

IRTI/ECO/SESRIIC Regional Training Workshop on Risk Management for ECO Member States

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Importance of Inter-Agency Cooperation/Interaction on Project Processes

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Inter-Agency Project Coordination in ECO is effected through the PMG

The Functions of the ECO Project Monitoring Group:

- In compliance with para 30 and subpara 30.1,2,3 of the Functional Methodology of ECO, the Project Monitoring Group (PMG) is established to coordinate and monitor implementation of life cycle of projects and programmes.
- Coordinate all matters related to project implementation and management since initiation up to closure of a project, including change control.
- Review of new project concepts proposed by departments for deliberation, provision of views and comments and endorsement in the regular PMG meetings.
- Examine new project proposals in terms of consistency with Standard Project Documentation (Annex-I).
- Monitor project progress status in compliance with project time schedules, provide practical recommendations and take necessary measures for effective implementation of projects.
- Formulate an effective mechanism for project funding procedure with special regard to potential international co-financers of projects.

Organizational Structure Influences on Projects

Organization Type Project Characterizes	Functional	M a t r i x			Projectized
		Weak	Balanced	Strong	
Project Manager's Authority	Little or None	Limited	Low to moderate	Moderate to high	High to almost total
Percent of performing organization's personnel assigned full-time to project works	Virtually none	0-25%	15-60 %	50-90%	85-100%
Project Manager's role	Part-time	Part-time	Full -time	Full -time	Full -time
Common titles for Project Manager's role	Project Coordinator /Project Leader	Project Coordinator /Project Leader	Project Manager /Project Officer	Project Manager /Program Manager	Project Manager /Program Manager
Project Management Administrative Staff	Part-time	Part-time	Part-time	Full -time	Full -time

Project Organizational Systems



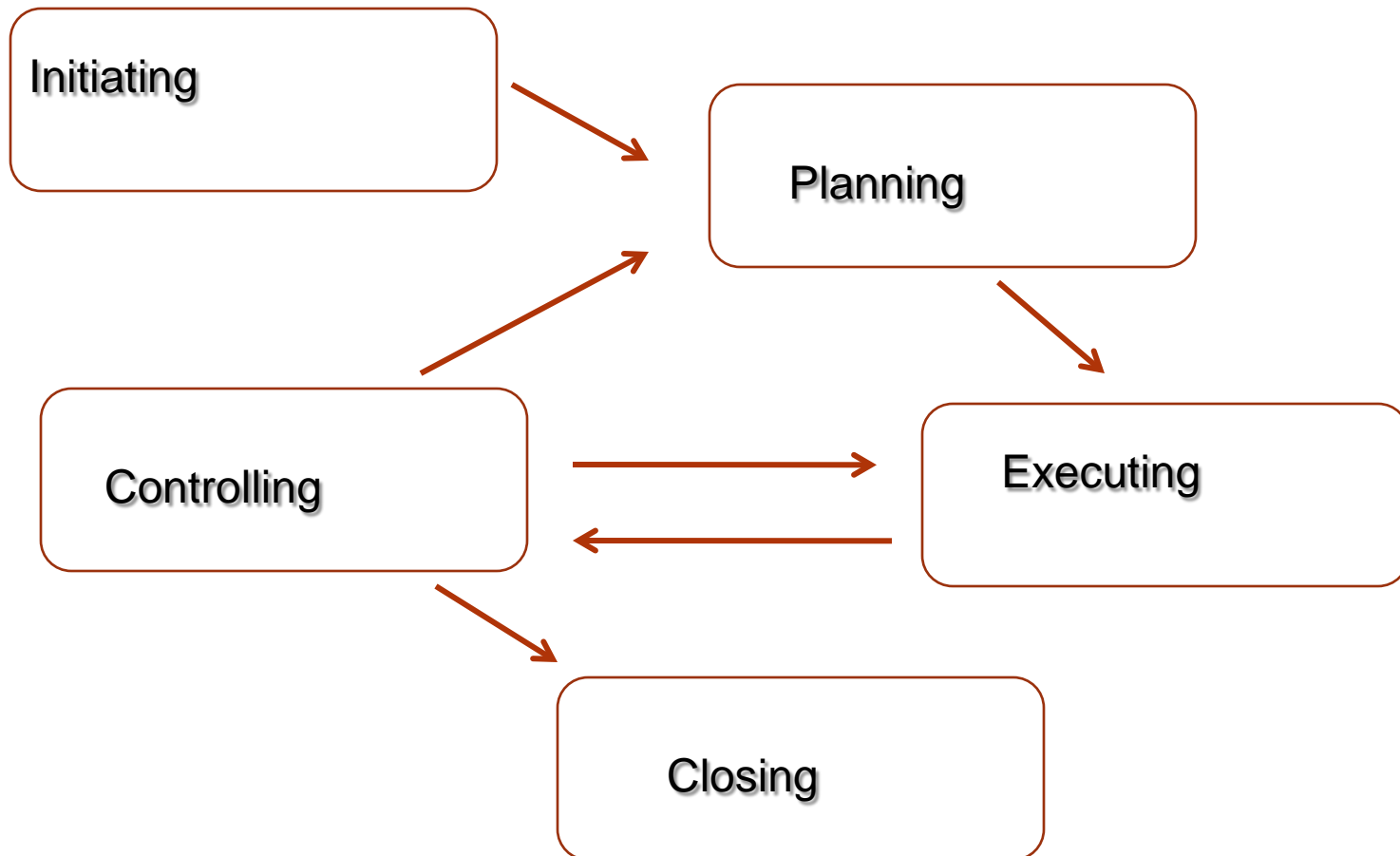
Importance of Project Management Systems

- Absence of project-oriented software systems usually makes project management more difficult.
- Non-project based organizations need to have project facilitation management software systems in place.
- These help tracking, reporting, accounting on multiple simultaneous projects.

Main objectives of inter-agency coordination

- Interaction at project plan development.
- Joint planning & execution of the project plan.
- Participatory coordination of overall change control, and
- Acceptance of completion of the project.

Inter-agency coordination through process links



Mode of Inter-Agency Interaction

- The PID contains the Project Communication Plan as its integral part.
- The Plan describes how project parties will be communicated during project execution.
- Whenever project issues regarding Off-Specifications, or those not mentioned in the Project Contingency Plan may arise, inter-agency *ad hoc* meeting may be convened for adopting timely decision making.

Need for Inter-Agency Interaction in Planning

- ✓ A Plan is a backbone of every project. Therefore it is essential that all involved parties are able to easily assimilate the plan.
- ✓ Inter-agency coordination is crucial for an adequate choice to be made on: planning tools, estimating methods and monitoring methods.
- ✓ Estimating methods can be chosen among: (i) use of computer, (ii) experienced planners, (iii) top-down or bottom-up methods, (iv) project staff discussions.
- ✓ The Estimating Methods to be used in the plan may affect the plan design. For this reason, decisions on the methods to be used should be made part of the plan design.

Need for Inter-Agency decisions on:

Use of planning tools which is not obligatory. However, validation of correct dependencies in the plan should be ensured.

The allowances for inclusion in project's plan structure are considered while planning.

For that matter, most planning software packages offer tools for excerpting '*double counting*', most common planning error.

These are normally two: one for contingency plan and another for change budget, all being subject for inter-agency concurrence.

How will tolerances be assigned.

What level of detail does the Project Board need to monitor progress.

Interaction through Contracting at Initiation

Inputs	Tools & Techniques	Outputs
<ul style="list-style-type: none">1. Contract2. Work schedules3. Change results4. Performer's invoices	<ul style="list-style-type: none">1. Contract change control system2. Performance reporting3. Payment system	<ul style="list-style-type: none">1. Correspondence2. Contract change

Contract Administration includes application of project management process.

It therefore applies main components of project process:

- 1. Project plan execution**
- 2. Performance reporting**
- 3. Quality control**
- 4. Change control**
- 5. Financial management component**

Inputs to Contract Administration

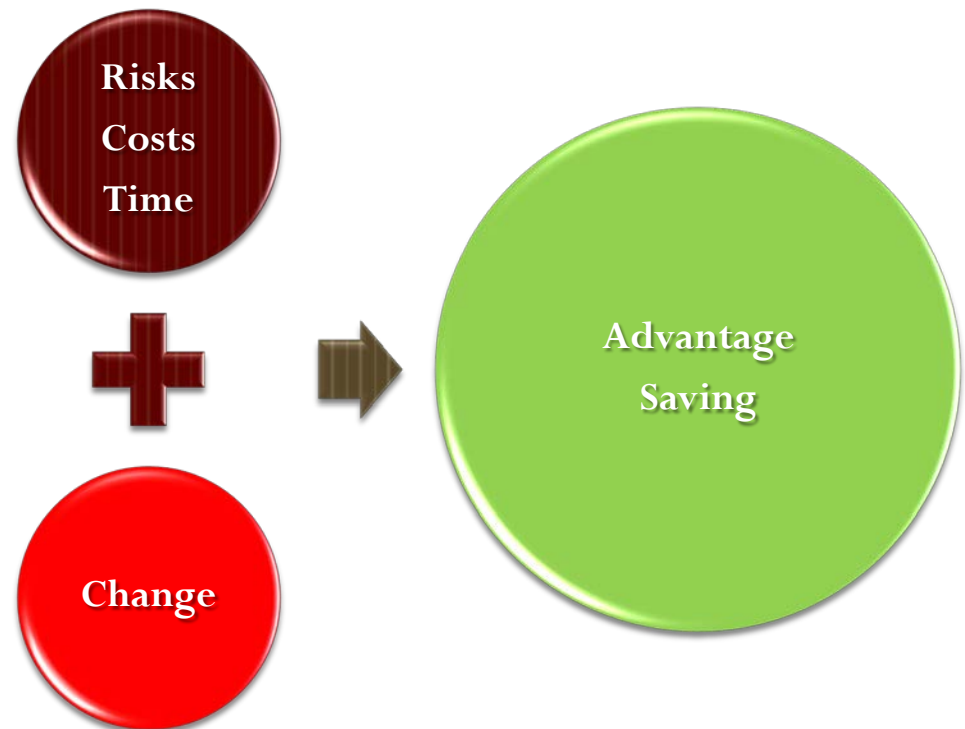
Contract	Work results	Change requests	Performer's invoices
Standard contract	List of deliverables completed, quality requirements satisfied, statement of costs incurred are collected as part of the Project Plan execution.	1.Modifications to the Terms of the Contract, or the description of the service or product to be provided. 2.Decision to terminate the Contract has to be handled as a change request.	Performer submits invoices based on work delivery schedules. Invoicing requirements, including necessary supporting documentation, are normally defined in the contract.

Inter-agency coordination in the project plan execution

Executing processes	Description of processes	Inter-agency participation
Project Plan Execution	Carrying out the project plan by performing the activities.	√
Scope Verification	Formalizing acceptance of the project scope.	
Quality Assurance	Evaluating overall project performance on a regular basis to provide confidence that the project will satisfy the relevant quality standards.	√
Team Development	Developing individual and group skills to enhance project performance	
Information distribution	Making information available to all project parties	
Solicitation	Obtaining quotations, bids, offers, proposals as appropriate.	√
Source selection	Choosing from among potential sellers.	
Contract administration	Managing relationship with the seller.	√

Interaction at Change Control Level

- There must be a balance between the risk/cost/time and the results of the change for the customer.



Inter-Agency Regulations for Change Control

*Under such a set-up,
inter-agency
coordination should
ensure that the change
process is stipulated in
the project contract
provisions.*

*If this is the case, the Project
Management has the
authority to act on change
control without reference
to Project Board.*

*By virtue, the Project Board is
entitled to impose cost limits
for (i) any single change and
(ii) changes within any single
stage.*

Acceptance of the Project Completion

Step 1: Project products delivered and approved by customer



Step 2: Issue of a statement of post project actions



Step 3: Development of an assessment plan of expected project benefits



Step 4: Report on project performance

Inter-Agency Communication on Project Completion through the PMG



Request of Formal Acceptance of Project Product

**Delivery
against aims
set in PID**

**Customer
Confirmati
on of
Delivery on
Acceptance
Criteria**

**Assurance of
Support and
Operation of
the Project**

**Recommen
dations
for Follow
Up
Actions**

**Post
project
Review
Plan**

**Notification
on disbanding
project
organization
and resources**



Prerequisites for Inter-Agency Project Cooperation

- ✓ **Shared Objectives**
- ✓ **Progress through effective partnership**

Advantages of Cooperation

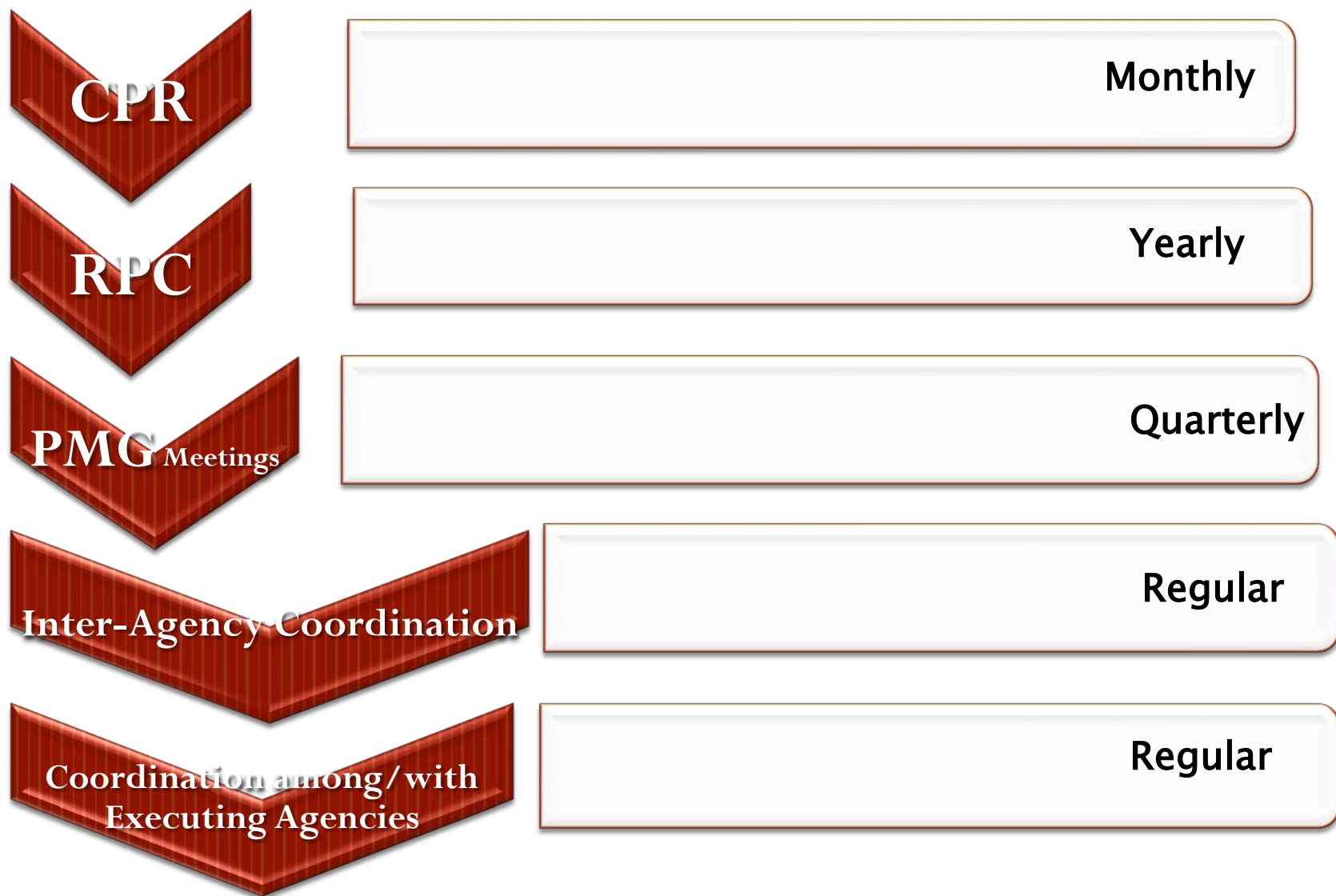
- ✓ International project comparability
- ✓ Advanced notice of new project standards
- ✓ Integrated presentation of work programmes/projects
- ✓ Interchange of project information
- ✓ Joint meetings – wider coverage & dissemination
- ✓ Expanded project impact area

Inter-Institutional Cooperation through Technical Cooperation Projects (TCP)

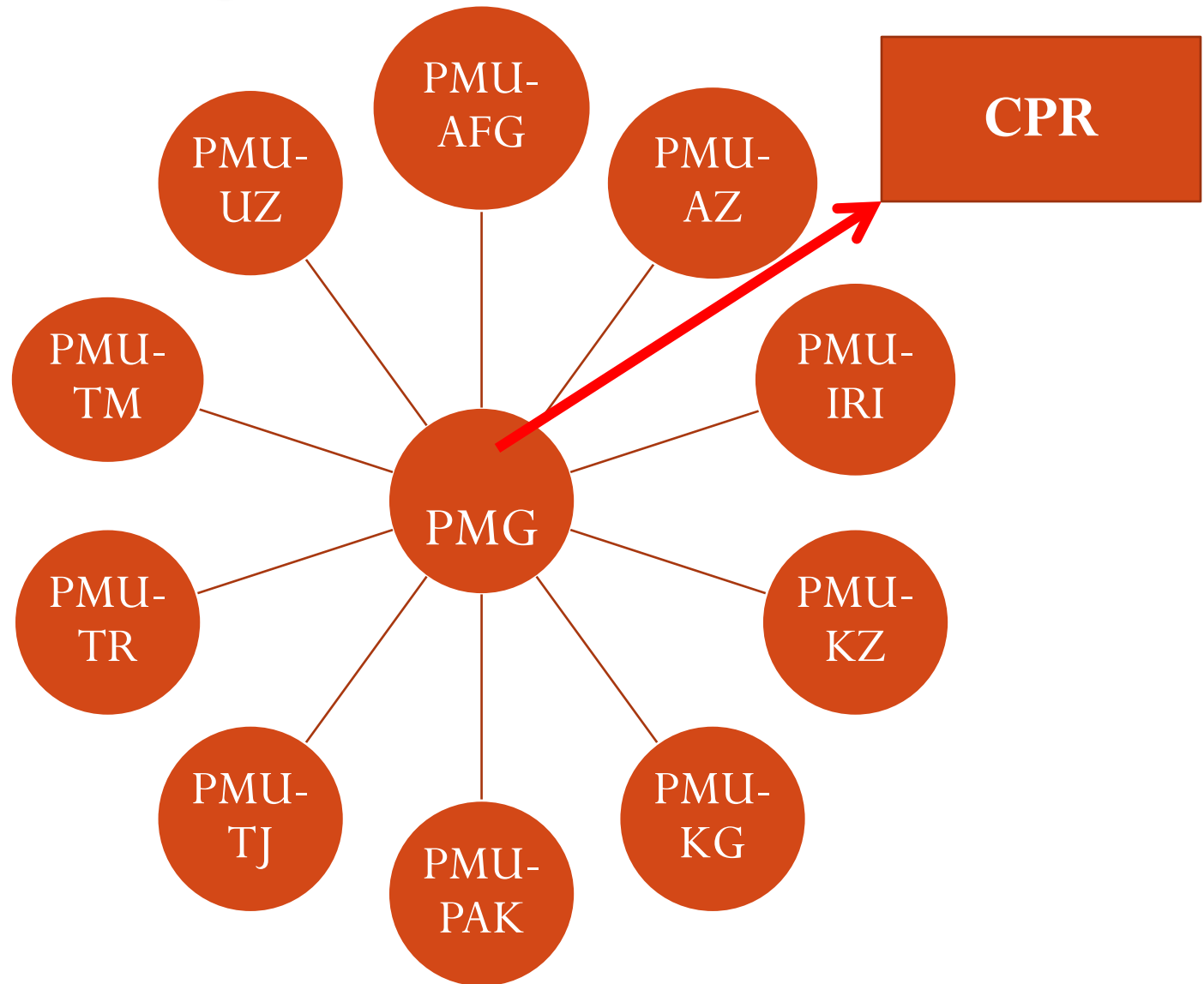
***Goal: Strengthen
institutional
capacities of ECO
and partner agencies***

***Mission: Cooperation
on Development
through
sustainability***

Dynamics of Inter-Agency Project Coordination in ECO

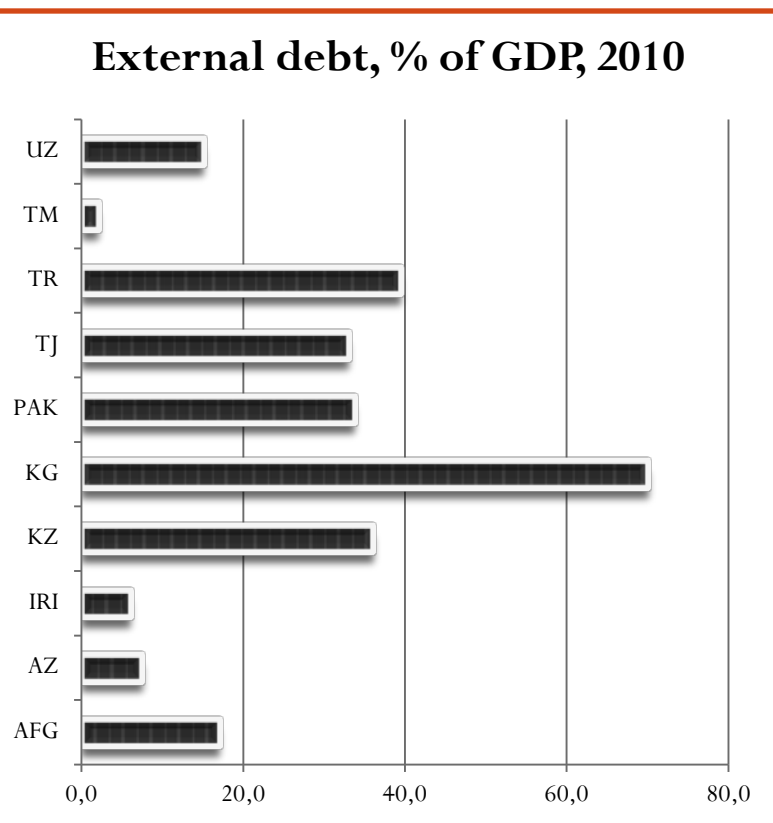


ECO PMIS Organization Structure

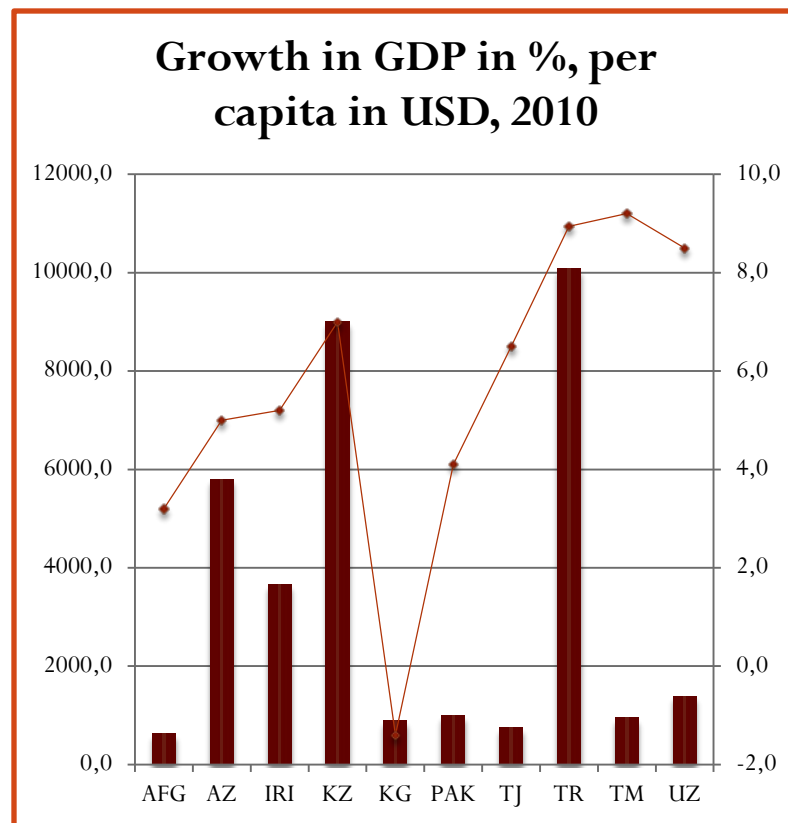


Advantages of Inter-Agency Project Cooperation with ECO

ECO is a fast growing and prosperous region with low external debt rate.



New development projects in real sector focusing on innovative industrialization are encouraged.



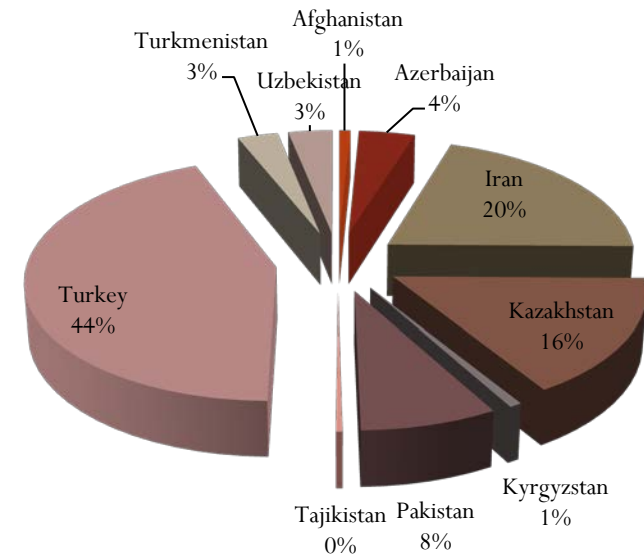
Sector Priorities for Project Initiation



- ECO accounts to 2 percent of world's trade turnover.
- Turkey leads in regional trade.
- There is huge potential available in ECO region for intra-regional trade.
- New projects in this area are mostly encouraged for initiation.



By country share in external trade, %, 2010



ECO

Matching *Strengths vs. Weaknesses* through Inter-Agency Project Cooperation

	2008	2009	2010
CAB, \$US bn	7,9	5,7	-18,0
% gdp	0,5	0,4	-1,2
DE, \$US bn	703,0	339,0	312,0
% gdp	3,7	1,9	1,5
TB, % change y/y	21,8	-17,3	-24,1
I-RT, % TT	0,7	0,7	0,7
BB, % gdp	-1,5	-4,0	-3,1
OR, \$US bn	244,0	225,0	246,0
GED, % gdp	31,0	37,0	35,0
GDP, \$US bn	1475,0	1328,0	1526,0

ECO-SESRIC InterInstitutional Cooperation

1. **Identifying Research Challenges for the Region.**
2. **Implementing the ECO/IRTI research project on alternative energies.**

ECO-IRTI PROJECT/PROGRAMME COOPERATION

- Follow up post- training of the ECO/IRTI/SESRIC Workshop on Project Risk Management.
- Cooperation framework: Regional Programme on Strengthening Project Implementation Capacity of ECO Member States in diverse sectors.
- The areas of common interest could be derived from the OIC Plan of Action for Central Asia.
- ECO offers joint project cooperation in activity areas of TI, TC, AIT, EME, HRSD, PERS.

Reasoning behind the suggested outlines:

Current global trends for initiating new development projects with the aim to achieve greater sustainability

thank you.

For inquiries please contact ders@ecosecretariat.org with reference to attention of PERS.