

Guidelines for ECO Projects

Purpose

The purpose of the present document is to provide useful guidelines and counsel on the processes related to ECO projects, including entire project cycle: (i) initiation, (ii) assessment, (iii) implementation, (iv) overall coordination and monitoring, (v) evaluation, and maintenance. The document takes into account the principles of Modern Project Management (MPM). It is aligned, wherever necessary, with the project implementation pattern which is being followed by international organizations in executing the projects. The present Guidelines complement ECO's existing documents which contain provisions regulating the project activities.

Definitions

The present document defines an ECO Project as “a temporary endeavor undertaken to create a unique product or service”, which aims at the attainment of ECO goals and objectives in its priority interest areas. A project may further initiate a Programme, in which case the definition of a “project” as indicated in the present document, shall also be true for the Programme. The latter is defined, herein, as a group of related projects to be managed through overall coordination. Such Programme may include ongoing project activities. ECO's current projects are in the main activity areas of the ECO such as: trade, energy, transport, agriculture, industry infrastructure, capacity building, research, information technology enhancement, and others. These also include surveys, studies, activities, reviews, publications, and research work.

To have a more comprehensive definition for practical work in the organization, a project could be defined as “a specific activity (programme), using predetermined resources (budget, staff, equipments and facilities) to produce a specific result at a specific period of time (with definite start and end)”. By this definition, specified activity (programme), budget, time and result are considered as main components of a project to be used for identification of a project from any other activity.

The project in the ECO shall focus on the main areas of the activities of the Organization. Such project shall be activity/action oriented.

The activities shall be designed to deliver tangible impact in the ECO region. The impact will be measured and quantified. The measurable and quantifiable indicators of each activity of the ECO projects shall comply with quantified targets set forth by ECO stakeholder for each sector, in particular. Most importantly, the ECO is fully cognizant of the distinction between implementation and monitoring. While recognizing that implementation of projects is in Executing Agencies of the Member States, each sector department of the Secretariat shall be responsible for project implementation outcomes in their assigned areas. Similarly, the distinction between an action/activity oriented project and a research project is vested in the ultimate outcomes.

The feasibility study research shall be oriented on actions/activities which are sector specific. These shall be based on the targets identified in each sector. Compliance of such targets with the ECO Vision-2015 and subsequent policy documents is important. Given that the Member States were requested to accord priority to the ECO Vision targets on their national plans and budgets such targets shall also be operational in the ECO projects. Given such background, a feasibility study in ECO is a quantified numerical analysis of operational, financial and economic feasibility of the project. As such, it primarily focuses on the ECO sector specific actions/activities. Data collection for such feasibility study shall be limited to quantified numerical indicators which shall prove the viability of each particular action/activity of the study as compliant with the goals of the project proposal.

Therefore, a feasibility study research shall not be a research for policy formulation of the Organization. The feasibility study is an inception stage of the sector-specific project whereas a research is an academic study for developing recommendations for policy and decision making process in the ECO. The feasibility study research shall be conducted by sector departments. The final assessment and evaluation of each sector

specific ECO project shall be based on the comparative analyses of initial measurable and quantifiable numerical indicators upon having justified by the feasibility study.

For purposes of project classification in the ECO, a research project shall involve neither pre-feasibility nor feasibility study. Similarly, the events in the ECO shall be defined separate from a project or an activity. Likewise, the ECO events are funded separate from projects.” Sector specific feasibility studies are funded from ECO FGPF, TTFA, TPF, SFRA, and ECO Project/Development Implementation¹. Research projects are funded from FSGPS. The events are funded from the Secretariat’s budget and SS Fund.

Classification of ECO Projects

ECO projects are classified into the following categories according to the progress status of the projects:

- a) *New Proposals*: Consists of newly developed project concepts, provided for consideration of the Member States and prior to approval of the project proposal by one of the ECO Decision Making Bodies (COM, RPC or CPR).
- b) *Initiated Projects*: Includes project proposals approved by one of the ECO Decision Making Bodies, following circulation and consideration of the project proposal by Member States but not started up due to taking funding procedure of the project.
- c) *Ongoing Projects*: Covers projects started up after funding the projects. For projects funded, partly or entirely, from ECO Funds, signing of contract between two parties (ECO and Contractor) is considered as the start point of the project. For projects funded by ECO Partners, announcement of the Partner is regarded as the start up of the project.
- d) *Completed Projects*: A Project after taking all steps in compliance with the project proposal and coming to the enclosure of the project is categorized in this group.

¹ ECO Project/Development Implementation Fund is currently under consideration by the Eminent Persons Group.

Financing of ECO projects

Financing of ECO projects is provided by the ECO Feasibility and General Purpose Fund (FSGPF), the Transit Transport Framework Agreement Fund (TTFA), and the Fund for Reconstruction of Afghanistan (FRA). Such funds have specific requirements for financing, as mandated by their respective regulatory documents, signed by the Founding Members of each of these funds.

Co-financing

For those ECO projects, which are co-financed by partners, the existing funding requirements and project policies of the involved co-financiers shall be applied, wherever these are in line with ECO project guidelines. In case of any misalignment, ECO responsible Department is entitled to bring the issue to the attention of Project Monitoring Group (PMG) at the Secretariat, of which the recommendation will be final.

Project Life Cycle

ECO considers a Project Life Cycle to be a cluster of sequential project phases, of which features are determined on needs basis by ECO and/or organizations involved in a project. Also, ECO considers a project phase to be cluster of logically related activities, which culminate in the completion of a major deliverable. ECO follows the project life cycle such as defined in the Functional Methodology of ECO.

Project Management

ECO Project Management consists of nine main components. These will be as follows:

1. Integration

Integration ensures that various elements of a project are coordinated. It consists of the project plan development, to consolidate the results of the project planning processes into a coherent document.

2. Scoping

Scoping ensures that the project includes all the works required to complete the project. This component consists of a) initiation, i.e. committing the organization to start the project; b) planning, i.e. preparing a written project proposal; c) definition, i.e. subdividing major project deliverables into manageable components; d) verification, i.e. formalizing acceptance of the project scope; e) change control, i.e. controlling any changes to project.

3. Time scheduling

Time scheduling ensures completion of the project on time. The component consists of definition, sequencing, duration estimate, schedule development, schedule control.

4. Cost Estimation and Control

Cost estimation and control ensures that the project is implemented within the estimated budget. It consists of: i) resource planning, ii) cost estimating, iii) cost budgeting, and iv) cost control.

5. Quality assurance and control

Quality assurance and control ensures that the project will satisfy the needs for which it was undertaken. The following steps will ensure required quality: i) quality planning, ii) quality assurance, and iii) quality control.

6. Assigning Human Resources\Management

Human resources assigning and management ensures most effective use of the people involved with the project. It consists of i) organizational planning, i.e. identifying, documenting, and assigning project roles, responsibilities, and reporting relationships; ii) staff acquisition, i.e. getting the human resources needed assigned to and working on the project; iii) team development, i.e. developing individual and group skills to enhance project performance.

7. Communications Development

Project communication development ensures timely and appropriate generation, collection, dissemination, storage, and disposition of project information and consists of (i) communications planning, i.e. determining the information and communications needed by project stakeholders, ii) timely information distribution, iii) performance reporting, i.e. collecting and disseminating performance information to include status reporting, progress measurement, and forecasting; (iv) administrative closure, i.e. generating, gathering, and disseminating information to formalize phase or project completion.

8. Risk Control

Risk management identifies, analyzes, and responds to project risk. It consists of i) risk identification, ii) risk quantification, i.e. evaluating risks and risk interactions to assess the range of possible project outcomes; iii) risk response control, i.e. responding to changes in risk over the course of the project.

9. Procurement

Procurement planning and management ensures that goods and services from outside ECO, if an executing organization, be acquired. It consists of: i) procurement planning, i.e. determining what to procure and when, ii) solicitation planning, i.e. documenting product requirements and identifying potential sources; iii) solicitation, i.e. obtaining quotations, bids, offers, or proposals as appropriate; iv) source selection, i.e. choosing from among potential sellers; v) contract

administration; vi) contract close-out, i.e. completion and settlement of the contract, including resolution of any open items.

Project [Initiation](#) Process in ECO

Project process consists of the following stages: (i) approval of a project concept, (ii) formulation of a project proposal, (iii) endorsement, (iv) feasibility study, (v) fact-finding, (vi) appraisal, (vii) circulation to member states, (viii) consideration and approval by CPR.

For project process to start, its concept outline is accorded with parties to the project. A project proposal is approved ([endorsed](#)) through (i) approval by the ECO Meeting of the adequate rank and quorum in conformity with project application areas, and/or (ii) expression of views and comments of member states on the project proposal. In the absence of such views/comments at the Secretariat by a set date, the project proposal shall be deemed as approved. The project documentation is prepared in compliance with the core documents as listed in [Annex I](#).

[Membership in the ECO Project Monitoring Group](#)

The Project Monitoring Group (PMG) shall consist of The Secretary General, Senior Management, i.e. the three Deputy Secretaries. The Legal Adviser, Chief Accountant and Director for Projects, Economic Research and Statistics, in line with their assigned responsibilities. Other invitees may also be invited for participation in the PMG meetings, if deemed necessary.

The PMG will have its meeting on quarterly basis. It may also convene extraordinary meeting as may be required by project monitoring process.

The Meetings shall be chaired by The Secretary General and in his absence by The Officer-in-Charge. Participation in the meetings shall be mandatory in view of the central focus of the Organization which is on projects.

Responsibilities of the Members of the Project Monitoring Group

The Secretary General, the Chairman of the PMG, shall chair the meeting. He shall be vested with the authority of adopting financial decisions on projects which he shall undertake in close consultation with the members of the PMG. He shall report to the CPR on the outcomes of the PMG Meetings.

The Deputy Secretary Generals shall be responsible for progress in their assigned areas of project coordination, namely, TI, TC, AIT, EME, DOCCU, HRSD and PERS. Cross sector as well as inter-agency coordination shall strictly be the responsibility of the Deputy Secretary Generals in their assigned coordination areas. The negotiations with stakeholders, potential donors and investors shall be carried out in the framework of the yearly scheduled events in assigned areas of coordination of Deputy Secretary Generals.

The Directors shall be responsible for coordination and progress of all projects in their assigned areas. They will cooperate with the PMG in the following areas:

- a) Presenting new project concepts for consideration of the PMG Meeting to be included in the draft agenda of the PMG Meetings, in collaboration with the PERS Directorate;
- b) Preparing new project proposals according to the Project Documents Required (as enclosed herewith) for consideration of the PMG Meeting to be included in the draft agenda of the PMG Meeting, in collaboration with the PERS Directorate;
- c) Preparing progress report of the current status of their projects for presentation to PMG Meeting on quarterly basis. The report would be prepared according to the format recommended by the PMG and should be provided to the PERS Directorate one week , i.e. seven working days prior to the PMG Meeting, - for inclusion in the Consolidated Project Progress Report of the ECO;

d) Providing any other inputs/updates/information required for coordinating ECO projects as requested by PMG in close collaboration with the PERS Directorate.

The Legal Adviser shall be responsible for all legal matters relating to EDO projects throughout entire cycle. He shall undertake necessary actions to ensure due compliance of implementation of ECO Guidelines on Projects, Project Contracts/Agreements and other project related documentation, including Functional Methodology. Similarly, the Legal Adviser shall oversee to legal aspects of project financing.

Implementation of CPR, RPC and COM decisions, in cases when these are abiding for the Secretariat from legal point of view due to the legal nature of documents which foresee implementation of projects, such as by Memorandums of Understanding, Project Agreements, Terms of References for Consultants' Services, and other documents entailing legal matters of projects, shall be under oversight by the Legal Adviser.

Chief Accountant shall be responsible for issues pertaining to execution of payments to projects as well as proceeds from projects, if the latter has been foreseen in the project document. The Chief Accountant shall present updates on disbursement schemes of projects and on the current level of replenishment in all operating funds of the ECO, including GPFSF, SPRA, TPF and TTFA. The Chief Accountant shall prepare a comprehensive report on utilization of all operating funds of the ECO, including FGPF, SPRA, TPF and TTFA to be presented in each PMG meeting. His assistance shall be derived in developing the framework for the Medium and Long Term Finance Plan for ECO Projects.

Director PERS shall be responsible for analysis of output project data. The Director will present analyses on the current pipeline projects for consideration of the PMG. These shall be based on the following measurements: (i) measurable indicators in numerical value, (ii) efficiency ratio in percent, (iii) development effectiveness indicators both, in

numerical value and in percent, (iii) risk control analyses (iv) compliance with project safeguarding policies and principles, (v) and target indicators (both in numerical value and percent) for impact areas of each outstanding project.

Based on such analyses, the PMG shall evaluate progress in each outstanding pipeline project. The Director shall also be responsible for developing (a) cross sector analyses in project areas based on regional macroeconomic indicators, and (b) preparation of the project pipeline schedule.

The PERS Director will also be in charge of preparation and submission of annual progress reports on ECO projects for consideration of ECO decision making bodies, RPC, COM, Summits. Training of the Secretariat project involved staff and Special Technical Units of Executing Agencies in Member States shall be responsibility of PERS Directorate.

PERS shall assist the Deputy Secretary Generals in fund-raising arrangements, including presentation and promotion of project package. The Trade and Investment Department shall join PERS in planning and conducting such arrangements with potential participation of the ECO Trade and Development Bank and Islamic Development Bank.

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 the life cycle of projects and programmes.

- (i) Coordinate all matters related to project implementation and management since initiation up to closure of a project, including change control.

- (ii) Review of new project concepts proposed by departments for deliberation, provision of views and comments and endorsement in the regular PMG meetings.
- (iii) Examine of new project proposals in terms of consistency with Standard Project Documentation (Annex-I).
- (iv) Monitor project progress status in compliance with project time schedule, providing practicable recommendations and taking necessary measures for more effective implementation of projects.
- (v) Formulate effective mechanism for project funding procedure with special regard to potential international co-financers of ECO projects.

Meetings of the Project Monitoring Group

The Records of the Meetings shall be kept to ensure transparency in project operations. The Minutes of the Meetings relating to the overall status of project progress shall be made public in compliance with the ECO Public Communication Policy. The detailed transcripts shall be for internal use only (FIUO) since these shall require immediate response actions of responsible Departments on project monitoring and implementation.

Upon each PMG meeting, the Secretary General shall inform the CPR on the outcomes with the objectives to: (i) regularly update the CPR on project progress, (ii) seek decisions by the CPR on outstanding issues regarding implementation of projects in Coordinating Member States, (iii) obtain approval of the CPR on financing the projects. New project proposals may be seek the Member States approval pursuant to the

provisions of the Functional Methodology. Those decisions of the Project Monitoring Group that relate to the project process, i.e. initiation, approval, implementation, assessment, evaluation, shall be final and immediate for implementation in the ECO. However, those PMG decisions which contain financial implications shall be submitted for CPR for final approval.

The suggested agenda of the PMG Meetings is as follows:

1. Project Hearings (briefs on current progress, concept papers on new projects)
2. Financing
3. Evaluation
4. Any other business

Procedure in the Project Monitoring Group

The Meetings of the PMG shall adopt decisions related to monitoring, implementation, evaluation. These shall be based on a progress report of each Directorate, which shall be presented to the PMG in due time, according to the schedule of PMG meetings. The Secretariat confirms the project team for each project which is being led by the Director of the involved Department. The hearings on projects shall be limited to 20 minutes, in time (for each project). The involved Department shall be requested to provide, within the indicated time interval, a comprehensive response to all aspects pertaining to the project. If required, the Secretariat's video conferencing tools or *skype* services to enable multiparty communication on a project under special consideration may be arranged at Secretariat premises. If such is the case, the request for IT arrangements should be posted in advance prior to PMG meeting to ensure adequate preparations. The PMG adopts executive decisions on each project, subject for hearings. At the end of each hearing on

pipeline project, the Chairman announces to the PMG the Chairman's Summary, which contains evaluation of progress on each pipeline project.

Non-attendance of project hearings by a Director without due reasons shall be regarded as non-compliance with the ECO guidelines. In view of quarterly frequency of PMG meetings, non-attendance shall be construed as project delay equal to four month time period.

Project Process in the ECO Secretariat

The project process in the ECO shall be automated. Hence, project monitoring and implementation in Member States shall be regularly overseen through the integrated IT system of the Secretariat. Technical matters of such integration shall be vested with the Secretariat's IT system, project monitoring and overall oversight of the project process shall be with PERS Directorate. The Legal Adviser of the Organization will attend to legal aspects of the central systems operations, including licensing, compliance with project guidelines, safeguards, and project contracts.

Responsibilities of a Director in Project Process

Due to the fact that a Director of a cross sector Department acts as a Project Team Leader for projects assigned in his/her sector areas in the Secretariat, all responsibility related to the progress in such sector specific projects shall be vested with the Director. The incumbent Director shall initiate the project proposal and prepare a concept paper and submit it to PMG. The relevant Director shall also follow up through approval processes. Project management should be part of the Director's work responsibilities. To this effect, during the initial process when the Secretariat signs the work contract with a Director, a recommendation from delegating authorities which highlight project management skills

of the incumbent Director should be a mandatory requirement, considering the orientation of the Organization on projects.

Responsibilities of a Programme Officer in Project Process

Preparation of activity based details of the proposal and follow up at project management unit level, during the inception of the proposal, is clear responsibility of a Programme Officer. The Programme Officer shall be responsible for maintaining project files in XL-format, regular communication and interaction, and follow up with Special Technical Unit or Project Coordinator in Executing Agencies of the Member States. The details of the STUs and/or Project Coordinators shall be entered by the Programme Officer into XL-files of the Project Monitoring Software System which shall be accessed by all project involved staff at Secretariat. Project management skills of a Programme Officer shall be priority in the incumbent's job description.

ECO Project Financing Plan

The PMG shall develop and adopt the project pipeline financing plan. All members of the PMG shall provide inputs in developing and implementing the above stated Financing Plan in their relevant areas of responsibility. The Secretary General shall then present the Financing Plan to CPR for approval. The Plan shall contain three main components: (i) the current project pipeline financing, and (ii) medium and long term financing.

Evaluation of ECO projects

Preliminary evaluation of progress in project implementation shall be based on updates provided by responsible Director. These should be communicated through XL work sheets of PMS soft project files one week prior to the actual meeting of the PMG. Based

on these entry updates, PERS Department shall prepare preliminary analyses of project implementation. The PMG will then adopt the decision on the concluding evaluation of project works on each pipeline project.

Evaluation and assessment of projects is critical for the justification of completion of project works. Assessment should be carried out by the PMG based on updates by PERS. The decisions of the PMG relating to the assessment of project works are important because these enable confirmation of the current status of projects from a single source within a single Organization. This procedure helps to avoid multiple and thus varied assessments. The procedure is based on the evaluation of project documentation, including (i) project contracts, (ii) project budget plans, and (iii) regular progress reports. The hard and soft copies of all project documentation, including project contracts, project budget plans, shall be submitted to PERS Department for preliminary assessment and submission of the results to the PMG. The decisions of the PMG shall be critical for the centralized and evidence based assessment and evaluation of projects.

Assessment of ECO projects

Based on the Report of the Secretary General which is based on the outcomes of each PMG Meeting, the CPR shall make the final assessment of the project progress. It will then approve or disapprove requested financing.

Project Management and Inter-Agency Coordination

Structure and processes envisaged in a Project, including coordination mechanism at various levels shall be explicit in each Project Documentation. Overall coordination of the ECO-led projects at output shall be through the PMG. For those projects, where ECO is a co-financier, not an Executing Agency, the PMG shall consider Project Progress

Reports and reserve the right to request for hearings on the Project. Such hearings may be via video conferencing.

Relationship between Executing/Implementing Agency/Financier

In the process of project implementation, the relationship between an Executing Agency and/or Implementing Agency, and/or Financiers/Co-financiers are strictly guided by contractual obligations of parties. Any claims related to non-compliance or mismanagement in carrying out such contractual obligations shall be reviewed by PMG, wherever ECO is an Executing, or Implementing Agency or Financier. In any other cases, such disputes between parties shall be resolved based on the obligations, responsibilities, and role assignment of these parties as stipulated by their contractual obligations.

Procurement Control

Each project has a relevant subset providing a detailed procurement plan. Implementation of such procurement plan is reported by the Project to a responsible Directorate. In cases of solicitation as well as evaluation at completion (EAC), which requires ECO's involvement, as an Executing Agency, and/or a financier, and in case of any special arrangements such as advance action and retroactive financing, the final endorsement of solicitation outcomes will be by the PMG.

Project expected impact quantification

Each ECO project has explicit, quantifiable, and measurable indicators to evaluate the impact on project-target area. Quantification will be carried out using the standards applied in ECO Trade Development Bank, the Islamic Development Bank as well as the UN.

Reporting

Each ECO project, through Project Progress Reports by a Project Team Leader or, in the absence of such, a Project Manager, regularly reports on project implementation to a responsible ECO Directorate, in charge of project application area. The Directorate, upon having consolidated the overall Project Performance Report, will then report to PMG at Secretariat. At the same time, a responsible Department, based on regular Progress Reports of an Implementing Agency, makes appropriate update entries into the Project Management Software System at Secretariat. Final reporting to member states is carried out through submission of a Summary Progress Report on ECO Projects to CPR. List of ECO Projects is attached. These are presented on a quarterly basis and, upon request of individual member states. Reporting may also be through video conferencing on needs basis. The outcome of such reporting is recorded, documented and attached to project documentation.

Progressive Co-financing Scheme for Projects

To serve a basis for the development of a short-mid-long term financing scheme of ECO projects, a relevant department of the Secretariat, in charge of international relations, prepares and regularly updates, based on ECO' existing Memorandums of Understanding (MOU) as well as other international arrangements with international entities, a List of Potential Cooperation Areas for ECO projects as stipulated in the above documents. The List provides guidance regarding potential project application areas to interested Directorates for project initiation. Such List is then submitted for consideration of the PMG on a regular basis or upon signing of each consecutive MOU or other international arrangements.

Other arrangements

In case of contradiction of any clause of the present document with provisions of other ECO documents, including modalities, methodologies relating to projects, ones endorsed by most recent ECO decision making body, shall prevail. This document has been prepared with the aim to complement the existing ECO documents, which regulate projects and, incorporate updates on the issues related to overall coordination of projects at Secretariat.

Abbreviations

ECO – Economic Cooperation Organization

MPM – Modern Project Management

EA - Executing Agency

IA - Implementing Agency

FSGPF – Feasibility study and general purpose Fund

TTFA – Transit Transport Framework Agreement Fund

PM – Project Management

PMS – Project Management System

CCB - Change Control Board

PMO - Project Management Organization

PC – Project Chart

PMU – Project Management Unit

PMG – Project Management Group

PTL – Project Team Leader

PM - Project Manager

QA – Quality Assurance

QC – Quality Control

CC – Change Control

EAC – Estimate At Completion

PPR – Project Progress Report

PPEF - Progress Performance Evaluation Form

Assumptions

The present document assumes that the following terms have the connotations: the word “process” is used as a subset of project implementation, and also as a process of preparing project documentation followed by procedures for approval.

The definition of a “project”, as stated in the document, complements the previous definitions used in ECO’s other regulatory documents related to projects.

The present Guidelines assume that the Project Management System is installed at ECO, and Project Management Software is applied for coordination and monitoring of projects. Project Management Software is viewed as a class of computer applications specifically designed for ECO to facilitate the process of coordination and monitoring ECO projects, namely, planning, scheduling, cost and change control.

The style of narration used in the present document, i.e. use of the present indefinite tense for reference to the connotations of the modal words: “shall” and “will”, - is for reader friendly purposes, only. The style fully complies with narrative styles of guideline documents.

Annex I. PD:7/7/2008

List of Project Documents Required

1. Project Organization Chart (POC)
2. Project Detailed Cost estimate, Financing plan, and Allocation
3. Project Implementation Schedule (IS)
4. Procurement Plan with Terms of Reference for Consulting Services (ToRC)
5. Sample Project Performance Report (PPR)
6. Statement of reporting requirements
7. Sample Progress Report (PR)
8. Sample Audit Conclusion (AC)
9. Sample Project Design and Monitoring Framework (PDMF)
10. Sample Individual Performance Evaluation Form (IPEF) for PMG Members

GENERAL TERMS OF REFERENCE FOR THE ECO PROJECTS

Part I. Project Proposal and Process

- (i) Background information stating the current status of the activities that require funding.
- (ii) Funding arrangements that could enable allocating the requested finance assistance.
- (iii) Identifying primary goals and classification of a project.
- (iv) Assessment of a project's expected maximum efficiency for ECO.
- (v) Location of a project-affected area.
- (vi) Implementing, executing agencies, financier/s, and co-financier/s.
- (vii) Preliminary appraisal of a project proposal, and approval by a decision making body of ECO.
- (viii) Start of a project.

Part II. Overall Project Coordination at ECO

- (i) Establishment of the Project Management Group (PMG).
- (ii) Identifying a Project Coordinator-Country and Project Team Leader/Project Manager.
- (iii) Review of project contractors/sub-contractors on needs basis.
- (iv) Coordination, monitoring, and evaluation of projects.

Part III. Project Scope and Responsibilities

- (i) Project integration
- (ii) Scoping
- (iii) Time Scheduling
- (iv) Cost Estimation and Control
- (v) Quality Assurance
- (vi) Human Resources Assigning
- (vii) Communications Management
- (viii) Risk Control
- (ix) Procurement/ToR for Consultancies
- (x) Change Control

Part IV. Implementation Arrangements at PMU.

- (i) Equipment.

- (ii) Role distribution within a PMU.
- (iii) Assignment of Work Load with detailed description of responsibilities within the PMU.
- (iv) Reporting through Individual Performance Evaluation Forms (IPEF) of each PMU member.

*Annex II.2: PD:7/7/2008***COST ESTIMATE SCHEME/CONSULTANTS FEES**

Item	Foreign Exchange	Local Currency	Total Cost
A. Personnel Costs			
1. Project Manager			
a. Remuneration and Per Diem			
b. International Travel			
2. National Consultant			
a. Project manager			
<u>Subtotal Personnel Costs</u>			
B. Operating Expenses			
1. Training & workshops			
2. Capacity Building			
3. Office equipment			
<u>Subtotal operating costs</u>			
C. Other Costs			
Total			
Grand Total			

(\$'000)

Annex II.3: Draft PD: 7/7/2008

Project Design and Monitoring Framework

Project Proposal Number: _____

Date of Project Approval: _____

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting mechanisms	Assumptions/Risks
Impact:			Assumptions: Risks:
Outcome:			Assumptions: Risks:
Outputs: Component 1			
Component 2			
Component 3			
ACTIVITIES:			INPUTS:
Component 1			\$___ financed by the ECO FSF
Component 2			
Component 3			

Remarks: (i) a design and monitoring framework is an active document, progressively updated and revised as necessary, particularly following any changes in project design and implementation; (ii) in accordance with the ECO’s Functional Modality (1998), it is disclosed before the final appraisal of the project. This draft framework may change during processing of the project, and the revised version will be disclosed as an appendix to the report and recommendation of the ECO Project Monitoring Group.

Annex II.4/**ECO Project Adm. Instructions****GENERAL RULES ON EMPLOYMENT OF CONSULTANTS****Part I. General Rules**

ECO permits consultants with the required technical expertise from all its member countries to bid for the assignments it finances. Selection criteria are applied to ensure that consultants have sufficient expertise to complete assignments. The following general restrictions apply to all assignments:

Consultants must come from ECO member countries. Consulting firms must be registered in ECO member countries, and individual consultants must be citizens of member countries.

Consultants must be fully competent and qualified for the work they will be assigned.

Part II. Authorization

Staffing, training, or resource person assignments, re-engaging a person as a consultant requires clearance by the relevant ECO department, which monitors project implementation.

Part II. Organizations and Employees

The following special restrictions on government organizations and employees apply to all assignments: (i) government-owned enterprises and institutions may work as consultants in their own countries only, if they can prove their legal and financially autonomous status, and (ii) ECO Member States government employees may not work as consultants in their own countries if there is a real or potential conflict of interest.

Former government employees of Member States may work as consultants in their former ministries, departments, or agencies provided there is no real or potential conflict of interest.

Part III. Legal Experts and Information Technology Experts

ECO's Legal Adviser clears proposals to engage legal experts as consultants for ECO projects. ECO's Information and Technology Department clears proposals to engage information technology experts as consultants for similar assignments.

Part IV. Other Special Cases

The following additional restriction applies to project proposals: project implementation process may exclude consultants from the countries to which ECO cannot make payments to comply with decisions of the United Nations Security Council.

The document has been amended on 28.02.2012.