

***Ongoing Support to the
Implementation of Guyana's
National Competitiveness Strategy
(NCS)***

***Action Plan for Improved
Coordination and Harmonization
of Stakeholder Support***

***Results of Stakeholder Workshop
June 28th 2006***

Government of Guyana

in

Partnership with the Private Sector and Donors

July 2006



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Summary Action Plan For NCS Stakeholder Coordination/Harmonization/Alignment

Issue	Action	Lead	Timing
1. Pooled Technical Assistance	Seek clarification regarding which donors can support pooled TA fund, provide estimate of the resources available and timing.	IDB/CIDA	Report to NCSU Director ¹ before by end of Aug.
2. Review of Aid Mechanisms (Swap/ Pooled Fund)	Seek agreement from the DHG to assess what is possible.	DHG Chair	Ongoing
3. Creation of Results Based Management Framework (RBMF)	Coordinate with DHG and NCSU the hiring of consultant to undertake this work.	CIDA/IDB	Agreement on the TORS by end of September
4. Cross-cutting Themes	Track inclusion of cross-cutting issues in the RBMF	NCSU Director /DHG Chair	Agreement on the TORS by end of September
5. NCS Calendar	Report back to the NCSU re progress on commitments made.	Chair of DHG, shifting to the Director of the NCSU when appropriate	Quarterly.
6. Costed and Sequenced NCS Implementation Plan	Provide TORS to the DHG to meet requirement and ask that this item be placed on DHG agenda at next meeting	NCSU Director	Consultant engaged by October 1
7. Presentations on Donor Programmes	Consult with DHG members to set a schedule for donor presentations	Chair DHG	Schedule set by the end of August
8. Lead Donor	DFID is current chair of the DHG. Chair will be assumed by a donor more central to the funding of the NCS implementation plan.	DHG Chair	New chair in place by end December 2006

¹ Until Director of Competitiveness is in place, the responsible officer for all NCSU actions is Nick Godfery, Senior Commerce Officer, MINTIC

9. The Donor Harmonization Group (DHG)	Place harmonization/ alignment on the agenda of the DHG and ensure appropriate actions are taken. Report progress to NCSU Director	DHG Chair	Ongoing
10. Matrix of Activities	Refine donor input to matrix of activities by placing it on the monthly DHG agenda. Ensure indirect donor support by non DHG members is noted in matrix	Chair of the DHG/NCSU	Progress to be reviewed by the DHG in Sept. and reported to the NCSU Director
11. Improving the existing NCS Website	Place strengthening of the NCS website on the DHG agenda - identify donor who can financially/ technically support NCSU in its ongoing operation.	DHG Chair/NCSU Director	August meeting of the DHG
12. Coordination of Procurement and Financial Accountability Reviews	Individual donors, after internal consultations, report to DHG on the feasibility of meeting the commitments re utilisation of CFAA and CPAR as sole financial/procurement reviews. Chair of the DHG to report to NCSU by Nov. the results of these deliberations	DHG Chair and individual donor representatives	Individual donors report to DHG Chair by Sept. 30 Chair of DHG to report to NCSU Oct 15
13 Acceptance of Single Results Based Management Framework (RBMF)	Individual agencies to report to DHG acceptance of the RBMF by their agencies as the sole criteria against which progress will be measured.	Individual donor representatives	Within 2 months of completion of the RBMF
14. Linking the NCS to the GoG Budgetary Process	The Competitiveness Steering Committee to approach the MoF with respect to more accurately representing the NCS in the budgetary process.	NCSU Chair	The next budget should fully recognize GoG commitments to the NCS in the MTEF.
15. Review of Presidential Summit Action Initiatives	Establish a process and timing to conduct review of recommendations	NCSU Director, Chair DHG	Review date set at the September meeting of the DHG

16. Review of NCS Action Plan	Prepare a one day multi-stakeholder meeting for the above purpose	NCSU Director	Meeting to take place before the end of September
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Ongoing Support to the Implementation of Guyana's National Competitiveness Strategy (NCS)

Action Plan for Improved Coordination and Harmonization of Stakeholder Support

Background

Since the publication of the Government's first draft policy discussion paper on competitiveness released in July last year, the Government of Guyana, Guyana's private sector (led by the Private Sector Commission) and our friends from the donor community, have been engaged in an extensive public-private partnership process to develop a National Competitiveness Strategy (NCS) designed to chart a new way forward to generate a new momentum for growth and prosperity that is adaptive to the more challenging competitive realities which are facing our economy. The process has involved a number of crucial steps, which have ranged from the engagement of professional consultancy teams in key areas of policy to public-private focus groups and round table discussions with senior members of Government and key business leaders.

This first wave of national consultation came to a close on May 8th with the formal launching of the second draft of the NCS at the Presidential Summit on Private Sector Development and the announcement of the formal institutional structures which will drive forward the NCS on a sustainable basis, including:

- **National Competitiveness Council.** The central point of public-private leadership for the NCS to oversee ongoing strategy development and implementation.
- **National Competitiveness Strategy Unit (NCSU)** at the Ministry of Tourism, Industry and Commerce (MINTIC) to act as a central point for policy formulation and coordination for the systemic implementation of the NCS.
- The **Competitiveness Implementation Unit (CIU).** The IDB funded Support for Competitiveness Program will also now move to implement a sub-set of priority actions identified within the NCS via a new unit to be set up at MINTIC.

The Summit also marked the beginning of the second wave of consultation on the NCS with a view to presenting an improved, fully costed, prioritised, and sequenced strategy by the end of the year (see www.summit.org.gy for more details).

Critical NCS Success Factors

The NCS recognizes that a number of critical structural and process components will be required to ensure the success of the strategy by encouraging a more systematic and integrated approach to the implementation of the NCS in line with the commitments the Government and donors signed up to in the Paris Declaration for improving aid effectiveness. These include:

1. **Improved donor harmonisation supporting the NCS**
2. **Effective NCC and NCSU policy leadership** in taking forward the strategy to oversee and coordinate ongoing strategy formulation, ensure that the goals of strategy are adhered to, that policies and program are implemented, results are monitored, policies and program are altered in light of performance, that new policies and programs are devised, that interventions are prioritized and sequenced, that cross-cutting issues relevant for development are incorporated into the strategy etc.....
3. **Appropriate coordination and management structures to facilitate all stakeholders playing their appropriate roles in the on-going formulation and implementation of the NCS**

Donor Harmonisation

To date, the development and implementation of the National Competitiveness Strategy have received strong support from the donor community in Guyana. Several donor agencies are already supplying valuable assistance through the provision of advice as well as actual financial assistance. However, to build on this existing support, Government, the private sector, and donors alike have acknowledged the need to address issues caused by underdeveloped donor harmonization in this area. Examples of these issues include duplication of effort, competing priorities, lack of flexibility to adjust to changing programme requirements, an unnecessary reporting burden on Government and the private sector, and lack of program level focus.

NCC and NCSU leadership on taking forward the NCS

Structures are already in the pipeline for the better coordination of Government, private sector and organized labour support behind the NCS i.e. NCC. Nevertheless these structures will require significant initial capacity building support to ensure they are set up and functioning effectively.

Coordination and management structures to facilitate on-going formulation and implementation of the NCS

Given the complexity of the NCS, it will be necessary to have all stakeholders represented in regular discussions of strategic and operational issues and the new institutions must play a crucial role in ensuring that this takes place.

The Stakeholder Workshop

Stakeholders have met on a number of occasions over the past months to address these issues. As a result, a number of initiatives have been taken. For example, most recently a formal Donor Harmonization Group (DHG) committing to meeting every month has been established, a NCS Calendar of events has been established that tracks upcoming

donor activities, and a matrix of NCS program components has been created against which donors and other stakeholders can track their activities.

Although these initiatives have begun to produce positive results, stakeholders felt a more systematic assessment was required followed by the development of an action plan to address the above mentioned issues, identify who has lead responsibility for each action, and establish a time frame for the completion of each action item. As a result it was agreed to convene a stakeholder workshop with the purpose of developing a better understanding of what was needed to improve harmonization and alignment of stakeholder efforts and develop a **collective plan for action** for moving forward.

The GoG, private sector, and donors convened the workshop on June 28th 2006 to address the above issues. For guidance in these discussions and to provide a strategic framework for discussion, donors and the Government agreed to use their joint commitments contained in the Paris Declaration on Increasing Aid Effectiveness as a framework for these discussions.

The Paris Declaration established commitments by donors and Government in five strategic areas to:

1. **Optimise Government Ownership of the NCS and implementation process**
2. **Align Donor supported activities with the NCS Action Plan**
3. **Harmonize the many projects and activities of Donors**
4. **Establish management processes that focus on Managing for Results**
5. **Strengthen Accountability of Donors and GoG for Effective Utilization of Resources**

Donors met separately, the day before the workshop on June 27th 2006 to examine what specific actions they could take locally in Guyana to implement the intent of the commitments they had made in Paris in March 2005 with respect to the above five objectives. Similarly the Government, in preparation for the workshop, conducted an assessment of their commitments with respect to these objectives. The Vice Chairman of the Private Sector Commission also participated with the donors and GoG in this workshop to ensure that its concerns were reflected in the agreements that were reached.

The action plan that emerged from the workshop is outlined below. It is intended that this now form the basis for a “Letter of Intent” that captures the specific actions agreed to at the workshop, identifies who has lead responsibility for each action and establishes a time frame for the completion of each action item. The Letter of Intent would also establish the organizational structures and processes through which donors and other stakeholders will coordinate their activities with NCS bodies and provides a framework for stakeholders of their individual and joint accountabilities. The signatories to this letter

would agree that this is not a static document but will require updating on a regular basis to reflect the evolving reality of the NCS implementation process.

An Action Plan for Improved Coordination and Harmonization of Stakeholder Support

In summary the workshop agreed to the following actions:

Ownership

1. Pooled Technical Assistance

Members of the Donor Harmonization Group (DHG) recognize the significant constraints in terms of staffing that both the GoG and the PSC structures currently supporting the NCS face, particularly given that these institutional arrangements are still at a formative stage. They also recognise the threat that this poses to Government leadership when collective donor capacity is significantly greater than that of GoG.

As a consequence the (DHG) has agreed to explore with the MINTIC the creation of a pooled fund to engage Technical Assistance to support the Government and the PSC. This will allow the Government and the private sector to assume full ownership of the NCS implementation process.

Lead: IDB/CIDA

Action: Seek clarification at the next DHG meeting on which donors can support such a fund, an estimate of the resources that could be made available and date by which such a pool could be in place.

Timing: Provide a report to NCSU Director² before the end of August 2006 regarding progress on these issues.

2. Review of Aid Mechanisms

The DHG recognizes that having multiple projects supporting the NCS is less than ideal. It limits the capacity of the GoG to make timely adjustments to the implementation of the NCS to meet changes in the programming environment. It also places a heavy burden on the Government with respect to meeting the different reporting requirements of the multiple donors supporting the NCS. Despite recent efforts by the donor community, common financial and progress reporting formats are yet to be agreed.

In the medium term the donors would like to introduce funding mechanisms that would provide increased flexibility to the GoG while reducing the administrative burden on

² Nick Godfrey, Senior Commerce Officer, is the Government contact on all NCSU action items until the Director position is filled. It is estimated that this position will be filled by the end of August 2006. Once the Director is in place he will report to the interim Competitiveness Steering Committee (made up of high level Government and PSC representatives) and then the NCC on its formation after the elections in c. October/November 2006.

Government of multiple funding mechanisms. Although the currently approved portfolio of projects/programmes will continue to define the funding base for the NCS in the short to medium term, the DHG would like to examine the possibility of more comprehensive funding mechanisms such as a SWAP type approach or pooled fund.

To this end, the DHG agrees to conduct with Government an assessment of possibility of establishing a multi-donor funding mechanism that would meet these objectives.

Lead: DHG Chair

Action: Seek agreement from the DHG to conduct this assessment and agree with the Director of the NCSU the details for its execution.

Timing: Ongoing donor discussion and update to NCSU Director

Alignment

3. Results Based Management Framework (RBMF)

A necessary pre-condition for the alignment of donor support to the NCS is a single Results Based Management Framework for the strategy. This will provide a single conceptual framework against which donors can align their support. It will also create one common framework against which the GoG can report with respect to monitoring and evaluating progress. This will significantly increase the effectiveness of the NCS while reducing the burden on staff of reporting against numerous different donor driven requirements. To this end the DHG commits to working with the Government to quickly initiate the work required to create a Results Based Management Framework for the NCS.

Lead: CIDA/IDB

Action: Coordinate with DHG and NCSU Director the hiring of a consultant to undertake this work.

Timing: Agreement on the TORS by end of September.

4. Cross-cutting Themes

The GoG and donors jointly recognize the importance of integrating cross-cutting themes in the above mentioned (RBMF) framework. Donors and GoG commit to the appropriate inclusion of gender, environment, youth, and indigenous issues in the RBMF.

Lead: NCSU Director/DHG Chair

Action: Track inclusion of cross-cutting issues in the RBMF framework.

Timing: As for 3 above.

5. NCS Calendar

Donors currently keep a Calendar of events such as incoming missions, studies, reviews evaluations etc... The primary purpose of this tool is to help avoid overlap and duplication of donor activities that place a significant unnecessary burden on GoG staff, members of the PSC and on the donor community itself. The current Calendar is a good start for controlling duplication of effort across the system. However the scheduling of all stakeholder activities needs to be further systematized and placed under the direct control of the NCSU. To this end the donors commit to further refining the information they place on the NCS Calendar. There is also a need to formalize the processes governing its operation, and post it on the NCS website. Furthermore, as the capacity of the NCSU permits operational control of the Calendar will be transferred to this unit. It was agreed that the NCS Calendar should be expanded to more appropriately take note of the activities of all stakeholders.

The NCS calendar offers the most effective immediate tool for harmonizing stakeholder efforts of support by creating a mechanism for information sharing about timing and content of all stakeholder activities, and disseminating the reports that arise from them.

Lead: Chair of the DHG - shifting to the Director of the NCSU when appropriate.

Action: Report back to the NCSU Director on progress in respect of the above commitments.

Timing: Progress reported by the DHG Chair/the NCSU Director to members of the DHG and NCC quarterly.³

6. Costed and Sequenced NCS Implementation Plan

Many donors cannot provide the GoG clear projections on financial support to the NCS in the absence of a costed and sequenced NCS implementation plan. As an urgent matter the DHG will provide technical assistance to the GoG to rapidly address requirement to moving forward with the development of a costed and sequenced NCS implementation plan.

³ Again, in the interim, before the setting up NCC, the interim Competitiveness Steering Committee will continue to function with high level Government and PSC representatives. Nick Godfrey, Senior Commerce Officer, is the Government contact on all NCSU action items until the Director position is filled.

Lead: Competitiveness Steering Committee/NCC supported by NCSU Director⁴

Action: Provide a proposal to the DHG to meet the above requirement and ask that this item be placed on their agenda at their next meeting

Timing: TORs completed and consultant engaged by October 1st.

7. Presentations on Donor Programmes

Information sharing amongst NCS stakeholders is weak, particularly as relates to the specifics of the activities supported by each donor. To help remedy this situation donors have agreed to make a series of presentations that will allow each donor to present details of the activities they support.

Lead: Chair DHG

Action: Consult with other DHG members to establish a schedule for donor presentations to relevant stakeholders.

Timing: Schedule to be established by the end of August

Harmonization

8. Lead Donor

The DHG sees the clear benefits that arise by having a single contact point between the DHG and NCS structures. For this purpose the meeting on the June 28th agreed that the Chair of the DHG would perform this role on behalf of donors. In this regard the Chair will be the single point for disseminating information between the NCS and donor community and would be the sole point at which the GoG would make requests for NCS support to the Donor community. This would ensure a more complete sharing of information between all stakeholders and, with respect to requests for support, would establish a process whereby donor consultation would lead to the most appropriate donor being matched with GoG's requests for support.

Lead: DHG Chair

Action: DFID is currently acting as the chair of the DHG. This role will eventually be assumed by a donor who is more central to the funding of the NCS implementation action plan.

⁴ Again, Nick Godfrey, Senior Commerce Officer, is the Government contact on all NCSU action items until the Director position is filled. It is estimated that this position will be filled by the end of August 2006. Once the Director is in place he will report to the interim Competitiveness Steering Committee (made up of high level Government and PSC representatives) and then the NCC on its formation after the elections in c. October/November 2006.

Timing: New chair to assume their responsibilities by end December 2006.

9. The Donor Harmonization Group (DHG)

The workshop recognized the importance of donors continuing to work through a single group whose primary focus is the harmonization of their joint activities and the alignment of their support with NCS priorities and processes. The DHG also provides a focal point for the creation of common donor policies and procedures in order to simplify donor /GoG relations. The donors commit to reinforcing the functions of the DHG and continuing to meet on a monthly basis.

Lead: DHG Chair

Action: Place harmonization of policies and procedures on the agenda of the DHG and ensure appropriate actions are taken. Report progress to NCSU Director.⁵

Timing: Ongoing

10. Matrix of Activities

Donors and Government have already begun to compile a matrix of NCS program components against which the activities of donor projects can be tracked. This matrix is a necessary tool to keep all NCS stakeholders up to date on the activities being supported by various donors and avoid duplication of effort. It will also prove a very useful tool in establishing those part of the NCS action plan that remain unfunded.

In the spirit of information sharing and harmonization the DHG commits to refining their use of this matrix and ensure that the information they contribute to it is kept current. Members of the DHG will update their input to the matrix on the NCS website and keep it up-to-date. It was also agreed that the current Matrix was incomplete and should be expanded to reflect support from indirect donors who provide support to the NCS process such as scholarships.

Lead: Chair of the DHG/Director of NCSU

Action: Refine and keep current the matrix of donor activities by placing it on the agenda of every monthly DHG meeting. Ensure that indirect donor support provided by donors who are not members of the DHG is also noted in the matrix. This information is to be provided to the DHG chair by the Director of NCSU.

Timing: Progress to be reviewed by the DHG in September and reported to the NCSU Director

⁵ Again, Nick Godfrey in the interim

11. Improving the existing NCS Website

Workshop participants recognized that the strengthening of the NCS website was a prerequisite for effective harmonization and alignment of donor activities. It is the obvious place to house the aforementioned Matrix of NCS Activities and the NCS Calendar of events.

It would also be the logical repository for all Government and donor documentation relevant to the NCS. There have been many hundreds of studies and reports prepared on issues related to the NCS. It is disappointing to see how many of these reports cover much of the same ground, often within a few months of each other. It is hoped that by putting all of this documentation in one place where it can be easily indexed and accessed future duplication of effort and waste of Government time and donor resources can be avoided.

Lead: DHG Chair/NCSU Director

Action: Place the strengthening of the NCS website on the DHG agenda and seek a donor who can financially/technically support the NCSU in its ongoing operation.

Timing: August meeting of the DHG

Mutual Accountability

12. Coordination of Procurement and Financial Accountability Reviews

Donors know that duplicate assessments of GoG procurement and financial management systems place an undue strain on GoG resources. In order to avoid duplication of efforts in this regard donors commit to using shared reviews that will center on the Country Financial Accountability Assessment (CFAA) and Country Procurement Assessment Review (CPAR) processes of the World Bank. Insofar as individual donors have particular requirements these will be dealt with either through input to the Banks TORS in conducting these assessments or by including staff from their agencies on the Bank's review team.

Lead: DHG Chair and individual donor representatives.

Action: Individual donors, after consultation with appropriate branches in their own agencies, report at to DHG on the feasibility of meeting the above commitment. The Chair of the DHG to report to the NCSU by November the results of these deliberations.

Timing: Individual donors to report to DHG Chair by September on what is possible.
Chair of DHG to report to NCSU a summary of donor inputs

13. Results Based Management Framework (RBMF)

Once the single RBMF has been drafted and approved it will provide the primary focus for accounting to our respective governments the progress made with respect to the objectives established for the NCS. It is important in this regard that Donor agencies commit to not creating additional or parallel criteria once the RBMF is approved. This will be particularly import for the RBMFs of existing projects or loans. To avoid the possibility of future ad hoc missions, donors will seek a commitment from appropriate authorities within their agencies for approval of the agreed RBMF as the sole framework against which results will be measured.

Lead: Individual donor representatives

Action: Individual agencies to report to DHG acceptance of the RBMF by their agencies.

Timing: Donor agencies to report within 2 months of completion of the RBMF the acceptance by their agencies of this framework as the sole criteria against which progress will be measured.

14. Linking the NCS to the GoG Budgetary Process

Donors have requested and MINTIC has agreed to have NCS finances fully reflected in the GoG budgetary process. Failure to reflect NCS finances in the budget will make it increasingly difficult for donors to commit NCS funds.

Lead: NCSU Director

Action: The Competitiveness Steering Committee/NCC to approach the MoF with respect to more accurately representing the NCS in the budgetary process.

Timing: The next budget should recognize GoG commitments to the NCS in the MTEF.

15. Review of Presidential Summit Action Initiatives

GoG has requested and donors have agreed to participate in a joint review and prioritization of the action initiatives emanating from the Presidential Summit.

Lead: NCSU Director/Chair DHG

Action: Establish a process and timing to conduct such a review

Timing: Review date to be set at the September meeting of the DHG

16. Review of NCS Action Plan

Donors commit to work closely with the GoG and PSC in a review of the NCS Action Plan to identify synergies and coordinate activities. Careful attention will also be given the prioritization and sequencing of activities.

Lead. NCSU Director

Action: Prepare a one day multi-stakeholder meeting for the above purpose

Timing: Meeting to take place before the end of September

Appendix: List of Participants

NCS Workshop Attendee list		
#	Names	Organisation/E-mail Address
1	Hon. Manzoor Nadir	Minister of Tourism, Industry and Commerce
2	Mike Correia	Vice President, PSC
3	Mark Harris	Vice Chair, PSC Trade & Investment SC
4	Geoff Da Silva	CEO GO-INVEST
5	Amisha Patel	DFID
6	Marguerite Berger	IDB
7	Naseem Nasir	GLSC rep. Andrew Bishop
8	Neil Fraser	LEAP
9	Nizam Hassan	G.M.C
10	Sandy Williams	MOFTTC
11	Candelle Walcott Bostwick	GNBS
12	Homa Fotouhi	World Bank
13	Carl Larkins	USAID-GTIS
14	Aoife Gibbons	CIDA-Canadian High Commission
15	Brett Maitland	CIDA
16	Sherril Thompson	CIDA H.Q
17	Beni Sankar	GABA
18	Leonardo Butcher	BOG.Rep.Gov
19	Fianna Holder	EPA rep. Doorga Persaud
20	Ritva Sallmen	EC Delegation
21	Sasenarine Shiwram	Chair Small Business Council
22	Aliya Shariff	OTF Group
23	Leslie Chin	IPED
24	Indira Anandjit	Guyana Tourism Authority
25	Mohamed Ali	CDB Funded Piu-MoF
26	Rohan Beerchoo	Customs/GRA rep. Kurshid Sattaur
27	Tejnarine Geer	Dept. of Fisheries
28	Navita Anganu	IDB
29	Sharon Alexander	Ministry of Tourism
30	Kim Stephen	MINTIC
31	Mona Bynoe	FPA
32	Roger Rogers	UNDP

33	Sergio Varas-Olea	IDB
34	Jonny Baxter	DFID
35	Carla Khammar	UNDP
36	Grant Hawes	Facilitator
37	Nick Godfrey	Senior Commerce Officer, MINTIC