together with DPMT/PWU before issuance of Completion Certificate by DPMT/PWU	• Receives Certificate of Completion & hands it over to beneficiaries

ATTACHMENT 3: LOCAL LEVEL GOVERNMENET SERVICE IMPROVEMENT PROGRAM

DUTIES & RESPONSIBILITES OF ROLE PLAYERS

MP/ WDC/ Groups/ Individuals	LLGC	DPMT/PWU	DA or CEO of DDA	PA	PCNPC	DIRD
• Identifies & proposes projects • Prepares PID & gets assistance from DPMT/ PWU	• Reviews, prioritizes & selects PIDs for scoping • Reviews PFD, endorses & allocate budget and sends approved PFD to DA or CEO of DDA, PA & DIRD • Gets quotes for projects and, depending on the cost and the corresponding thresholds, sends them to appropriate and authorized person or body for approval.	• Scopes & documents projects & sends to LLGC • Tenders and awards contracts valued within its authority in consultation with LLGC • Assists LLGC Manager to prepare documents for monitoring purposes • Assist in site visits and monitoring of projects • Together with relevant gov't agencies, inspects project to ensure it is complete & all terms & condition of contract fulfilled • Issues Completion Certificate to LLGC thru political leader cc Contractor, DFM & relevant stakeholders • Submits monitoring reports to DA	• Approves projects valued within threshold levels of his/her authority for payment in consultation with LGC As chair, approves projects required for tender & contract award by DPMT/ PWU also in consultation with and in behalf of LLGC • Countersigns cheque for payment & Cheque Release Form • Receives monitoring documents from LLGC Manager for alignment to District Plan & schedules site visits • Prepares & submits relevant report/s to PA, cc DIRD & other relevant stakeholders & agencies	• Reviews and approves projects valued within threshold levels of his authority in consultation with LLGC As chair approves projects required for tender & contract award by DPMT/ PWU also in consultation with and in behalf of LLGC • Countersigns cheque for payment • Receives monitoring documents from LLGC Manager to check alignment to district & provincial plans • Prepares & submit relevant reports to appropriate authorities, cc DIRD & other relevant stakeholders & agencies	• Reviews, tenders and awards contracts valued within threshold levels of its authority in consultation with LLGC	• Facilitates where required for Non-functional PCNPC and if necessary forwards to NPC for tender and award • Organizes, schedules & undertakes joint monitoring trips to projects with stakeholders to verify LLGC manager's report/s • Prepares report in consultation with stakeholders to Minister & CACC

Contractor / Service Provider	LLGC Manager	DFM	LLG President	Other Relevant Agencies	Political Leader
• Submits to LLGC Manager invoices & relevant payment Documents • Receives payment • Starts implementation of contract or service • Completes project & report to relevant gov't agencies to secure certification	• Receives, registers, evaluates invoices & payment documents & sends to DFM • Reviews and signs cheque release form • With help from DPMT/ PWU submits all relevant documents including DOW Certification for implementation, monitoring & reporting to DA, DFM, PA, DIRD & relevant agencies • Schedules & monitors projects wit DPMT • Prepares reports to PA cc to DA, DFM, DoF DIRD & relevant stakeholders	• Raises cheque & completes DIRD Cheque release form for review and signatures of LLG President & LLGC Manager • Registers cheque & files signed cheque release form • Pays contractor but holds 10% retention as required • Receives copy of Completion Certificate & releases 10% retention to Contractor after 3 months	• Reviews and signs cheque release form	• Inspect projects together with DPMT/PWU before issuance of Completion Certificate by DPMT	• Receives Certificate of Completion & hands it over to beneficiaries