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**EMPOWERING
DEVELOPMENT**

**SAD0301011_ESTABLISHMENT OF THE SADC/BEL STUDY &
CONSULTANCY FUND**

ANNUAL REPORT

VERSION 01

31.12.2008



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1 PROJECT SHEET

Project Title:	Establishment of the SADC/BEL Study & Consultancy Fund	
Project ID:	SAD0301011	
N.I. DGIC:	19521/11	
Start:	5-Aug-2003	
Finish:	4-Aug-2007 (Prop. no-cost extn: 31-Aug-2009)	
Partner Agency:	SADC Secretariat	
Fund Director	Mr. Remigious Makumbe	
Position:	Chief Director	
Land Line:	+267 3951 863	
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Facsimile:	+267 3972 848 / 3181 070	
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Sector:	Indicative Programme 2001 - 2005	
Date Specific Agreement signed:	5-Aug-2003	
Duration:	4 years	
Specific Agreement Amendments	Reactivation & No-cost extension requested : 29-Jul-2007	Expected New Finish: 31-Aug-2009
Fund Co-Director	Mr. Tom SMIS	
Position:	Resident Representative BTC SAF	
Land Line:	012 460 6200	
Mobile:	082 589 8060	
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E-Mail:	representationsaf@btcctb.org	
Date Convention signed:	16-Jun-2004	
Budget:	€ 1,423,091.00 revised to €1,388,643.68	
Regie:	€ 0.00	
Cogestion:	€ 1,423,091.00 revised to €1,388,643.68	
cash calls to date:	€ 1,083,584.00	
balance:	€ 339,507.00 revised to €305,059.68	

2 BRIEF FACTUAL OVERVIEW

The SADC country was dropped from the list of countries benefiting from Belgian funding and as a result Belgium's focus has shifted with regard to the servicing the SADC institution. This is evidenced by the time it has taken for Belgium to respond to SADC's request for the no-cost extension to allow for the smooth completion of the approved studies. During the course of the year 2008 the DGDC communicated that an exchange of letters to migrate the local bank balances from the three completed to the Study Fund, however, no written communication has been received until the end of the year. The fund is 100% committed to activities, but during the course of implementation some studies leave unspent balances and it has become very difficult for Belgium to agree on recommitting such left-over funds.

The SADC/BEL Study and Consultancy fund is an important instrument created by the parties for the purpose of facilitating institutional development of the SADC institution. In this regard the parties to the implementation of the study and consultancy fund are the SADC secretariat, Belgian Technical Cooperation and the DGDC. The three parties constitute an complete quorum for the fund's steering committee meeting with is a body that oversees the management of the fund through approving studies, consultancies, conferences, workshops and meetings that will have been submitted by SADC and its institutions in line with the operational requirements of the fund. So far twenty-seven (27) studies have been approved and implemented through the fund. The steering committee is held every six months and or when the need arises.

The implementation of activities is generally slow, especially with consultancies, when the engagement of a consultant needs to go through the SADC tender procedure. The SADC tender procedure requires that any tender should be published in the main newspapers in each member state and then a panel of adjudicators, chosen from the member states, convene to assess the respondents. This normally takes not less than three months and or even one year. As a result the timing of the activity is mismatched from the signing of the study's implementation MOU, as most of the time is lost during the preparation stage. This is a worry because the relevance of the activities is reduced if the completion is out of schedule and furthermore financial resources are tied up to an activity whose relevance is reduced.

SADC and its institutions do not pragmatically submit completed activities reports to BTC. The BTC has to employ extra effort to get the activities' final reports, through the leverage of signing final consultants payments.

3. OVERVIEW OF ACTIVITY PLANNING

3.1. Activity overview

Bud Code	Activity	Remarks
SAD0301011_A_03_01	Training of Practicing Professionals in the SADC Water Sector	Complete
SAD0301011_A_04_01	Production of the State of the Environment Report for Southern Africa, 2004	Work-in-progress
SAD0301011_A_05_01	Development of the implementation tools of the SADC Corporate Communications & Promotional Strategy	Complete
SAD0301011_A_08_01	Meeting of experts on Gender and Policy Development (Phase 1)	Complete
SAD0301011_A_11_01	Regional Workshop on positioning of SADC on Economic Partnership Agreement	Complete
SAD0301011_A_14_01	Regional Food Reserve Facility for the SADC Region	Complete.
SAD0301011_A_15_01	Corridors/Spatial Development Initiative Programme	Complete
SAD0301011_A_16_01	Harmonization of Petroleum and Gas Policies	Work-in-progress: expected to complete in March 2009
SAD0301011_A_17_01	Harmonization and Development of a Draft Regional Gender Policy	Complete
SAD0301011_A_19_01	Policy Guidelines for attraction and retention of Human Resources in the Health Sector	Complete
SAD0301011_A_20_01	Development of Evaluation Criteria for Qualifications Equivalences	Complete
SAD0301011_A_21_01	Study on development of Regional Mechanisms for monitoring and Evaluation of Collaborative TB/HIV Activity	Complete.
SAD0301011_A_23_01	Development of a SADC Resource Mobilization Strategy	Work-in-progress: expected to complete in December 2008.
SAD0301011_A_24_01	Job Evaluation Study	Complete
SAD0301011_A_25_01	SADC Regional Avian & Human Influenza Preparedness and Response Plan (28.405 USD)	Complete.
SAD0301011_A_26_01	Audit of Implementation of the Protocol on Education and Training	Complete
SAD0301011_A_27_01	Study to evaluate the appropriate model for the SADC Customs Union	Pending approval by JLCB.

3.2. Analysis of activity planning (1 page)

The following activities have been planned for implementation in the year 2008.

Activity	Start date	Duration	Status at end of Period under consideration
1. Production of the State of the Environment Report for Southern Africa, 2004	29-Nov-04	6 months	Work-in-Progress
2. Regional Food Reserve Facility for the SADC Region	10-Nov-05	4 months	Complete
3. Corridors/Spatial Development Initiative Programme	10-Nov-05	8 months	Complete
4. Harmonisation of Petroleum and Gas Policies	10-Nov-05	6 months	Work-in-Progress
5. Harmonisation and Development of a Draft Regional Gender Policy	10-Nov-05	4 months	Complete
6. Policy Guidelines for attraction and retention of Human Resources in the Health Sector	10-Nov-05	3 months	Complete
7. Study on development of Regional Mechanisms for monitoring and Evaluation of Collaborative TB/HIV Activity	10-Nov-05	3 months	Complete
8. Development of a SADC Resource Mobilisation Strategy	30-May-06	20 days	Work-in-Progress
9. Audit of Implementation of the Protocol on Education and Training	26-Sep-06	4 months	Complete
10. Study to evaluate the appropriate model for the SADC Customs Union	n/a	n/a	Not yet approved

4. FINANCIAL OVERVIEW

4.1. Overview of expenditure versus financial planning

Bud Code	Activity	Planned	Actual	Variance
SAD0301011_A_04_01	Production of the State of the Environment Report for Southern Africa, 2004	10,600.00	0.00	10,600.00
SAD0301011_A_15_01	Corridors/Spatial Development Initiative Programme	65,640.00	65,640.00	0.00
SAD0301011_A_16_01	Harmonisation of Petroleum and Gas Policies	35,000.00	4,030.00	30,970.00
SAD0301011_A_23_01	Development of a SADC Resource Mobilization Strategy	35,000.00	0.00	35,000.00
SAD0301011_A_27_01	Study to evaluate the appropriate model for the SADC Customs Union	75,000.00	0.00	75,000.00
TOTALS		221,240.00	69,670.00	151,570.00

4.2. Analysis of financial planning (1 page)

- i. The study "Production of the State of the Environment Report for Southern Africa, 2004" has delayed completion and there has been no satisfactory reason given by SADC on why the study cannot be concluded. Although doubtful at this stage, SADC has informed that the publication will be concluded. This has tilted the financial planning for the year. I now consider this a risky study.
- ii. The implementation of the study "Corridors/Spatial Development Initiative Programme" is now complete. This is one of the two studies with the highest budget following the "Terms of reference of a study on the implementation of a UNIVISA System in the SADC Region" that cost €124,000. The financial planning was accurate.
- iii. The study "Harmonization of Petroleum and Gas Policies" is now in progress and is expected to conclude in Q1-2009. SADC had requested for extension of the period of implementation of the Memorandum of Understanding so that the study concludes by August 2008 but in practice implementation has gone beyond this date and is now foreseen to conclude in Q1-2009.
- iv. The study "Development of a SADC Resource Mobilization Strategy" is in progress. SADC has requested to implement this study further than the MoU date as there were delays in the recruitment of the consultants.
- v. The study "Study to evaluate the appropriate model for the SADC Customs Union" is still under preparation as the SADC/BEL Quarterly meeting is still to convene after the approval of the Reactivation and No-Cost Extension of the Fund. The financial planning in 2008 was optimistic that the extension would have been received during the course of the year.

5. MONITORING OF THE INDICATORS (MAX 3 PAGES)

5.1. Specific objective

The specific objective of the Fund shall be to finance:

- The identification, instruction, appraisal or evaluation of projects related to the Belgian-SADC cooperation;
- Studies and consultancies related to the functioning of SADC Institutions.
- Workshops, seminars, regional meetings and conferences related to the functioning of the SADC Institutions.

5.2. Results

During the year under review the on-going studies funded were spread over the following SADC Secretariat's operational directorates and operative units:

- Trade, Industry, Finance and Investment (TIFI);
- Infrastructure Services Directorate (ISD)
- Gender Unit (SHE&SP - GU)

5.3. Indicator evolution (chart)

Activity	Planned			Actual			Remarks
	Start date	End date	Duration	Start date	End date	Duration	
04. Production of the State of the Environment Report for Southern Africa, 2004	29-11-04	28-05-05	6 months	16-02-05	Not yet complete		Completion delayed due to confusion within SADC as seconded staff, which started the study, has been disengaged.
15. Corridors/Spatial Development Initiative Programme	10-11-05	09-07-06	8 months	05-09-07	31-08-08	13 months	Start date delayed due approval criteria from DGDC. Implementation is still in progress.
16. Harmonisation of Petroleum and Gas Policies	10-11-05	09-05-06	6 months	01-09-08	In progress		Start date delayed due to selection period of consultants. Implementation has not yet started.
23. Development of a SADC Resource Mobilization Strategy	30-05-06	19-06-06	20 days	01-09-08	In progress		Start date delayed due to selection period of consultants. Study is still not yet started on reporting date.
27. Study to evaluate the appropriate model for the SADC Customs Union	n/a	n/a	n/a	n/a	n/a		Study is still to be approved after the approval of the reactivation and no-cost extension of the fund.

6. ASSESSMENT OF MONITORING CRITERIA (MAX. 3 PAGES)

6.1. Efficiency

Studies are generally concluded well after their MoU stipulated date because of the lengthy tender process of the SADC institution. This aspect greatly affects the efficiency of financial planning and implementation.

6.2. Effectiveness

The fact that all the studies have contributed immensely towards the restructuring of the SADC institution and also in the harmonization of policies and workshops for important decisions before the council meetings, the Study and Consultancy Fund has remained an effective tool for SADC. Despite the delays experienced in the preparation and implementation of studies, the studies remain effective and important for the SADC institution.

6.3. Sustainability

The activities/studies implemented through the Study and Consultancy Fund are not measurable with regard to sustainability because they are mainly short term activities aimed at augmenting the functioning of the SADC and its institutions. One would call them a short-in-the-arm for SADC to plan and formulate the regional body's regulations.

7. MEASURES AND RECOMMENDATIONS (MAX. 2 PAGES)

7.1. Overview of the Assessment Criteria

Generally SADC is not efficient in implementing studies after they have been approved. The implementation of most studies takes place six or more months after their approval by the Quarterly Meeting (JLCB).

However, the studies are effective in that they contribute very much to the functioning of the SADC institution and that they address felt needs of the SADC Region. The fund has been effective in fast tracking documentation of desired facts in time they are needed through consultants. In this regard the fund has been used to bridge gaps that would have been executed by full-time employees.

The sustainability criterion of the fund is difficult to measure as SADC survives on ICP funds. Belgium is the only ICP who provides the fund for the formulation of new projects and also for carrying out in-depth studies, workshops and consultancies.

Despite the fact that different directorates or institutions of SADC are beneficiaries of the fund, impact assessment can be through financial reports and the magnitude of studies that have produced results approved by the highest organs of SADC like the Integrated Council of Ministers.

7.2. Recommendations

The fund is currently in the reactivation and no-cost extension period of implementation regardless of that no formal approval of the extension has been received by SADC. The following bilateral projects have closed and SADC has requested for the transfer of the local bank balances to the study fund: Fund for institutional Capacity Building; SADC/BEL Regional Energy Planning Network; and the Institutional Capacity Building in the SADC Food, Agricultural and natural Resources (FANR) Directorate. In principle the DGDC has agreed but in practice no document has been drawn to make this request operational. However, the implementation of approved activities has continued unabated despite the delays in the approval of the funds transfers from other projects and also the extension of the fund's Specific Agreement.

8. PLANNING FOR THE UPCOMING YEAR (YEAR N+1) (MAX. 4 PAGES)

8.1. Activity Planning Year N+1

- SAD0301011_A_15_01 Corridors/Spatial Development Initiative Programme
- SAD0301011_A_23_01 Development of a SADC Resource Mobilization Strategy
- SAD0301011_A_16_01 Harmonisation of Petroleum and Gas Policies
- SAD0301011_A_27_01 Study to evaluate an appropriate model for the SADC Customs Union

8.2. Financial planning year N+1

Budget Code	Study/Activity Description	Plan 2008
SAD0301011_A_15_01	Corridors/Spatial Development Initiative Programme	65,640.00 €
SAD0301011_A_16_01	Harmonisation of Petroleum and Gas Policies	35,000.00 €
SAD0301011_A_23_01	Development of a SADC Resource Mobilization Strategy	35,000.00 €
SAD0301011_A_27_01	Study to Evaluate an appropriate model for the SADC Customs Union	75,000.00 €

9. CONCLUSIONS

9.1. Activities and Finance

All the activities/studies implemented in 2008 are in accordance to their MOUs signed between SADC Secretariat and BTC. The MOUs state the expected periods of start and implementation and to all of them the starting periods have been reviewed due to the length of the process of engaging consultants.

The available funding is enough to see all the studies coming to their conclusion. The total fund budget is not expected to be exhausted because no more new studies will be approved regardless of the accumulated left over balances arising from implementation.

If the requested reactivation and no-cost extension (25/Jul/2007) are approved by DGDC then the bank balances requested by SADC to be transferred from closed projects, REPN, FICAB and CROP Development, will need to be reprogrammed to new activities and be implemented and concluded before 31st August 2009.

9.2. Monitoring criteria

9.2.1. Efficiency

It is a requirement that SADC implements the remaining activities/studies within their stipulated periods. This will allow the fund to be amicably concluded and reported. The reactivation and no-cost extension date is foreseen to be 31st August 2009. In order to achieve this efficiency the DGDC should give its decision with regard to the reactivation and no-cost extension of the fund's SA and also the transfer of bank balances from completed projects.

9.2.2. Effectiveness

The effectiveness of the monitoring criteria is highly dependent on the willingness by SADC Chief Director to see the activities achieving their stated objectives. The BTC Programme Officer for SADC will need to meet and convey the importance of having the activities achieve their desired results and on time in order for the activities to be effective.

9.2.3. Sustainability

The sustainability of the fund is not measurable as the activities are short-term and are meant to achieve short to medium term results. SADC is not setting up such a fund for its future operations and non of the International Cooperating partners (ICPs) is doing the same.

9.3. Advice of the JLCB on the recommendations

9.3.1. Recommendations on activity planning

- Activities should be within the ICP priority sectors of both SADC and Belgium.
- The activities should address the current felt needs of the region in order to simplify or chart the way forward for economic growth, reduction of poverty and good governance.
- All the activities should aim addressing the PD and the MDGs.

9.3.2. Recommendations on financial planning

- Studies/activities should spend within their allocated and approved budgets.
- The estimation of budgets should be as prudent as possible taking into account the experience SADC has in implementing the studies and consultancies. This will reduce the tendency of reallocating the leftovers of already approved funds.

9.3.3. Recommendations on Logical Framework

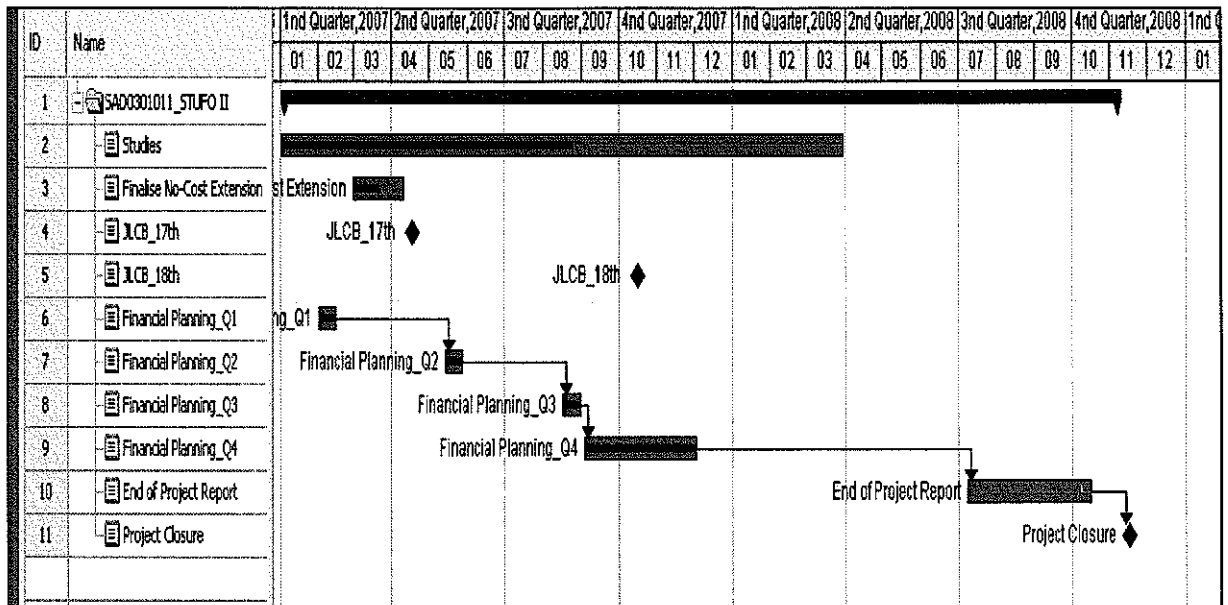
- This is not applicable for the fund as it has no logical framework.

9.3.4. Other recommendations

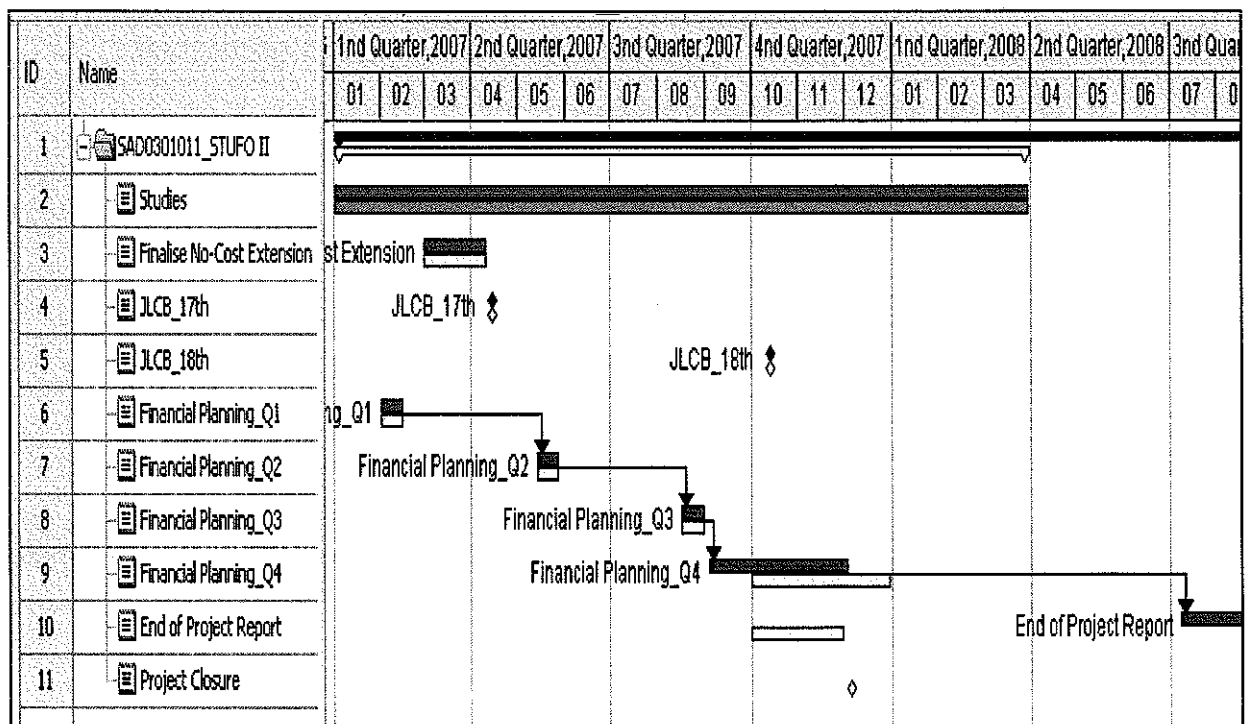
- None

10. ANNEXES

10.1. Tracking Gantt view / Activities



10.2. Baseline report / Activities (Adept Tracker)



10.3. Measuring indicators

- Observance of the SADC Administrative Procedures with regard to the procurement for goods and services.
- DGDC mandates as approval for implementation of studies/consultancies.
- Appointment of Study Supervisor.
- Acceptance of final report.

10.4. Checklist efficiency

- Timely approval of studies/consultancies.
- According to the execution planning, assessment of the speed of the execution. (respect of deadlines)
- Optimal use of the resources at the disposal of the study/consultancy.
- Appropriateness of financial, human and material resources.
- Evaluation of the fund's intermediate results.
- Fund's satisfactory on a cost-efficiency approach in comparison to similar interventions.
- Whether the results of the individual studies/consultancies contribute to the carrying out of the fund's objectives.

10.5. Checklist effectiveness

- Effectiveness of studies/consultancies compared to the region's development priorities.
- Impact of studies towards SADC policies development.

10.6. Checklist sustainability

- Contribution of studies/consultancies towards the proper functioning of SADC.
- Guaranteed continued use of the studies/consultancies' results in furthering the region's objectives.

10.7. Input in PIT

- No inputs were made into the new PIT.

10.8. Logical framework year

- The fund has no Logical Framework.

10.9. Overview public contracts

- There are no public contracts.

