Matters arising from the Minutes of the 10th Governing Council Meeting held on the 24th November 2010

Tunis
November 2011
## Matters Arising from the 10th AWF Governing Council Meeting

<table>
<thead>
<tr>
<th>Item</th>
<th>Matters arising</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>7.2 Disbursements: While the current AWF focus on implementation of the disbursement action plan is commended, further portfolio analysis as to why some projects disburse quicker than others may be worthwhile to draw out lessons learned to guide future actions. The AWF should also report on disbursement in more meaningful ways, such as planned versus actual progress in disbursements on a project by project basis as noted in the 2011 Work Plan, and state corresponding planned actions to resolve any problems.</td>
<td>Efforts undertaken to improve project implementation and increase levels of disbursements are showing positive results, with about €14.6 million expected to be disbursed in 2011 (approx. €8.7 million to date), compared to €12.3 million disbursed in 2010 and €7.9 million in 2009. The AWF expects to achieve 83% of planned disbursements in 2011. In total, about €47 million will have been disbursed by year end, which represents 50% of the total project portfolio amount. A Portfolio Management Officer has just started work at the AWF, and will focus on project by project progress monitoring in support of improved levels of disbursement. A Procurement Officer will be recruited in 2012 with a primary responsibility to help alleviate the main critical bottleneck to implementation, namely Recipient capacity to undertake procurement.</td>
</tr>
<tr>
<td>2.</td>
<td>7.5 Results Reporting: There is the need to develop more quantitative indicators where possible (such as number of people gaining access to water, sanitation and funds leveraged as a result of AWF interventions), which are linked to project log frames, and to make plans for post project impact assessments.</td>
<td>Quantitative indicators for the entire portfolio have been developed and included in the new Strategic Plan 2012-2016. All individual AWF projects will have corresponding indicators, which will facilitate portfolio wide performance reporting. The AWF is making plans for post project impact assessments in 2012, since the first batch of 5 projects were completed in 2009 (impact assessments are to be done 2 to 3 years after completion).</td>
</tr>
<tr>
<td>3.</td>
<td>8.2 Implementation: To effectively implement the various actions outlined in the management response, the GC called for the need to develop realistic plans and budget accordingly for a portfolio level that AWF can physically manage within existing donor commitments; and to improve implementation capacity through an empowered mandate or role for the Coordinator to maximize institutional impacts, adequate staffing levels to meet needs,</td>
<td>The Implementation Plan 2012-2016 has laid out realistic plans which have been developed in a participatory manner with key stakeholders, and reviewed by the GC in June. The principal impediment to their realization continues to be the almost complete lack of sustained funding commitments from 2012 onwards. Should this situation continue it may even affect recruitment of staff since the AWF</td>
</tr>
</tbody>
</table>
and further enhancement of the AWF field presence consistent with strategic work plans.

4. **8.3 AMCOW Involvement:** Although the GC recognised the closer links between the AWF and AMCOW arising from integration of meetings and better liaison with the Secretariat in the past year, and the improved responsiveness of the Facility in meeting AMCOW’s needs as a result, there is still room for further improvements. While appropriate actions have been well highlighted in the management response, these concerns should be addressed in more detail in the AWF Strategic Plan.

   The role of AMCOW has been more clearly defined in the Strategic Plan, in particular Action Plan 8 of Annex 3 of the Implementation Plan.

   The AWF continues to take appropriate actions both to coordinate activities with AMCOW and to support key AMCOW strategic initiatives (as reviewed in the Progress report to be presented at this meeting).

5. **9.2 Financial Base:** While integration of sustainable financing into other projects is appropriate, the work plan should include one or more standalone projects in 2011 and note the mechanisms which may be used to stimulate demand, such as using targeted call for proposals.

   Under the new Strategic Plan, actions to improve the financial base will mainly centre on preparing bankable projects for investments (Pillar 1). Opportunities to integrate other types of financial actions will continue to be taken advantage of, particularly in AWF Governance projects (Pillar 2).

6. **9.4 Quality:** The GC highlighted the importance of continued actions to improve portfolio quality, noting the need to carefully select projects which are of strategic importance; and to ensure quality at entry through proper preparation and increased dialogue with stakeholders to develop sustainable projects.

   The Implementation Plan 2012-2016 outlines a number of actions to ensure project quality at entry and during implementation (see Action Plan 1). The activities outlined in the 2012 Work Plan are consistent with these actions.

   Indeed the AWF has started actions to improve quality in the existing portfolio. The need to redesign existing projects in the pipeline to harmonise with new Strategic Priorities, which involves lengthy dialogue with potential Recipients, is one of the main reasons for the delays in appraisal of new projects in 2011.

7. **9.5 Leveraging:** The GC emphasized that the post project leveraging of resources must be focused upon early during the preparation of projects, to ensure that all projects maximize their impact on this important aspect.

   The current leveraging ratio of about 40 gives evidence that the AWF has succeeded fairly well in a selected group of projects in ensuring resource mobilisation. The AWF will continue to learn from its successes in directly leveraging resources through project preparation and pilot investment projects, and indirectly through improving the enabling environment; and incorporate best practices into future project designs.

8. **9.6 Human Resources Management:** The GC highlighted the importance of adequate staffing levels to meet needs. Recognising that the proposed large number of consultants is not

   Two new staff have been recruited in 2011, including the Norway funded TA, and another four more are under recruitment and are
sustainable, the AWF should take advantage of options to quickly replace the consultants, such as through liaising with donors to ensure the timely secondment of TAs.

9. **Cross Cutting Issues:** The AWF was encouraged to more clearly define how it will focus on fragile States in its Strategic Plan, making use of its extensive project based experiences and lessons learned arising from AWF interventions in many post conflict countries.

The AWF continues to refine its approach to Fragile States to improve effectiveness and to ensure harmonization with the new Strategic Plan. For example, the Darfur project was redesigned following extensive consultation with all stakeholders, so that it focuses on bankable investment planning along with strategic investments to pilot new approaches, and capacity building to ensure their effective and sustainable implementation.

| 9.8 Resource Mobilisation: | Resource mobilisation remains the most critical challenge of the AWF, with no funds commitments from 2013 onwards except for the ongoing payments from the BMGF and Austria.

Donors have indicated that they are waiting for completion of the Strategic Plan before committing new funds.

The AWF continues to dialogue with AMCOW TAC and other partners to mobilise resources.

No new commitments from African countries were made in 2012. Effects will be further enhanced in 2012 now that the Strategic Plan is completed.

The AWF is in the process of recruiting a resource mobilisation specialist to start work by March 2012.

The proposed AMCOW Goodwill Ambassador and President Her Excellency Ellen Sirleaf Johnson is yet to be approached. This is an issue for which the advice of the GC will be sought at this meeting.

A donor’s roundtable is planned for March 2012, to be held alongside the 6th WWF in Marseille, France. |