**Relationship between mitigation and outputs**

| **Weakness** | **Mitigation suggested** | **Outputs** |
| --- | --- | --- |
| **Institutional Assessment** | | **Results Matrix** |
| (i) The accounting system (TOMPRO) is not operational and financial reports are prepared manually (in Excel) there is a risk of having unreliable reports and since the budget is not included in TOMPRO (commitments are not recorded) it impedes effective budget formulation and monitoring | Integrate the accounting (TOMPRO) and contract management (SIIGPP) systems (and complete its operationalization) to generate financial reports automatically (in Bank’s format) and ensure an efficient and effective budgeting and contract supervision; | 3.4 Project and contract management system integrated with accounting system |
| (ii) Inadequate staffing in financial management, regional offices and Monitoring and Supervision Division (DSE) | Strengthen financial management by recruiting an accountant (for the daily recording of transactions and reconciliation of accounts) and a financial controller to review financial reports submitted by the operators and to submit disbursement requests to the Bank, strengthen regional offices to ensure appropriate execution and monitoring of program activities (human resources and equipment) and support the DSE to monitor all project activities. | From admin costs the following consultants will be hired:  1 financial controller  1 accountant |
| (iii) Operating manual and the Administrative and accounting procedure manuals are obsolete dating from 2009 and 2002 respectively | Prepare an Operations Manual (OM) for FAES encompassing all the procedures and execution mechanisms of its different divisions and including a code of ethics dealing with the following points: (a) respect for laws and regulations; (b) confidentiality; (c) conflicts of interest; (d) good use of assets; (e) prohibited practices; (f) gifts and gratuities: and (g) mechanism for reporting illegal or unethical behavior | 3.1 FAES Operations Manual updated and approved |
| **Procurement** | | |
| (i) A limited absorption capacity given the additional workload created by this new operation due to insufficient staff and knowledge of Bank’s policies by some members of the procurement unit | Hiring two additional procurement specialists (one senior) to ensure a timely execution of procurement activities foreseen by this operation and strengthen knowledge of Bank’s policies by organizing face-to-face and hands-on training with the procurement unit’s personnel i.e evaluation criteria for selection process | From Admin costs  2 procurement specialists will be hired (including one who is senior)  3.3 Training courses carried out  Courses include procurement. |
| (ii) Unrealistic planning of procurement activities | Organizing semi-annual workshops with the technical counterparts so to regularly update the procurement plan | 3.3 Training courses carried out.  Courses include project management. In addition, in Admin costs resources are set aside for semiannual workshops to review project progress and update the procurement plan as well as to |
| (iii) The procurement unit is not carrying out contract management functions which may lead to errors in budgeting | Integrate contract management as part of the procurement function by establishing procedures such as supplier performance evaluation. | 3.3 Training courses carried out and  3.4 Project and contract management system integrated with accounting system |
| (iv) A deficient archiving system in procurement which may lead to errors in contract management | Establish an organized paper based and electronic archiving system for procurement processes | 3.5 Correspondence, filing and archive system designed.  It includes a paper and electronic archiving system for procurement designed. |
| (v) The Procurement Unit does not have a legal existence in the structure of the Executing Agency and is not mentioned in the Manual of operations. Furthermore, FAES’ manual of operations as well as the administrative and accounting procedure manuals are obsolete | Formalizing the roles and responsibilities of the Procurement Unit with the revision of the Manual of Operations.  FAES Manual of Operations must encompass all the procedures and execution mechanisms of all its divisions, including a code of ethics for the following points: (i) compliance with laws and regulations; (ii) confidentiality; (iii) conflicts of interest; (iv) good use of assets; (v) prohibited practices; (vi) gifts and gratuities; and (vii) mechanism for reporting illegal or unethical behavior. | 3.1 FAES Operations Manual updated and approved |