

## **A new role for FAO: minimizing risks in project implementation**

In the Province of Sindh in Pakistan, FAO has taken on the novel role of Project Management Consultants/Procurement Agent (PMC/A) for the US \$ 175 million Sindh Water Sector Improvement Phase-I Project (WSIP) which is supported with a loan from the World Bank.

The experience in Pakistan shows most important aspect of the development project implementation is procurement and contract management, in particular the selection and management of the consultants and contractors which always rated high risk.

In order to minimize this risk several measures have been introduced for procurement in general and for management of consultancy contracts in particular in order to ensure better response and to bring transparency and accountability in implementation of ongoing World Bank financed “Sindh Water Sector Improvement Phase-I Project”.

The WSIP is one of very important projects in irrigation and drainage sector of the province of Sindh which is under implementation with Participatory Irrigation Management (PIM) approach, with involvement of all stakeholders, especially the farmer communities involved in irrigation sector. The project is a mixture of software and hardware that includes civil works for rehabilitation and improvement of irrigation and drainage network, institutional strengthening and community development dealing with the sector, conducting detailed diagnostic studies through professional team of consultants to modernize the irrigation system to meet the future requirements and to address the floods and drainage issues of the province.

In addition to other measures, the deployment of Team of FAO as Project Management Consultants/Procurement Agent (PMC/A) for recruitment/ procurement and supervision of the consulting services, works and goods is one of very important steps taken under the WSIP Project. It is first time in the history of development projects for deployment of FAO in implementation of the project. The FAO has been deployed on single source basis for the duration of the project implementation period and is responsible for preparation of request for proposal (RFP); review of the terms of reference (TORs); short listing of consultants; and evaluation of technical and financial proposals and award of the contract. During project implementation the PMCA reviews any changes proposed in the TORs or scope of work of the consultants and variations resulting from such proposals, overseeing their work and evaluate the performance of the consultants in carrying out their responsibilities, examine the purpose of consulting services is being achieved, as well as payments made to the consultants. The PMCA is responsible to make recruitment of all project staff including staff required for institutional strengthening and capacity building of the institution created in Irrigation & Drainage sector.

The cost of FAO assignment is about 1.0 percent of the total project cost of US \$ 175 million. The FAO team is led by International Expert (Team Leader) in the field of procurement along with six national professionals in different fields of contract management / legal, irrigation, drainage, agriculture and environment etc and started job assignment since May 2008 and working under the project with close coordination and involvement of project implementing partners and Transparency International Pakistan (TIP). The team has played its very important role in implementation of project activities especially in recruitment of consultancy services and

deployment of project staff from market which was very challenging task for startup of the project, which completed successfully with satisfaction of all project partners including World Bank as well as the Government. The Chairman of Transparency International Pakistan expressed his satisfactory views/comments in terms of fair and transparent procurement and implementation of the project which shows the performance credibility of FAO. The satisfactory message of government high level, project partners as well as TIP appeared in WSIP publication and different newspapers.

As of now, PMC/A has completed procurement of five major consultancy services with total cost of US \$ 25 million which are on board including Project Implementation Consultant, Monitoring & Evaluation Consultant, Preparation of floods and drainage Master Plan and conducting detailed feasibility studies for two Barrages. Beside fully involved in procurement of civil works contracts which have been awarded at that total cost of US \$ 125 million and also providing supervision role of completion of these works with quality and design. The team has completed process of selection for deployment of professional staff from market including Managing Director and General Managers, Project Director, Project Coordinator, Directors/specialists and other key staff through an open merit and transparent procedure. In addition the FAO team has been providing input / comments on the documents/ reports produced by the consultants and also overseeing the procurement process carried out by SIDA for civil works contracts and overseeing contract works and ensuring the quality control etc.

In different seminars/workshops organized by the World Bank on procurement at province as well as national level, the role of FAO are witnessed and highlighted progress performance of PMC/A reinforcing transparency in project management of development projects in country. Therefore, the experience of FAO's works in Sindh shows the valuable role that FAO can play in these circumstances and points to the scope for more work of this type in other similar projects in Pakistan and other countries.

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