

## SCHEDULE 4

### TERMS OF REFERENCE

#### **1. BACKGROUND**

1.01 Jamaica has a relatively robust planning and implementation process. At the apex of this process is the National Development Plan (NDP) – Vision 2030, which enjoys support at the highest levels of Government. The NDP cascades to a number of national goals, outcomes, priority areas and actions, which were based on extensive consultation with technical and other stakeholders. The NDP is aligned with the Sustainable development Goals, and provides the platform upon which a series of three-year Medium-Term Socio-Economic Frameworks (MTFs) are have been and continue to be prepared. The MTFs is also based on a number of strategies, including those related to fiscal performance and economic growth, and provides a link between NDP and the annual budget. The four-year 2013 Extended Fund Facility arrangement with the International Monetary Fund (IMF), and the November 2016 Stand By arrangement that replaced it, are also critical to the planning and budgeting process, and provide important targets that are incorporated into the planning process. Many of the steps that are important to drive implementation and performance have been observed in developing the overarching priorities, activities and targets. There is also regular reporting, which includes the use of an online platforms. However, the regular tracking of performance, a critical stage in the process, is a weak link.

1.02 The Ministry of Finance and the Public Service (MFPS) has overall responsibility for coordinating the planning and budgeting process – in essence, the implementation of NDP. As mandated by law, the Planning Institute of Jamaica (PIOJ), an agency of the Government, plays a critical role in this process by coordinating national development planning and monitoring MTF execution. PIOJ, in consultation with MFPS, also coordinates the preparation, appraisal, approval and management of the Government of Jamaica's (GOJ) investment programme utilising the Public Investment Management System process. While MFPS retains its oversight responsibilities for public sector financing, the External Cooperation Management Division (ECMD) of PIOJ is tasked with coordinating development assistance from external sources throughout the programme and project cycles. There is also a mechanism in place that includes thematic working groups and periodic donor coordination meetings on topical issues. However, at present, donor coordination of resources is regarded as sub-optimal, and characterised by insufficient alignment between donor and lender comparative advantages and strategic priorities. There is significant scope for GOJ to better coordinate and leverage external assistance, to ensure that there is stronger alignment of development partner resources with GOJ's key development priorities for greater impact. This would require the systematic accumulation of knowledge on the priorities and comparative advantages of various development partners.

1.03 Outcomes under NDP, MTF and the more recent IMF-supported economic programmes, have been mixed. Economic performance improved steadily during the last five years under GOJ's economic programme. Macroeconomic stability has been achieved with inflation stabilised; current account deficit reduced; and foreign exchange reserves rebuilt. At the same time, a series of supply-side reforms have been implemented and are improving the business environment and setting the foundation for increased, sustained and diverse export-led growth. Despite these noteworthy improvements, progress has been slower than expected, and there is a need to accelerate the achievement of targets and development impacts. Although increasing, economic growth remains low; and as such, poverty is still high. Together with high crime rates, this threatens social stability and suggests the need to intensify the focus on these priorities. Public debt, at 102.2% of gross domestic product at the end of March 2018, remains high by world standards and is vulnerable to growth, external interest rate and currency shocks. Moreover, as a small and open economy, Jamaica's economic growth prospects remain vulnerable to external shocks and recurrent weather shocks such as storms, droughts and floods. GOJ is committed to improving performance through the timely achievement of targets.

1.04 The timely implementation of a government's main strategic priorities requires the existence of a strong process for driving such implementation. In a review of the Malaysian experience with their Performance Management and Delivery Unit (PEMANDU) – the World Bank (WB) observed that PEMANDU's ability to drive performance in relation to the National Transformation Plan (NTP) stemmed from some specific design features. Critical components of this design were the focus on a few key priorities and the role of PEMANDU as coordinator, convener and technical support to Ministries, Departments and Agencies (MDAs) in the entire planning process, but especially in the implementation phase where the PEMANDU team worked closely with MDAs to resolve issues and track key performance indicators (KPIs) on a weekly basis, and convened meetings to report at the political level. The experience suggests that these strong accountability and tracking mechanisms during the important implementation phase assisted in generating important successes in outcomes related to school enrolment, crime and basic infrastructure between 2010 and 2017 during the implementation of their NTP. In a paper looking at the experience of the United Kingdom's Prime Minister's Delivery Unit (PMDU), Barber, Kihn and Moffit<sup>1</sup> indicate that an important factor in driving implementation and performance is the establishment and maintenance of reporting routines that are frequent enough to identify challenges and take corrective action at an early stage. Specifically, in the case of PMDU, they identify three distinct routines that vary in frequency, audience, format and detail: (a) monthly notes, where progress is reported in very general terms; (b) "stocktakes", which are quarterly reports to the system leader to hold individuals accountable for progress on targets; and (c) six-month delivery notes to report in detail on progress on all of the priority areas.

1.05 This approach has been used in Jamaica to drive implementation and performance, specifically in relation to the targets set as part of the IMF-supported economic programmes. However, GOJ has recognised that progress has to be made on a broader range of economic and social priorities in order to deliver important outcomes to citizens. This is particularly important with respect to economic growth. In instances where implementation has been challenging in Jamaica, a key missing element is a formal system for driving implementation, including the clear assignment of responsibilities and regular reporting on performance. Indeed, project and portfolio reviews undertaken by WB highlighted that implementation delays have been due in part to inefficient accountability systems for monitoring results. In a review of its Country Partnership Strategy for 2014-17<sup>2</sup>, WB observed that the disbursement ratio in 2017 was 11.4% for projects it is financing. The disbursement ratio for Caribbean Development Bank (CDB)-financed projects in Jamaica is 2.5%, albeit with a much smaller portfolio of projects. In relation to WB-financed projects, some of the steps that have been put in place to address this issue include regular portfolio performance reviews to clear bottlenecks and solve problems. Addressing implementation weaknesses on a broader scale will require the establishment of a formal performance reporting system that includes regular tracking of KPIs; troubleshooting mechanisms to speedily resolve bottlenecks; and periodic status reporting to ministerial levels.

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<sup>1</sup> Barber, Michael, Paul Kihn and Andy Moffit; *Deliverology: From Idea to Implementation*, McKinsey and Company, 2011.

<sup>2</sup> WB (2017), Jamaica Performance and Learning Review of the Country Partnership Strategy FY14-17. Available at <http://documents.worldbank.org/curated/en/655091503334217656/Jamaica-Performance-and-learning-review-of-the-country-partnership-strategy-FY14-17>.

**2. OBJECTIVE**

2.01 The broad objective of the technical assistance (TA) is to support the institutional strengthening of MFPS toward more effective implementation of GOJ's key strategic priorities that can accelerate growth and job creation. Specifically, the TA entails: (a) establishing formal systems for driving implementation; (b) establishing formal systems for resource mobilisation; (c) and strengthening capacity of officials in MFPS and PIOJ in managing implementation, delivery and resource mobilisation.

**3. SCOPE OF ASSIGNMENT**

3.01 The Consultant will be required to:

- (a) work with PIOJ and MDAs to develop KPIs and timelines for the implementation of activities central to the achievement of agreed strategic priorities, and identify specific accountabilities for these KPIs;
- (b) develop formal systems for the effective implementation of these activities, including problem-solving sessions and appropriately scheduled regular performance review meetings to report on KPIs;
- (c) work with PIOJ, MDAs and development partners to identify financing sources for activities being undertaken by GOJ to optimise cost and development effectiveness by targeting the optimum financing sources;
- (d) strengthen structures for the coordination of development resource mobilisation, including the preparation of donor grids, donor assessments, resource mobilisation checklists and resource mobilisation strategies and action plans;
- (e) prepare technical reports, presentations, briefing materials, and status updates for the Minister and other government officials, as appropriate; and
- (f) prepare a report on the TA to share the experiences and learning.

**4. QUALIFICATIONS AND EXPERIENCE**

4.01 At least a Master's Degree in:

- (a) economics;
- (b) development studies;
- (c) public policy and administration;
- (d) law; or
- (e) other relevant disciplines.

Further postgraduate qualification would be an advantage. He or she should have 10 or more years of experience as a development professional, providing development policy advice to senior public sector

technocrats and politicians and familiar with the modus operandi of the multilateral financial institutions and bilateral donors.

4.02 Experience required includes:

- (a) Working knowledge of the Jamaican public sector.
- (b) In-depth knowledge of the Caribbean and Jamaican development context.
- (c) Proven ability to solve complex issues and implement solutions.
- (d) Proven success in collaborating with persons beyond his/her immediate business unit.
- (e) Strong interpersonal and organisational skills.
- (f) Excellent oral and written communication skills with the ability to adapt the message to varying audiences.
- (g) Strong decision-making ability and attention to detail.
- (h) Ability and experience mentoring and providing technical direction to junior staff.

## **5. PLACE OF WORK AND IMPLEMENTATION ARRANGEMENTS**

5.01 The Consultant will report to the Minister, MFPS, who will have responsibility for the overall management and implementation of the consultancy. GOJ will facilitate the Consultant by providing access to relevant documentation and other pertinent information necessary for the completion of the assignment.

## **6. DURATION**

6.01 The duration of the assignment is two years.

## **7. REPORTING REQUIREMENTS**

7.01 The Consultant will be required to provide the following:

- (a) an inception report detailing the approach to be adopted to successfully deliver the expected outputs, and a detailed methodology and work plan to implement and achieve the TA outputs and deliverables to the management of MFPS and CDB four weeks after commencement of the assignment.
- (b) Quarterly Progress Reports indicating milestones achieved.
- (c) The Final Report detailing outcomes achieved one month prior to the end of the assignment.

7.02 All reports must be produced in the English language and submitted to the Minister of Finance in both print and electronic (Microsoft Office) format. Officials in MFPS shall provide feedback to the Consultant within two weeks of receipt of the reports. All reports shall be copied to CDB.