**project appraisal TEMPLATE
FOR EXTERNALLY FINANCED PROJECT**



**Government of Solomon Islands**

October 2023

Ministry of Finance and Treasury &

Ministry of National Planning and Development Coordination

Honiara, Solomon Islands

\*This guide was modified from MDPAC. (2016). “MTDP Project/Programme Appraisal Guide and Compliance Checklist”.

| **MTDP PROGRAMME/PROJECT**  |
| --- |
| **Project/Programme Information & Budget**  |
| **Project Title** |  |
| **Implementing Agency** |  |
| **Project Coordinator/s** |  | **Sector** |  |
| **Locations** |  |
| **SIG Project Code** |  | **Funding Source(s)** |  |
| **Budget** |
| **Total Project Budget $M** |  | **Total Budget Allocation** |  | **Duration of Project** |  |

| **FACTOR** | **APPRAISAL QUESTIONS** | **COMMENTS** | **FACTOR RATING (Strong, Medium, Weak, N/A)**  |
| --- | --- | --- | --- |
| 1. **PROJECT RELEVANCE TO DEVELOPMENT OBJECTIVES & 2017 BUDGET CONSTRAINTS**
 | Does the project support the achievement of National Development Strategy (NDS) objectives and the Medium-Term Development Plan Strategies? (MTS) |  |  |
| Does the project contribute to revenue? How? |  |
| 1. **INSTITUTIONAL CAPACITY/ GOVERNANCE**
 | Does the LM have the capacity to undertake the project? E.g., manpower, skills, experience |  |  |
| Is the project dependent on cross-ministry coordination/agreement to implement in part or full? Has this occurred? |  |
| Does LM have a Budget Implementation Committee (BIC) or other similar structure in place for oversight and governance? |  |
| Has the project been endorsed by Ministry Heads? Signed off by Ministry PS? |  |
| 1. **EXISTING PROJECT PROGRESS – PHYSICAL & FINANCIAL (fiscal)**
 | **IF EXISTING PROJECT**How long has the project been in existence?  |  |  |
| What is the progress?Have regular bi-annual reports been submitted (in the prescribed format)? |  |
| Are there any challenges, risks, or issues affecting implementation? Are these likely to be resolved or mitigated in the current or next year? |  |
| Was the rate of expenditure in the previous year (if ongoing project) reasonable? |  |
| Are there existing contractual obligations? |  |
| 1. **LAND AVAILABILITY**
 | Has the land been secured for the project? (Capital projects only) |  |  |
| Are land agreements in place? (Capital projects only) |  |
| Has other preparatory work been completed? |  |
| 1. **CAPITAL INFRASTRUCTURE REQUIREMENTS (if capital project)**
 | If the infrastructure project is over $14m SBD, is it in the SINIIP? If not, is justification provided? |  |  |
| 1. **FINANCING, COST & PROCUREMENT ARRANGEMENTS**

**Development/ Recurrent Costs & Procurement****(Ref: Section 2.3 of word template and XL 2 & XL 3, XL 4 & 5)** | Is the project/programme appropriate for development budget funding?  |  |  |
| Could other sources of finance be considered for this project? E.g., Donor, debt financing, PPP? |  |
| If co-financed, is this clearly detailed? |  |
| Is there a sound procurement plan provided (XL sheets 4 & 5) (with adherence to procurement thresholds) |  |
| Are all costs- development and recurrent, included in the XL templates – (XL sheets 2 &3) |  |
| Are the assumptions used in the project costing reasonable? (look in “support for development costs XL”) |  |
| Is the source of data to determine costs appropriate and reasonable? (look in “support for development costs XL”)  |  |
| Based on the info provided above, is the overall Budget estimate sound and reasonable? |  |
| 1. **PROJECT RATIONALE & JUSTIFICATION ANALYSIS**

**(Ref: Appraisal word template – sections 1, 2, 2.1, 2.2, 3)****Project Justification Analysis continued****(Ref: Section 3 of template & XL2)** | **Proposal Description, Background, and Rationale**Is it clear how the project will address problems and opportunities and achieve its stated outcomes?  |  |  |
| Is this consistent with NDS Objectives and Medium-Term Strategies? |  |
| If a new project, is there any supporting documentation - feasibility studies/project formulation studies, co-financing agreements or any other donor assistance documentation attached (where applicable)? |  |
| **Economic Impacts**Is there adequate description and identification of economic and financial benefits from delivering the outputs? |  |  |
| Is the source of data to determine economic impacts appropriate, reasonable, and credible? |  |
| On balance, do the benefits outweigh the costs? |  |
| **Poverty Reduction Impact**Does the project reduce poverty through financial or material benefit to the most disadvantaged groups? |  |  |
| **Social Benefits/Social Impacts**Is the project socially desirable for e.g. in terms of gender, health, education, settlement, employment, community development, or other social outcome?  |  |  |
| Does the project involve local participation of beneficiaries – particularly women, and youth? |  |
| **Policy and Institutional Improvements**Will the project contribute to increased effectiveness of SI government policies and/or increased efficiency of public and private institutions? E.g. enhanced public service delivery, and increased efficiency in the functioning of private markets. |  |  |
| 1. **PROJECT RISK & RESILIENCE ANALYSIS**

 **(Ref: section 4 of template and XL 2)** | **High Risk Areas and Hazards**Have potential hazards in the proposed project been identified, and mitigated? |  |  |
| Have costs associated with mitigation been included in XL2 (Development Cost Schedule)? |  |
| **Climate Change Issues**Is the project likely exposed or sensitive to long-term climate change issues? |  |  |
| Does the project identify any key climate change impacts FROM the project (positive and negative) |  |
| Has the scale and timeframe for any changes been identified? |  |
| Has costs associated with mitigation been included in XL2 (Development Cost Schedule)? |  |
| **Disaster Risk Reduction Issues**Have disaster vulnerability impacts FROM the project been identified and mitigated? |  |  |
| Have costs associated with mitigation been included in XL 2 (Development Cost Schedule)? |  |
| **Environmental Issues**Is the project exposed to environmental changes or dependent on natural resources? |  |  |
| Are key environmental impacts FROM the project identified (positive or negative) |  |
| Have costs associated with mitigation been included in XL2 (Development Cost Schedule)? |  |
| **Social Exclusion Issues** Have key social issues and risks (both positive and negative) including impacts on different social groups – e.g. women, children, youth, elderly been identified? |  |  |
| Have costs associated with social impact mitigation been included in XL2 (Development Cost Schedule)? |  |
| **Risk Summary**Does the project fully identify risks TO the project and risks FROM the projects?  |  |  |
| Has this been sufficiently summarised in section 4.6 of the template and mitigation cost in XL2 |  |
| 1. **LOGICAL FRAMEWORK**

**(Ref: LOG FRAME ANALYSIS & XL 1, 2 )** | **Outcomes:** Is the link between the output and outcome clear i.e. will delivering the outputs achieve the stated outcome?  |  |  |
| Does the stated outcome contribute to achieving the current NDS Objectives and delivering Medium Term Strategies? |  |
| **Outputs:**Are they clear, relevant, and achievable within the timeframe? |  |  |
| Will delivering the activities achieve the stated outputs? |  |
| **Activities/Milestones:** Are the major activities to be carried out under the work plan included in the MTDP templates? (Check the implementation schedule XL1 for inclusion and ensure it matches) |  |  |
| Are the activities and milestones listed clear, relevant, and achievable within the timeframes set? (Check the implementation schedule XL1) |  |
| **Project performance indicators and targets:**Does the project have clear, realistic, and achievable indicators and targets at outcome and output levels? |  |  |
| Are the performance indicators and targets set for the project able to be measured and reported against? |  |
| **Inputs**Are all the resources - cash and in-kind – from all sources listed and identified in Development Cost Schedule XL2? |  |  |

**10. Summary of Comments and Recommendations for Standards Committee**

**Please summarise from information provided above**

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Based on this appraisal, is the project/programme recommended to be:

1. **Fully funded as per submission 🞎**
2. **Fully funded**

**(pending additional information) 🞎**

1. **Funded but with reduced budget 🞎**
2. **Deferred 🞎**

**Signed : Position: Date:**

**MEDIUM TERM DEVELOPMENT PLAN - Compliance Sheet Checklist**

|  |  |
| --- | --- |
| SECTION | * TICK
 |
| WORD DOCUMENT PART OF TEMPLATE | □ |
| 1. Programme summary and Implementation Arrangements (all sections including details of non-SIG finance)
 | □ |
| 1. Proposal Description (all sections) –completed
 | □ |
| 1. Justification (all sections) –completed
 | □ |
| 1. Risk and Resilience (all sections) – completed
 | □ |
| 1. Programme Design Framework – Log frame (all sections) –completed
 | □ |
| EXCEL DOCUMENT - ALL SHEETS | □ |
| 1. Implementation Schedule –completed
 | □ |
| 1. Development Costs (Include forward estimate for the following years and partner funding) – completed
 | □ |
| 1. Support for Development Costs –completed
 | □ |
| 1. Incremental Recurrent Costs – completed
 | □ |
| 1. Support for Inc Recurrent Cost – completed
 | □ |
| 1. Procurement Plan – completed
 | □ |
| 1. Technical Assistance – completed
 | □ |
| 1. Chart Of Accounts (CoA) – use of most relevant heads
 | □ |
| INCLUSION OF DONOR AGREEMENTS & OTHER RELEVANT PROJECT DOCUMENTS (MOU etc) – attach (if any) | □ |
| SIGN OFF FROM MINISTRY PERMANENT SECRETARY | □ |