GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF/42/Inf.12
May 22, 2012

GEF Council Meeting
June 5 – 7, 2012
Washington D.C.

Options for Strengthening GEF Systems: Addressing the Findings and Recommendations of the Independent Review of GEF Systems

I. Introduction

1. At the November 2011 GEF Council meeting, the GEF Council ("the Council") requested that the GEF Trustee ("the Trustee") and the GEF Secretariat ('the Secretariat") work together to identify cost-effective options for GEF Systems development for consideration at the June 2012 Council meeting. This document responds to that request and presents to the Council five options for consideration. Section II provides information regarding the audit/control deficiency issues arising from the external audit completed in FY12. Section III of this document presents a synopsis of an independent review and assessment of the IT and database systems of the trustee, the Secretariat and the Agencies ("the GEF Partners"). Section IV describes the proposed options and how each could strengthen the information technology systems supporting the GEF. Section V presents the analysis of the Options, including advantages and disadvantages of each approach. Section VI summarizes the costs, benefits and illustrative timeline of each Option. Section VII describes the way forward proposed by the Trustee and the Secretariat.

II. Synopsis of the Independent Review of the GEF Systems

2. At its June 2009 meeting, the Council approved Terms of Reference to engage a consultant to review and assess independently the IT and database systems of the Trustee, the Secretariat, and the Agencies. The primary objectives of the review were:

(a) to ensure the GEF Partners have robust systems in place to track, manage and report on GEF Operations;

(b) to identify the roles played by the Trustee, the Secretariat, and the Agencies in the lifecycle of a GEF transaction; and

(c) to assess the overall performance of the financial and program management systems supporting the GEF and compare its performance with best practices used in similar operations where multiple and independent entities must share data in a timely fashion.

3. A consultant, Deloitte & Touche LLP ("Deloitte"), was engaged to perform an independent assessment based on the objectives outlined above. The review began in November 2010 and was completed on June 30, 2011 after several rounds of interviews and consultations with the GEF Partners. At the November 2011 Council meeting, an information document was shared with the Council presenting the issues identified during the independent review of the IT Systems and the key recommendations made by Deloitte[1] (see Annex 1). One Council member asked the Trustee and Secretariat to discuss options available to the GEF with respect to the way forward for information technology systems, including maintaining the status quo.

[1] See "Independent Review of GEF Systems: GEF C.41.Inf.12, dated October 21, 2011.

III. Audit/Control Deficiency Findings of the External Auditor

4. Since its establishment, the Global Environment Facility ("the GEF") has expanded not only its operations and processes but also the number of agencies it uses to help carry out its mandate. From the initial three agencies (IBRD, UNDP, and UNEP), the GEF now conducts operations through 10 agencies, with plans to add 10 more in the course of FY13.[2] Additionally, the business processes and financial transactions across the partnership have become more complex over the years, requiring increased attention to manual tracking of a high volume of operational and financial information. This information encompasses data from project initiation to project closure and includes milestone dates (projected and actual), amounts approved vs. amounts committed, and amounts transferred to GEF Agencies ("the Agencies") vs. amounts disbursed by Agencies to recipients.

5. Over the last several years, efforts have been made to develop and implement efficient ways to share and integrate this information. There is strong evidence, however, that more can and should be done because, despite these efforts, reconciliation of key data and information across the partnership continue to be inefficient, time consuming and labor intensive. The risk associated with these high volume manual transactions (resulting in the need to reconcile transactions manually to gain comfort over their accuracy) was manifested in January 2012, when the World Bank's external auditor issued a significant deficiency finding related to the reconciliation process.

6. The external auditor commented that the deficiencies resulted in an immaterial misstatement in the FY10 GEF Trust Fund financial statements, as well as having contributed significantly to the delayed issuance of these financial statements. While this particular issue affected only the Trustee, each Agency faces the same potential risk, given the need for its project records to match those currently maintained by the Secretariat. The problem will continue to worsen as time goes on and more agencies are added to the partnership, and as the technical gaps between the World Bank's rapidly evolving systems and those of the GEF continue to increase.

7. To ensure the Trustee can continue to carry out its fiduciary responsibilities to the Council in an effective and responsible manner, the Trustee might have to consider, for example, changing the basis of the GEF Trust Fund financial statements from IFRS to cash basis. If this were to occur, the GEF Trust Fund would then be a candidate for inclusion in the single audit, as is the case for the LDCF and SCCF. This decision would be taken if the costs and efforts required (e.g. for manual reconciliations and likely additional external audit fees) to audit the Trust Fund become prohibitive. Other options may be explored depending upon the circumstances.

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[2] "GEF-5 Pilot on Broadening the GEF Partnership under Paragraph 28 of the Instrument", GEF/C.40/09 dated April 26, 2011.

8. In addition, the World Bank, in consultation with the Secretariat, informed the external auditor that an electronic reconciliation methodology would be developed in line with the recommendations made by an independent system review of the GEF IT systems completed in May 2011. Maintaining PMIS as the central repository of GEF data would mean the World Bank and the Secretariat would not be able to carry out such assurances to the auditors. In this context, Option 4, discussed in more detail in Section IV, is the only viable option for addressing not only audit/control deficiency issues but also the findings arising out of the independent review of the GEF Systems.

Key Issues Identified

9. The Deloitte Review identified 23 critical issues arising out of comprehensive discussions with GEF Partners. The majority of the issues that the Deloitte Review felt needed attention were concentrated in: (i) the Information Technology ("IT") systems and databases used to record and manage the GEF project pipeline; and (ii) reporting and data sharing across the GEF partners.

10. As it stands today, multiple operational GEF processes are manual and lack automation. Currently, the GEF involves 30 to 50 interaction pathways between 12+ groups, multiple locations and 12+ systems. The IT systems of the Agencies, the Secretariat and the Trustee are not integrated. Consequently, the data exchange across the GEF Partners is often incomplete, not streamlined and not easily accessible. It also leads to duplication in the reporting process, significantly increases the risk of inaccurate financial reporting, and necessitates significant manual reconciliation efforts from all GEF Partners. These inefficiencies result in higher operational costs for all GEF Partners.

11. The review also observed that there was inadequate utilization of the World Bank's IT staff resources and processes are overly reliant on key individuals at the Secretariat. Current Agency processes related to project pipeline and reporting to the Trustee and the Secretariat are manual, burdensome and inefficient. A scalable common IT solution to support the current needs and future growth of the Secretariat, the Trustee and the Agencies is needed. Inefficiencies such as duplication of data entry across the Trustee, the Secretariat, and the Agencies result in higher operational costs for all GEF Partners.

Key Recommendations of the Review

12. Key recommendations made in the Deloitte Review focused on four specific dimensions: People, Process, Technology, and Cost. Due to the complexity of the GEF project cycle and desire for the GEF to expand eligibility to new agencies, the final recommendations made in the Deloitte Review targeted a scalable solution and rely primarily on existing capabilities. The most significant recommendation was to integrate

the Secretariat's PMIS system with SAP (the World Bank's Enterprise Resource Planning system) in order for the Secretariat and the Trustee to share a common and robust IT platform, increasing efficiencies and reducing manual and redundant processes, while maintaining the operational functionalities of the PMIS.

13. The following key recommendations and their expected benefits to the GEF were put forward by Deloitte:

(a) **Consolidate System Platform**: Integrate the Secretariat's PMIS system with SAP so that the Secretariat and the Trustee share a common and robust IT platform. This would substantially reduce a significant number of the manual and redundant processes that currently exist between the Trustee and the Secretariat, would ensure accuracy of data and timeliness in data processing, and greatly facilitate the sharing of data with GEF Partners and other stakeholders. It would also offer opportunities to consolidate fragmented operational and financial data stored in the systems of the Secretariat and the Trustee into a common tool/mechanism.

(b) **Enhance Event and Workflow Management**: Implement a workflow management tool for the full GEF project cycle (from country/Agency initiation of a project to its financial closure). Automation of end-to-end processes would facilitate the development and use of internet "dashboards" for management views and a single point to implement key controls. It would also enhance transparency of the project approval, tracking, and reporting processes.

(c) **Establish a Central Communication Platform**: Put in place a common, secure platform to share data flows, facilitate controls and communication. This platform would support the aggregation of project data and provide a consolidated view of the project pipeline. It would also enhance communication between the Trustee, the Secretariat, and the Agencies, which would facilitate better overall funds management.

(d) **Improve GEF Data Governance**: Establish data stewardship and ownership across the GEF partners (i.e. single source of data entry), the Secretariat and the Trustee. This would help to ensure the quality, accuracy and completeness of GEF data on an ongoing basis. It would also help to decrease point-to-point and frequent manual reconciliations by the Trustee and GEF Partners.

(e) **Leverage World Bank IT Resources**: Leverage existing software, resources and intellectual capital across the Word Bank. By utilizing the SAP platform for both Trustee and Secretariat, the GEF would be able to benefit from World Bank information management technology functions and resources to design, develop, and administer GEF systems within the World Bank.

IV. Options to Strengthen IT Systems for the GEF

14. To address the Council's request that the Trustee and the Secretariat work together to identify cost-effective options for GEF Systems development for its consideration at the June 2012 meeting, the following four options are presented for Council consideration. Tables 1 and 2 in Section VI present a comparison of the Options in terms of costs, benefits, and illustrative deliverables.

(a) **Option 1: Status Quo**. Make no further enhancements to PMIS but continue with standard upgrades to the software. The GEF would continue to rely on existing, separate databases for the Secretariat and the Trustee. Manual functions, reconciliations, and duplicative transactions continue to grow within part of the GEF partnership, with reliability risks and integration options becoming more and more of a concern over time. Choosing the status quo would mean abandoning enhancements to PMIS already underway as well as not addressing any of the audit/control deficiency issues nor the issues identified by the Deloitte review. Direct cost: nil; indirect costs relating to inefficient reconciliation processes.

(b) **Option 2: Continued enhancement of PMIS**. Keep PMIS on current technology (SQL platform), and improve and facilitate workflow management only with the Agencies. The GEF would benefit from the Secretariat's unique knowledge of its homegrown system, and end user learning would be kept to a minimum. A downside is that the GEF's technical and workflow orientation would evolve further away from those of the World Bank, making future integration with the Trustee's systems difficult and exponentially more costly. Reconciliation workload/costs due to the operation of parallel systems between the GEF and the Trustee would continue to grow, as would the operational risk. Neither the audit/control issues nor the Deloitte findings and recommendations would be addressed. Cost: USD 450,000.

(c) **Option 3: Move part of the PMIS functionality into an SAP platform**. Develop PMIS back-end functionality on SAP. This would integrate critical GEF project information with the transactional capabilities of the Trustee's system. It would enable some real-time workflow and sharing of data between the Secretariat and the Trustee and eliminate most manual reporting. PMIS front-end functionality would be maintained by the Secretariat creating a parallel reporting system for the Agencies—one with the Secretariat and another with the Trustee. Some of the audit/control deficiency issues and the Deloitte findings would be addressed. Cost: USD 600,000, to be shared among the GEF trust funds—GEF Trust Fund, LDCF, and SCCF.

(d) **Option 4: Move the full PMIS functionality into an SAP platform and other World Bank systems.** The World Bank's IT staff would develop a common platform in SAP and other World Bank systems for Secretariat and Trustee functionality. This would include automated workflow for GEF processes, a single data structure, real-time data sharing and unified reporting platforms, dashboard concepts to proactively manage the project lifecycle, and secure web portals to promote effective collaboration in the GEF partnership.

All of Deloitte's findings and audit/control deficiency issues would be addressed. Agencies would have only a single mechanism to share data with the Secretariat and the Trustee. The downside is that the GEF staff would have to be trained on new systems and Agencies may have to adjust to new user interfaces. Cost: USD 1 million, shared among the GEF trust funds—GEF Trust Fund, LDCF, SCCF.

15. In addition to these options, a final option tailored exclusively to the GEF was explored. Under this approach, a **fully customized, standalone system for the GEF** would be developed utilizing World Bank's Corporate Systems (but not part of the FIF platform). This system could be developed in SAP for the exclusive use of the Secretariat and the Trustee to manage the GEF project pipeline, execute Secretariat functions, manage all Trustee financial transactions, and ensure workflow between the Secretariat and the Trustee. The cost of such a GEF-specific system would be USD 1.8 million, shared among the GEF trust funds—GEF Trust Fund, LDCF, SCCF.

16. The next Section discusses in more detail how each option would be implemented and how the findings of the independent review as presented in Section III would be addressed. The advantages and disadvantages of each are presented along with the long-term impact.

V. Analysis of the Proposed Options

Option 1: Status Quo

Implementation and Addressing the Findings of the External Auditor and the Independent Review of the GEF Systems

17. Option 1 would make no further enhancements to PMIS. This would neither address the Deloitte findings nor the audit/control deficiency issues. It may be noted that the Secretariat has already undertaken some enhancements to PMIS (Option 2) as part of its IT workplan for GEF-5 to ensure the Secretariat can meet its responsibilities.

Advantages

18. PMIS currently supports the major components of the unique business processes of the GEF. If there would be no significant change to PMIS, there would be no additional system development costs. By maintaining the status quo, Option 1 may provide the least amount of discomfort for the users of PMIS, with no change to the familiar tools they are already using. Correspondingly, there would be no need to re-train GEF staff and users of PMIS since they are already familiar with its current systems.

Disadvantages

19. GEF data would continue to reside in separate silos and experience data integrity issues. Manual reconciliations may contribute to delays in project approvals/ endorsements, commitments and cash transfers to Agencies, and financial reporting. In addition, this would not address commitments made to the external auditor by the World Bank, in consultation with the Secretariat, to improve the completeness and reliability of project information, mentioned in paragraph 6.

Long-term Perspective

20. The Deloitte review concluded that if the GEF maintains a steady state operating model, an increase in GEF operations and expansion of agencies would create an untenable environment, excessively reliant on people, increasing operational risks and transaction costs. In particular, the following risks would continue:[3]

(a) Resource Risks: High degree of dependency on key individuals for operational and technology knowledge;

(b) Financial Risks: Funds may not be optimally utilized due to disjointed systems between the stakeholders;

(c) Operational Risk: Fragmented data in disparate IT systems may lead to delays in project approvals, cash transfers to agencies and funds availability; and

(d) Technology Risk: Lack of a cohesive IT policy for the GEF Partners may lead to an un-scalable IT architecture that is not conducive for the growth of the GEF.

21. As the GEF's needs continue to evolve over time, halting PMIS (or other systems development) would make the operations of the GEF inefficient and possibly ineffective.

22. The cost impact of status quo from a technical perspective is zero. Costs related to time spent on ensuring data accuracy through regular and time-consuming manual reconciliation exercises would increase as more agencies join the GEF.

Option 2: Continued Enhancement of PMIS

Implementation

23. Option 2 would be implemented by leveraging existing GEF resources, both human and technical, at limited incremental cost. PMIS would be augmented with some limited control features to achieve segregation of duties on critical transactions and implement audit trail capabilities. An external 'user experience' designer would be engaged to streamline the look, feel and workflow.

[3] See "Independent Review of GEF Systems: GEF C.41.Inf.12, dated October 21, 2011.

Technology and Infrastructure

24. The World Bank's network and server infrastructure would be utilized, and the GEF would have access to the security features implemented by the World Bank for those technologies. The stability and upgrades to the PMIS infrastructure would continue to be provided by the World Bank, including the major platforms used to develop PMIS.

Addressing the Findings of the External Auditor and the Independent Review of the GEF Systems

25. Option 2 addresses neither the audit/control issues nor the Deloitte findings and recommendations.

Advantages

26. In the short term, Option 2 would be the easiest and least expensive, requiring little, if any, new training, software or data conversion efforts. The Secretariat would retain control of the development of PMIS, enabling highly customized processes. Some audit and control features would be enabled in PMIS.

Disadvantages

27. The Trustee and the Secretariat data would continue to reside in separate silos and consequently experience ongoing data integrity issues. The Secretariat would continue to manually share data with the Trustee and the Agencies. This translates to continued manual reconciliations on a regular basis across the GEF partnership. As the number of GEF agencies increases along with the volume of its transactions, the workload and cost of such reconciliations—in addition to data entry error related risk—would continue to increase. Built-in system checks of PMIS may create self-sustained processes only for the Secretariat with limited benefits for external partners, the Trustee, and the Evaluation Office. Option 2, like Option 1, would not address the commitments made to the external auditor by the World Bank, in consultation with the Secretariat, to improve the completeness and reliability of project information.

Long-term Perspective

28. By addressing only the PMIS database, system development costs can be kept to a minimum over the short to medium-term. This would enable a limited amount of further customization to meet the specific business needs of the GEF. However, the inefficiencies for the Trustee and the Secretariat will most likely continue to increase as GEF agencies join the GEF and the volume of transactions grows.

29. Key person risk as identified in the Deloitte review would continue.[4] Disparate Secretariat, Trustee, and Agency IT systems would require a more complex technical architecture to support future growth, making interfacing and future integration increasingly costly and beyond a certain point, impossible. Developing auditable processes for data-sharing between the Agencies and the Secretariat would implement some improvements into the process, but the Trustee's exposure to the risks discussed in paragraph 19 would not be reduced. The inefficiencies in process and cost of time and use of staff time dedicated to maintaining silo Secretariat and Trustee systems would not support the reallocation of resources away from data reconciliation.

30. Option 2 would not address the audit/control deficiency issues or the Deloitte findings. The estimated cost for Option 2 is USD 450,000.

Option 3: Move Part of the PMIS Functionality into an SAP Platform

Implementation

31. Consolidate the back-end PMIS database with the Trustee's SAP platform. Maintain PMIS front-end on the existing technology and partially enhance automated workflow and data feeds between PMIS and Agency systems. Develop electronic interface between SAP and Agency systems to enable automated data feeds. Develop a file-sharing mechanism to support one-way data sharing from SAP to PMIS. Develop a Data Governance matrix to identify proprietary ownership of data. Leverage World Bank's reporting tools and dashboards.

Technology and Infrastructure

32. The World Bank's network and server infrastructure would be utilized for data management, and the GEF would have access to robust security, stability, and performance of the World Bank's SAP System, including complete, off-site data security coverage for SAP platform.

Addressing the Findings of the External Auditor and the Independent Review of the GEF Systems

33. Option 3 addresses fully three out the five key recommendations made by Deloitte: System Platform Consolidation, Event and Workflow Management, and GEF Data Governance. Leveraging World Bank IT resources would be partially addressed. It partially addresses audit/control deficiency findings.

[4] See "Independent Review of GEF Systems", dated October 21, 2011: "Resource Risk: High degree of dependency on key individuals for operational and technology knowledge", page 33.

Advantages

34. Data integrity would improve due to the fact that the Trustee and Secretariat data would co-exist centrally. Overreliance on spreadsheets, duplicate data entry, manual reconciliations, mail-based workflow, and human errors caused by excessive manual interventions would be eliminated. Built-in system checks in SAP would create self-sustained processes across the GEF project cycle. The risk of GEF transactions with a financial impact not being reflected in the system in a timely basis or inaccuracies due to errors would be significantly reduced.

35. Reporting by Secretariat and Trustee would be produced from the central data repository (SAP) with consistent data definitions and formats. By maintaining the PMIS front end, end users would not have to re-learn a new system, rather continuing to use a familiar interface. Benefits would be achieved from the new, stronger and integrated data management engine.

Disadvantages

36. The GEF would not benefit fully from the World Bank's modernization and expansion of its IT technologies which began in FY12, including the e-Business functionality (e.g. secure online transactional capability, collaboration, electronic interfaces system-to-system). Improvements to PMIS front-end would, in some cases, duplicate IT improvements currently underway at the World Bank and would need to be handled exclusively by the GEF IT team.

37. The lack of automated integration of GEF front-end (PMIS) and back-end (SAP) would not help to alleviate all the reconciliation issues. Some amount of manual tracking and reconciliation would continue. The Trustee's exposure to the risks discussed in paragraph 17 would be only partially reduced. Enhancements to PMIS front-end would be dependent on the project timeline for development of the SAP back-end. Agencies would have to maintain two methodologies for sharing GEF data—one for SAP and a second for PMIS.

38. Option 3 would not fully leverage World Bank staff and its large pool of contractors to bring expertise to the project, thereby not addressing a key finding of the Deloitte review—key person risk.[5]

Long-term Perspective

39. The dual reporting methodologies of the Agencies to the Secretariat and the Trustee under Option 3 would likely be unsustainable over the long-term. The PMIS

[5] See "Independent Review of GEF Systems", dated October 21, 2011: "Resource Risk: High degree of dependency on key individuals for operational and technology knowledge", page 33.

front-end would remain outside the IT modernization initiatives of the World Bank and the World Bank control environment making it unlikely that real-time electronic interfaces between PMIS and SAP would happen.

40. The GEF would benefit from the single repository of transactional data used by the Secretariat and the Trustee. Resource allocation away from manual reconciliations and reporting become more feasible, although would not be eliminated. The cost of Option 3 is USD 600,000.

Option 4: Move all PMIS functionality into an SAP Platform and other World Bank Systems

Implementation

41. Fully integrate the GEF systems (PMIS front-end and back-end) with the World Bank's Corporate Systems, including SAP. The system renewal of the GEF systems would be addressed by leveraging two key World Bank IT initiatives already underway: FIF IT Systems Project and e-Business Project.

42. The objective of the FIF IT Systems Project is to eliminate the need for home-grown systems for each FIF secretariat housed at the World Bank, thereby reducing overall costs charged by these secretariats for IT development. The FIF IT Systems Project is designed to support data management, project lifecycle, workflow, collaboration, and internet tools for reporting and managing FIF funds. In addition, secure electronic interfaces between implementing agencies, external FIF secretariats and other clients will be developed. In this context, a Data Governance matrix will be developed to identify proprietary ownership of data. The World Bank's reporting tools and dashboards will be fully leveraged.

43. The objective of the e-Business Project is for the World Bank to become more agile, adaptable, and efficient in response to emerging business requirements that demand delivery of new products and services. A single unified platform serving many of the World Bank's clients and partners will be developed. The goals of the project are to: (i) enable the World Bank to work closely with other institutions and become a more client-centric, responsive and cost-conscious organization with stronger financial capabilities and internal governance; (ii) support transparency, citizen engagement, and increasing customer/client satisfaction; (iii) provide higher-value analytical and knowledge services; (iv) increase efficiency and effectiveness (both internally and externally); and (v) upgrade the technology environment of the World Bank.

Technology and Infrastructure

44. The GEF would have access to robust security, stability, and performance of the World Bank's Corporate Systems, including access to off-site data security coverage. The World Bank has recently upgraded its core application platform to SAP ECC 6.0, the

basic component includes client/server architecture and configuration, a relational database management system (RDBMS) and a graphical user interface (GUI). Web development work would be within the ISP (Internet Service Program) framework of the World Bank, programmed by World Bank staff and maintained using ePublish web editor. The web sites are monitored by sitescope 24x7. All aspects of infrastructure including server management, support and upgrades, system backups, storage and software would be taken care by the World Bank Information Technology team.

Addressing the Findings of the External Auditor and the Independent Review of the GEF Systems

45. Option 4 addresses the five key recommendations made by Deloitte as well as the key risk areas identified: People, Process, Technology and Cost. Data integrity and workflow would improve significantly since the Trustee and Secretariat data would co-exist in a central database, thereby, providing a single data management source for handling transactions and reporting by the Secretariat and the Trustee. Collaboration and secure interfacing with external partners would improve significantly.

Advantages

46. By moving GEF systems to the World Bank's Corporate Systems, operational efficiencies would be achieved and process standardization and productivity would be improved. Long-term costs devoted to "GEF systems" would be reduced since development and maintenance would be handled at the institutional level, thereby relying on economies of scale. World Bank IT resources and expertise would be leveraged to provide ongoing support to the GEF to ensure regular maintenance of systems and incorporation of new business processes and functionality.

47. The control environment in GEF processes would be significantly improved. Over reliance on spreadsheets, duplicate data entry, manual reconciliations, mail-based workflow, and human errors caused by excessive manual interventions would be eliminated. There would be a significant reduction in human workload for the Secretariat and Trustee. Built-in system checks would create self-sustained processes and real-time transactions across the GEF project cycle. Electronic data sharing would allow for real time reporting of decisions and project actions. This in turn would improve the production of the GEF Trust Fund Financial Statements and operational and other financial reporting.

48. GEF Partners would have access to uniform and consistent information. GEF partners would be able to collaborate, communicate, and access/disseminate information using standardized and similar functionality, not just within the GEF, but for other FIFs and Programs for which the World Bank serves as Trustee and secretariat. Internal and external reporting would be produced from a central data repository with consistent data definitions, formats and the ability to report across GEF trust funds in a timely and accurate manner. Relevant and accurate information would be available on the web in a

timely manner, thereby increasing transparency, consistency and efficiency. Data access by secure and authorized users would allow consistent and accurate data to be retrieved since each user would access a common database store.

49. Knowledge would be shared more effectively across the GEF partnership. A streamlined process for GEF workflow (e.g. CEO endorsement letters, Confirmation of Trustee Set-Asides and Commitment letters, and Confirmation of Cash transfers) would be established. Automation of workflow and processes would also reduce operational costs. Efficiencies would be achieved due to elimination of duplicate re-keying of data across multiple systems. Integrated Systems would facilitate the timely review and approval process of key documents in program and project cycles.

50. The GEF would benefit from the modernization of the World Bank's IT systems. Secure log-in websites would employ cutting edge technology and design to improve accessibility and user experience. Online tools would include scheduled and interactive reports to replace manual, paper reporting. Web-based reports would ensure that GEF management and external partners have the latest program and financial information in an easily accessible manner.

51. Option 4 would leverage knowledge of the GEF staff in all phases of the FIF IT Systems and e-Business Projects. This would ensure that the business requirements of the GEF are taken fully into account (e.g. discovery, development of business requirements, workflow mapping, and reporting requirements). In addition, Option 4 would benefit from the participation of World Bank staff that has deep technical expertise and skills. The World Bank's large pool of external IT specialists would be available to assist whenever needed.

Disadvantages

52. GEF users of PMIS would have to learn new processes which may be different from current practices. Existing documentation of GEF business processes would have to be revised and updated to correspond with the new system. However, the overall long-term benefits of a fully integrated system would present cost and efficiency savings to all parties.

53. A single centralized system that hosts multiple FIFs requires close collaboration across the FIF Secretariats and the Trustee to ensure the system is sufficiently flexible to meet the needs of multiple clients. To help facilitate this collaboration, Option 4 would leverage the ongoing work of an external consultant experienced in data management and business process flows. This consultant has been engaged in the context of the FIF IT Systems project discussed in paragraph 41.

54. The consultant will be reaching out to FIF Secretariats and partner agencies to document, capture, and rationalize the business requirements. The results of the study are planned to be completed by September 2012. The GEF would be included in this review

work carried out by the consultant, at no cost to the GEF, if the GEF Council were to choose Option 4.

55. While the new system is under construction, PMIS would have to continue without major enhancements. However, project timeline and deliverables would be handled in phases to ensure business continuity and to minimize system downtime.

Long-term Perspective

56. A unified, integrated system (for the Secretariat and the Trustee) would allow for scalable growth for the GEF and reduce wasteful internal and external competition for scarce resources and funding. As new GEF requirements are identified or business processes are changed, the modular approach in which applications are developed and implemented would allow for easier accommodation and integration. As the World Bank continues to invest and upgrade with SAP modules and other technology platforms, the Secretariat would have access to additional functionalities without having to cover direct software license fees. In addition, the GEF would benefit from upgrades to SAP (e.g. upgrade to ECC6.0) and IT security improvements that the World Bank provides as part of its long-term IT strategy.

57. Option 4 would enable the GEF to benefit from the reliability, capacity, expertise, knowledge, backup capability, and infrastructure of the World Bank Corporate Systems. The overall spend for IT projects across the many FIFs administered by the World Bank should be reduced over the long-term. Costs would also be shared across such FIFs thereby providing more 'bang for the buck'. All of the audit/control deficiency issues and the Deloitte findings and recommendations would be addressed. The cost of Option 4 is USD 1 million.

58. Finally, an option was explored of developing **a new standalone, fully customized platform** in the World Bank's Corporate Systems to be used exclusively for the use of the GEF Secretariat and the Trustee. Workflows across the Secretariat, the Trustee, and the Agencies would be developed from scratch based on current design and business requirements. New web platforms would be developed in place of PMIS. Secure electronic data transfers would be developed between this standalone platform for the GEF and all of its partner entities.

59. Such a standalone GEF platform would make use of the World Bank's network and server infrastructure and other technologies. It would explore the possibility of using World Bank's facilities to provide complete, off-site data security coverage for the GEF platform in SAP. All development would be handled independently of World Bank IT initiatives, including the FIF IT Systems and e-Business Projects.

60. Since this would be a standalone system, system enhancements or changes would be driven and controlled solely by GEF business needs, data structures in the platform would be GEF specific and any changes in GEF business processes resulting in system

changes need not be vetted against existing processes or other FIFs. This approach would address the audit/control deficiency issues and the findings of the Deloitte review.

61. **However, a standalone approach would** be costly, at USD 1.8 million, and it would **address only** four out of the five key recommendations made by Deloitte: System Platform Consolidation, Event and Workflow Management, Central Communication Platform, and GEF Data Governance. It would not leverage World Bank IT resources, that is, the GEF would not benefit fully from the modernization and expansion of the World Bank's technologies which began in FY12, including the e-Business functionality (e.g. secure online transactional capability, collaboration, electronic interfaces system-to-system). It would not leverage World Bank staff or its large pool of contractors to bring expertise to the project, and therefore would not address a key finding of the Deloitte review—key person risk.[6] In addition, any enhancements made to the "FIF Platform" shared by other FIF Secretariats would not be shared or leveraged with the "GEF Platform". Further, Agencies would have to maintain two methodologies for sharing GEF data—one for the GEF Platform and the other with the FIF Platform, thereby increasing costs and inefficiencies.

62. The dual reporting methodologies of the Agencies to the Secretariat and the Trustee under this approach would be unsustainable over the medium to long-term. The Standalone GEF Platform would remain outside the IT modernization initiatives of the World Bank and thus not leverage future enhancements to World Bank Corporate systems. In addition, it would become increasingly difficult to maintain separate staff at the World Bank who would be dedicated to a standalone system.

VI. Summary of Costs and Benefits

63. Tables 1 and 2 summarize the costs and benefits of each Option, including length of the proposed project, illustrative deliverables, and benefits.

[6] See "Independent Review of GEF Systems", dated October 21, 2011: "Resource Risk: High degree of dependency on key individuals for operational and technology knowledge", page 33.

Table 1

	Option 1	Option 2	Option 3	Option 4	GEF Standalone Approach
Option	Status Quo	Continued Enhancement of PMIS	Move PMIS Back End Functionality into SAP Platforms	Move PMIS functionality into an SAP platform and other WB Systems	Develop a standalone system for the GEF utilizing World Bank's Corporate Systems
Cost	$0	$450,000	$600,000	$1,000,000	$1,800,000
Estimated length of Project	Not applicable	1 year	2 years	3 years	3 years
Illustrative Start/End Date of Project		July 2013 - July 2014	July 2013 - July 2015	Phase 1: July 2013 - July 2014 Phase 2: July 2014 - July 2015 Phase 3: July 2015 - July 2016	Phase 1: July 2013 - July 2014 Phase 2: July 2014 - July 2015 Phase 3: July 2015 - July 2016 Phase 4: July 2016- July 2017
Deliverable Components	No further enhancements to PMIS	1) Augment PMIS with some limited control features to achieve segregation of duties on critical transactions. 2) Engage an external user experience designer to streamline the look and feel of PMIS, including the existing workflow.	Phase I: 1) Prepare SAP environment for PMIS back-end database (configuraton and control features that allow customization). 2) Develop a Data Governance matrix to identify proprietary ownership of data. 3) Develop critical SAP applications to manage Project Pipeline 4) Develop new reports in SAP. 5) Augment PMIS front-end with some limieted control features. 6) Engage an external user experience designer to streamline the look and feel plus the workflow in PMIS front-end. Phase II: 7) Complete development all applications in SAP. 8) Enhance automated workflow and data feeds between PMIS and Agency systems. 9) SAP Electronic Data Transfer with Agencies – Real time 10) Develop a file sharing mechanism to support one-way data sharing from SAP to PMIS. 11) Data port to Self Service reporting portal for better analytical reports	Integrate PMIS into World Bank's Shared Platform for FIFs in SAP Phase I: 1) Integrate PMIS back-end database (configuraton and control features that allow customization). 2) Develop a Data Governance matrix to identify proprietary ownership of data. 3) Develop critical SAP applications to manage Project Pipeline 4) Develop new reports in SAP. Phase II: 5) Complete development all applications in SAP. 6) Develop collaboration space to share documents and workflow 7) Website Development - Internal and External phase 1 8) Electronic Data Transfer with Agencies – Real time. Phase III: 9) Data port to Self Service reporting portal for better analytical reports 10) Build Management Dashboards 11) Website Development - Internal and External phase 2	Develop a New Standalone Customized SAP Platform for GEF Secretariat and Trustee functionality Phase I: 1) Discovery phase: Analyze business requirements and identify technological needs of Secretariat and Trustee 2) Prepare the detailed business case and functional technical specifications and business requirements Phase II: 3) Prepare SAP environment for GEF full project cycle, including Trustee functions (configuraton and control features that allow customization). 4) Develop a Data Governance matrix to identify proprietary ownership of data. 5) Develop critical SAP applications to manage Project Pipeline and Trustee financial transactions 6) Develop new reports in SAP. Phase III: 7) Complete development all applications in SAP. 8) Develop collaboration space to share documents and workflow 9) Website Development - Internal and External phase 1 10) Electronic Data Transfer with Agencies – Real time. Phase IV: 11) Data port to Self Service reporting portal for better analytical reports 12) Build Management Dashboards 13) Website Development - Internal and External phase 2

Table 2

	Option 1	Option 2	Option 3	Option 4	GEF Standalone Approach
Advantages	-PMIS currently supports the major components of the unique business processes of the GEF. In addition, as there would be no significant change to PMIS, there would be no major system development costs.	-The implementation of Option 2 would be in the short term the easiest and least expensive, requiring little if any new training, software or data conversion efforts. Audit and control features would be enabled.	-Tighter integration with trustee systems. - Over reliance on spreadsheets, duplicate data entry, manual reconciliations, mail-based workflow, and human errors caused by excessive manual interventions would be eliminated. -Provides better stability and security of data, by leveraging the World Bank IT resources. -Real time financial information. -Familiarity with the front-end interface requires no additional training for Secretariat staff. -Internal and external reporting for the Secretariat and the Trustee would be produced from a central data repository	- Option 4 addresses all five of the key recommendations made by Deloitte as well as the key risk areas identified: People, Process, Technology and Cost. -World Bank IT expertise would be leveraged to provide ongoing support to the GEF to ensure regular maintenance of systems and incorporation of new business processes and functionality. -Elimination of over reliance on spreadsheets, duplicate data entry, manual reconciliations, mail-based workflow, and human errors. - Provides uniform and consistent information access - Establishes single practice for common baseline processes (CEO endorsement letters, Trustee Commitment letters, confirmation of cash transfers). - Secure log-in websites will employ cutting edge technology and design to improve accessibility and user experience.	- This option addresses all five of the key recommendations made by Deloitte as well as the key risk areas identified: People, Process, Technology and Cost. -World Bank IT expertise would be leveraged to provide ongoing support to the GEF to ensure regular maintenance of systems and incorporation of new business processes and functionality. -Elimination of over reliance on spreadsheets, duplicate data entry, manual reconciliations, mail-based workflow, and human errors. - Provides uniform and consistent information access - Establishes single practice for common baseline processes (CEO endorsement letters, Trustee Commitment letters, confirmation of cash transfers). - Secure log-in websites will employ cutting edge technology and design to improve accessibility and user experience.
Disadvantages	-GEF data would continue to reside in separate silos and experience data integrity issues. Manual reconciliations may contribute to delays in project approvals/endorsements, commitments and cash transfers to Agencies, and financial reporting. -Key person risk, no real-time financial reports.	-Key person risk, no real-time financial reports. -The Trustee and the Secretariat data would continue to reside in separate silos and consequently experience ongoing data integrity issues.	-The GEF would not benefit fully from the World Bank's modernization and expansion of its IT technologies, begun in FY12, including the e-Business functionality - The lack of automated integration of GEF front-end (PMIS) and back-end (SAP) would not help to alleviate all the reconciliation issues.	- GEF users of PMIS will have to learn new processes which may be different to current practices. - Development of an integrated solution basis will require more upfront planning and cost as partners and business processes are defined. To offset this, the Trustee has engaged an external consultant experinced in data management and business process flows.	- Costlier to build and maintain; - Timeline to deliver is longer; - Unable to leverage similar IT initiatives of the World Bank, including the FIF IT Systems Project; - The recent overhaul of the Trsutee's system for the GEF would have to be redeveloped; - GEF users of PMIS will have to learn new processes which may be different to current practices. - Development of a standalone solution would require duplicative efforts undertaken by the FIF IT Systems Project; - Staff resources working on other World Bank IT initiatives cannot be leveraged.

VII. Proposed Way Forward

64. The Trustee and the Secretariat agree to move the PMIS back-end functionality to an SAP platform, while enhancing PMIS front-end functionality. Specifically, the underlying data of PMIS would be moved to an SAP-based platform, and data structure and flows would be harmonized between the Trustee and the Secretariat. This would integrate and reconcile critical GEF project information with the information and transactional capabilities of the Trustee's system. It would enable some real-time workflow and sharing of data between the Secretariat and the Trustee and eliminate most manual reporting.

65. The total cost of moving the PMIS back-end functionality to an SAP platform is estimated to be USD 600,000. Of the requested amount, USD 500,000 would be funded from the general GEF Trust Fund, while the remaining USD 100,000 would be pro-rated equally between LDCF and SCCF. NPIF has been excluded from cost attribution based on its low transaction count. To ensure the GEF's business needs are fully met, the Secretariat will work with the Trustee and the World Bank's IT team to define business requirements. The Secretariat will be expected to approve all business requirements before development and implementation of SAP occurs. The Secretariat and the Trustee, along with World Bank IT colleagues, will jointly oversee the transitioning of the PMIS back-end functionality into an SAP platform.

66. At the first Council meeting in 2013, the Trustee and the Secretariat will jointly report on the status of this work. It is anticipated that, at that time, some of the Deloitte recommendations, and some of the audit/control deficiency issues that have arisen, would have been addressed, and that a status update to Council with respect to project completion would be made as necessary. It should be noted that maintaining GEF front-end operations within the proprietary PMIS system would continue to mean the GEF would not benefit from the considerable backstopping capacity of the Bank's IT resources. It would also mean that the GEF would be left behind the World Bank's mainstream IT development strategy. Continuation of PMIS front-end would mean that the preparation of the financial statements remains cumbersome, relying on manual reconciliations of data, records, and documentation across multiple systems—the Secretariat's PMIS, the Trustee's SAP, and the Agencies' corporate systems. The time spent to ensure completeness and accuracy is significant given the number of transactions each year (e.g. Council/CEO approvals, CEO endorsements, Trustee commitments, milestone dates) and the operational risk is high. To address all the issues noted above, in addition to the audit/control deficiencies and the findings and recommendations of the Deloitte review in a cost-effective manner, Option 4 presented in this paper would have to be implemented.

The World Bank

Independent Systems Review for Global Environment Facility “GEF”

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Executive Summary

Our project methodology aimed to identify leveraging opportunities amongst stakeholders to identify viable recommendations

Deloitte & Touche LLP facilitated the engagement over a 6 week period and while a number of key issues were identified many of the issues represent manageable opportunities for remediation. To provide further context the below points describe our methodology and approach…

Project Context

- Deloitte & Touche LLP was engaged to perform an assessment of the Global Environment Facility (GEF) systems relative to the GEF project cycle to compare the level of effectiveness across the major stakeholders : the Trustee, the GEF Secretariat and the Agencies
- Deloitte & Touche LLP appreciates the complexity and challenges associated with the GEF project cycle and the recommendations set forth in this document aim to leverage existing synergies relative to people, process and technology across the stakeholder entities
- As part of the GEF Systems Review project it was critical to keep factors relative to cost, practicality, value and benefit within our approach to identify recommendations which promote harmonious interoperability amongst the Secretariat, the Trustee, and the Agencies
- Due to the complexity of the GEF project cycle and desire for the fund to expand its offering to new agencies the recommendations targeted a scalable solution

Key messages we heard from the stakeholders

As part of the assessment the Deloitte & Touche LLP team facilitated 20 interviews with stakeholders representing the GEF Secretariat, the Trustee and the Agencies. As a result of these conversations there were common themes identified and the messages are conveyed below…

- In over 20 interviews with 8 Agencies, the Secretariat and the Trustee, 23 issues were identified. The majority of these issues are concentrated in project proposal and reporting
- Interaction model of the current GEF environment highlights 30 - 50 interactions involving 12+ groups, multiple locations and 12+ systems. Multiple point-to-point interactions amplify the potential for errors and changes the risk profile to a higher level
- Project approval involves 35+ process steps, many of which are manual, resulting in the strong possibility of data being entered incorrectly in disparate systems

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Our current state findings and gap analysis revealed the following…

Current State Analysis / Gaps Overview

GEF current state footprint:

- Outlines the current state of GEF project cycle process flow for a full-size project ("FSP")
- Maps GEF project cycle process flow across the various stakeholders
- Assesses current functions against 4 dimensions: People; Process; Technology and Cost
- A total of 23 issues identified through current state analysis confirm that GEF operational risks are manifold (See Appendix H for detailed issues)
- The 23 issues were categorized into 7 main themes

Issue Themes

- The project management system does not adequately support the business
- IT systems at the Agencies, Secretariat and Trustee are not integrated
- Multiple operational processes are manual and lack automation
- Communication between key stakeholders is not streamlined and lacks transparency
- The Bank's internal resources are not adequately utilized
- Review process is inefficient
- Reporting process is not well defined and lacks scalability

People

Internal resources are not adequately leveraged across groups and processes are overly reliant on key individuals

Process

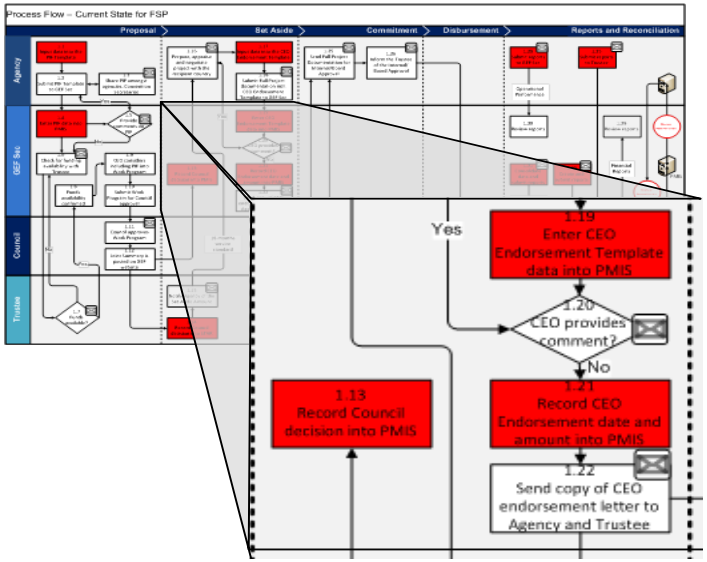
Current processes are manual, burdensome and inefficient

Technology

Lack of a centralized IT solution to support the current needs and future growth of the Secretariat, the Trustee and the Agencies

Cost

The current GEF project life cycle inefficiencies result in higher operational costs for all stakeholders



Appendix A: Current state process flow for a Full Size Project (FSP)

The red boxes within the current state process flow indicate various steps within the project life cycle where duplication of efforts are experienced

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Analysis of issues, processes and data flows identified issue themes with supporting examples while highlighting the root causes

Issue Themes	Supporting Examples	Root Causes
The project management system does not adequately support the business	▪ Project Information Management System ("PMIS") system freezes during peak activity period and users face frequent issues while logging into PMIS ▪ No formal process for reporting, tracking and resolving issues with PMIS ▪ No dedicated helpdesk to service the users of PMIS	▪ The Secretariat IT team is not adequately staffed to develop required enhancements to PMIS ▪ The Secretariat IT team does not have dedicated helpdesk resources
IT systems at the Agencies, Secretariat and Trustee are not integrated	▪ Data provided in multiple systems is not linked to each other thereby increasing the need for reconciliation ▪ No single status view of projects in the lifecycle	▪ The Secretariat and the Trustee are on separate IT systems within the same World Bank firewall ▪ Each Agency has its own IT system within its own firewall ▪ Project data is in multiple silos
Multiple operational processes are manual and lack automation	▪ Project Information Form ("PIF") and CEO Endorsement templates are manually rekeyed by the GEF Secretariat ▪ Comments are provided to the Agencies by the Secretariat via email ▪ Reports are aggregated manually	▪ Due to differences in the IT Security policy at each Agency as compared to the World Bank, macro based templates are not effective ▪ There is no workflow tool for stakeholders across the entire project life cycle
Communication between key stakeholders is not streamlined and lacks transparency	▪ Ad-hoc requests from the Secretariat to the Trustee to check for funds availability ▪ Meetings between the GEF and country focal points are not consistently communicated to all Agencies ▪ The Agencies are not aware of the status of a project as it moves through various stages of the project life cycle	▪ No central repository that stores project data across the life cycle ▪ No workflow based automatic communication between key stakeholders
The Banks internal resources are not adequately utilized	▪ World Bank has a Finance Complex Information Management Technology Team ("FCIMT), however PMIS enhancements cannot be supported due to lack of IT resources at the GEF Secretariat ▪ No dedicated helpdesk for PMIS that utilizes the World Bank IT resource pool	▪ World Bank FCIMT resource pool is not adequately leveraged to support the growth of the GEF project management system ▪ World Bank FCIMT infrastructure associated with the World Bank central website is not leveraged

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Analysis of issues, processes and data flows identified issue themes with supporting examples while highlighting the root causes (continued)

Issue Themes	Supporting Examples	Root Causes
Review process is inefficient	▪ Secretariat's project review procedure is manual, iterative and time consuming ▪ Each Agency is required to provide the same level of information in the PIF & CEO Endorsement templates, regardless of the size of the Agency or program ▪ Project templates are not customized based on the size of the project and focal area	▪ Templates such as the PIF & CEO Endorsement are not flexible ▪ Project templates and review comments are exchanged over email rather than tracked in a centralized system
Reporting process is not well defined and lacks scalability	▪ The Agencies are required to provide event based reporting to the Secretariat and quarterly reporting to the Trustee ▪ Maintaining and reporting detailed breakdown of how an Agency expenses it's 10% Fees is time consuming ▪ Reporting requirements are not optimized	▪ Reporting requirements are not customized based on the maturity of an Agency and the size of the projects ▪ Reports are aggregated manually at the Secretariat as a result of the IT systems not being integrated

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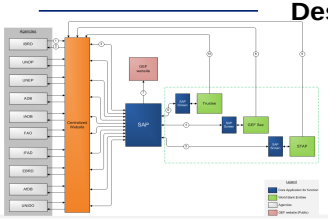
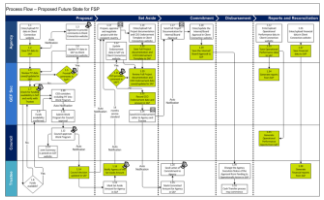
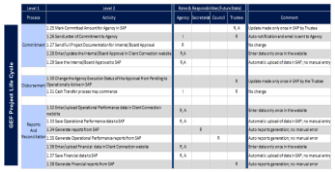
Our recommendations support the future state model by leveraging existing capabilities providing for a scalable solution to support future business

Key Recommendations	Description	Benefits*
System Platform Consolidation *Implement SAP as the primary tool* ***SEE APPENDIX E: FUTURE STATE ARCHITECTURE***	 ▪ Migrate the Secretariat from PMIS to SAP in order to share a common, efficient and proven platform with the Trustee	▪ Reduces many of the manual and redundant processes that currently exist , while increasing the transparency and sharing of data ▪ Consolidates fragmented operational and financial data within the Secretariat and the Trustee systems
Event and Workflow Management *Implement an end-to-end event and workflow management tool for the GEF project cycle* ***SEE APPENDIX C: FUTURE STATE WORK FLOW***	 ▪ Reduce the number of point-to-point interactions and manual process steps for entire project cycle ▪ Establish a foundation to centralize process controls ▪ Build a dashboards for controls monitoring	▪ Automates end-to-end processes, facilitates dashboards, management views and a single point to implement key controls ▪ Increases transparency of the project approval and reporting process
Centralized Communication Platform *Develop a centralized website for all stakeholders* ***SEE APPENDIX F: FUTURE STATE DASHBOARD***	 ▪ Establish foundation to centralize data flows, controls and communication ▪ Potentially leverage internal communication solutions	▪ Aggregates project data and provides a consolidated view of the project pipeline ▪ Enhances communication between the Agencies and the Trustee which facilitates better fund management at the Trustee
GEF Data Governance *Ensure Quality, Accuracy and Completeness of Secretariat and Trustee Data* ***SEE APPENDIX G: FUTURE STATE RACI***	 ▪ Analyze appropriateness of the data that is requested by GEF Secretariat from the Agencies ▪ Analyze appropriateness of project templates ▪ Analyze how the reports requested from the Agencies are utilized	▪ Establishes data stewardship to facilitate data on an ongoing basis ▪ Decreases point-to-point reconciliation by establishing consistent identifiers and data across systems
Leverage Internal Resources *Leverage existing software, resources and intellectual capital across the Word Bank*	▪ Leverage SAP resources that currently exist within the World Bank ▪ Leverage existing software to enhance current processes	▪ By having a common SAP platform, the GEF Secretariat can leverage FCIMT functions and resources to help administer and develop the system

*Benefits are utilized by all stakeholders (Agencies, Secretariat & Trustee), unless otherwise specified.

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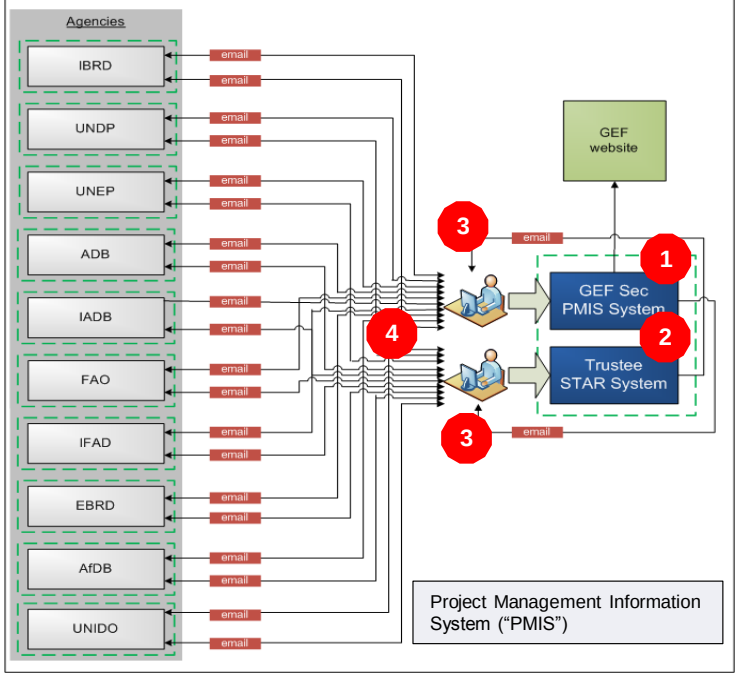
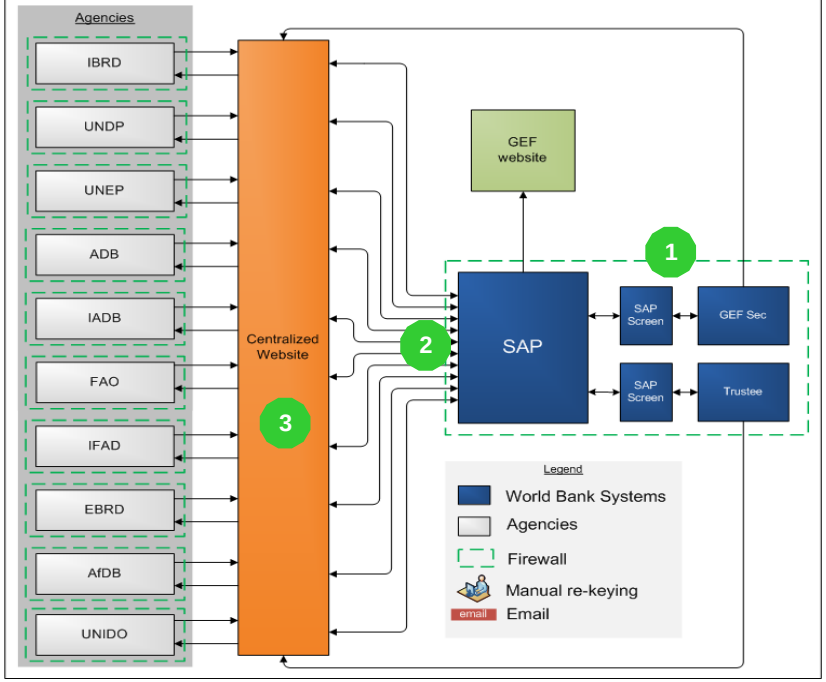
In summary, the current to future state transformation addresses key issue themes through recommendation implementation to support GEF future growth

Current State Architecture



Proposed Future State Architecture



Key Issue Themes (4 of 7)

1. The GEF Project Management Information System (PMIS) does not adequately support the business
2. IT systems at the Agencies, Secretariat PMIS system and Trustee STAR (SAP) System are not integrated
3. Multiple operational processes are manual and lack automation
4. Communication between key stakeholders is not streamlined and lacks transparency

Key Recommendations to Support Future GEF Growth (3 of 5)

1. ***System Platform Consolidation –*** Implement SAP as the primary platform
2. ***Event and Workflow Management –*** Implement an end-to-end event and workflow management tool for the GEF project cycle
3. **Centralized Communication Platform** – Develop centralized website for all stakeholders

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Based on the current issues, remediation is encouraged and if not acted upon risks may proliferate ultimately hindering future growth

The GEF environment operates with a high degree of complexity depending on processes which are not self-sustaining and efficient. If the GEF maintains a steady state operating model, an increase in GEF offerings would create an unsustainable environment which is highly reliant on people, increasing operational risk and transaction costs.

Potential Risks for Steady State Operating Model	▪ **Resource Risk:** High degree of dependency on key individuals for operational and technology knowledge ▪ **Financial Risk:** Funds may not be optimally utilized due to lack of communication between the stakeholders (e.g. An agency cancelled a $40 million project without communicating the same to the Trustee in a timely manner, resulting in unallocated funding and missed opportunity) ▪ **Operational Risk:** Fragmented data in disparate IT systems may lead to delays in project approvals, cash transfers to agencies and funds availability ▪ **Technology Risk:** Lack of a cohesive IT policy for the GEF Stakeholders may lead to creation of a un-scalable IT architecture that is not conducive for the growth of the GEF

Enhancing PMIS as a stand-alone solution may not leverage the synergies and benefits of a unified system . Below is a sampling of missed synergy opportunities if PMIS were enhanced or left at current state…

Performance Measure	Unified Systems	PMIS Enhanced	Current State
Data Integrity	▪ Trustee & Secretariat data will co-exist centrally increasing the integrity of the data	▪ Trustee & Secretariat data will reside in separate silos and continue to experience data integrity issues	▪ Trustee & Secretariat data reside in separate silos and experience data integrity issues
Reconciliation	▪ Mitigates Trustee & Secretariat reconciliation efforts and costs between the Trustee & the Secretariat	▪ Trustee & Secretariat data reconciliation process would still be required on a regular basis	▪ Trustee & secretariat manually reconcile data
Scalability	▪ Expansion of Agencies & Secretariat operations is supported by a scalable technical architecture	▪ Disparate Trustee, Secretariat & Agency IT systems would require a more complex technical architecture to support future growth	▪ The current IT system architecture is not conducive to support growth of GEF
Self-sustained processes	▪ Built-in system checks create self-sustained processes across the GEF project life cycle	▪ Built-in system checks may create self-sustained processes only for the Secretariat	▪ High dependency on self-motivation of key individuals to manage the execution of processes

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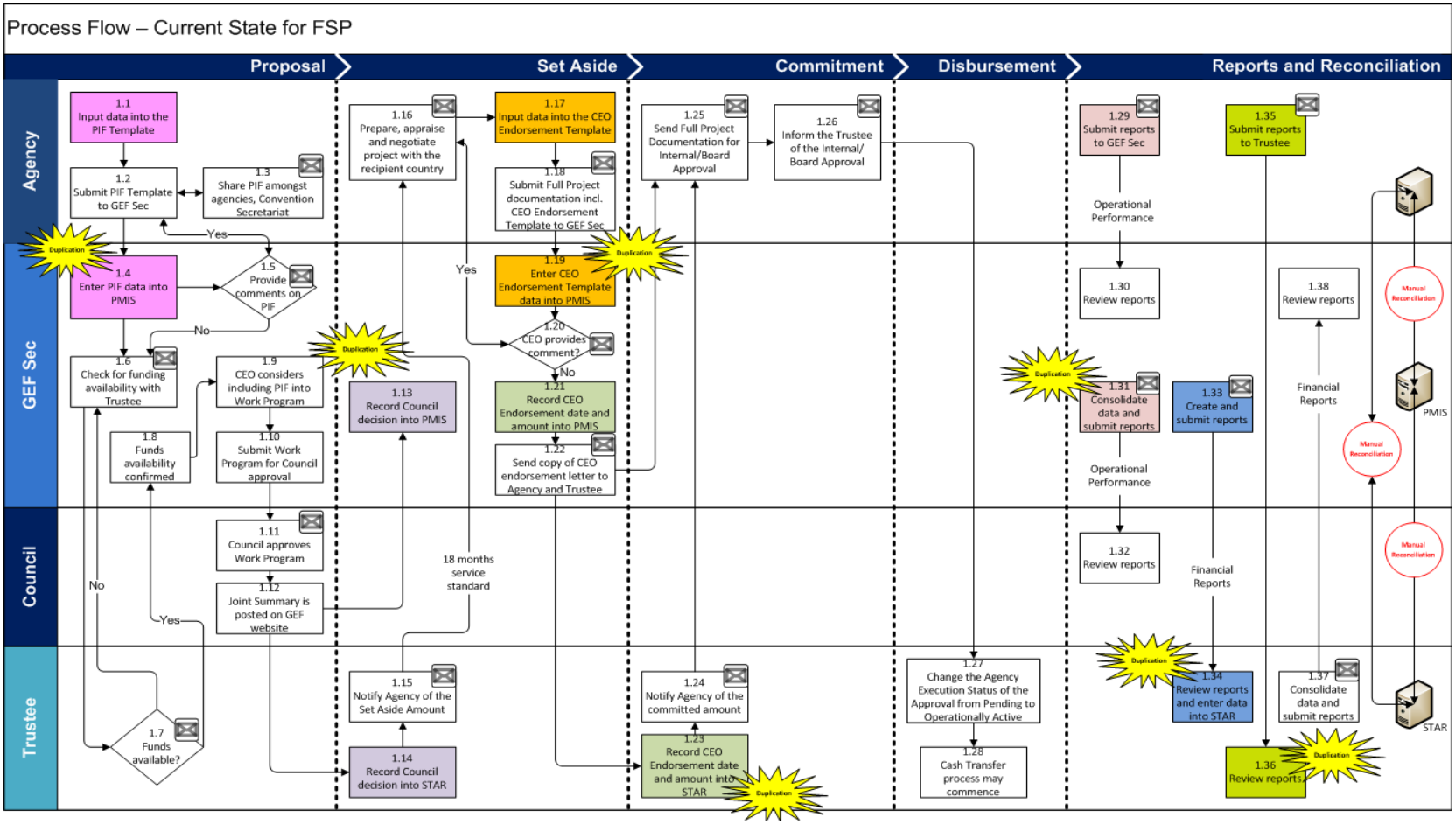
Appendices

Appendix A – Current State Workflow for FSP

Process Flow – Current State for FSP

The Full Size Project(FSP) process flow was analyzed in detail in order to identify the inefficiencies in the GEF project life cycle…



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Appendix B -Current State Footprint with Gaps

Current State Footprint with Gaps

Key Issues

- Secretariat's project evaluation procedure is manual, iterative and time consuming
- Each Agency is required to provide the same level of information in the project evaluation documents
- Project evaluation documents are not flexible

- No central repository available to enable knowledge sharing between stakeholders
- Ad-hoc request from the Secretariat to the Trustee to check for funds availability
- Meetings between the GEF and country focal points are not consistently communicated to all Agencies

- The PMIS website may not be available to users 24x7
- System freezes up during peak activity period and users face frequent issues while logging into PMIS
- No formal process for reporting, tracking and resolving issues with PMIS
- PMIS is not designed to support programmatic approaches completely

Review process is inefficient

Reporting process is not well defined and lacks flexibility

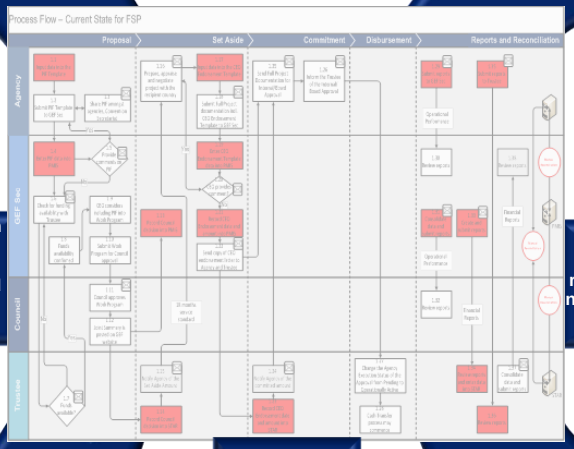
Communication between key stakeholders is not streamlined and lacks transparency

The Banks internal resources are not adequately leveraged

The project management system does not adequately support the business

IT systems at the Agencies, Secretariat and Trustee are not integrated

Multiple operational processes are manual and lack automation



- Data provided in multiple systems cannot be linked to each other which increases the scope of manual error
- An increased need to reconcile data between the Secretariat and Trustee systems
- No single view of the status of various projects in the lifecycle

Key Issues

- The Agencies have to provide event based reporting to the Secretariat/Trustee
- Maintaining and reporting detailed breakdown of how an Agency expenses its 10% Fees is time consuming
- Reporting requirements are not optimized

- GEF Sec's IT team lacks the resources required to support and develop the PMIS system as the business continues to expand
- Inability to provide formalized 24/7 helpdesk support to current user requests
- Inability of the Secretariat IT team members to respond to system disruptions

- PIF and CEO Endorsement Template are manually rekeyed by the GEF Sec
- Data discrepancies between the GEF Sec, Trustee and the Agencies
- GUI is not designed to illustrate the workflow at each step
- Inefficient use of Program Assistant and Program Manager resources

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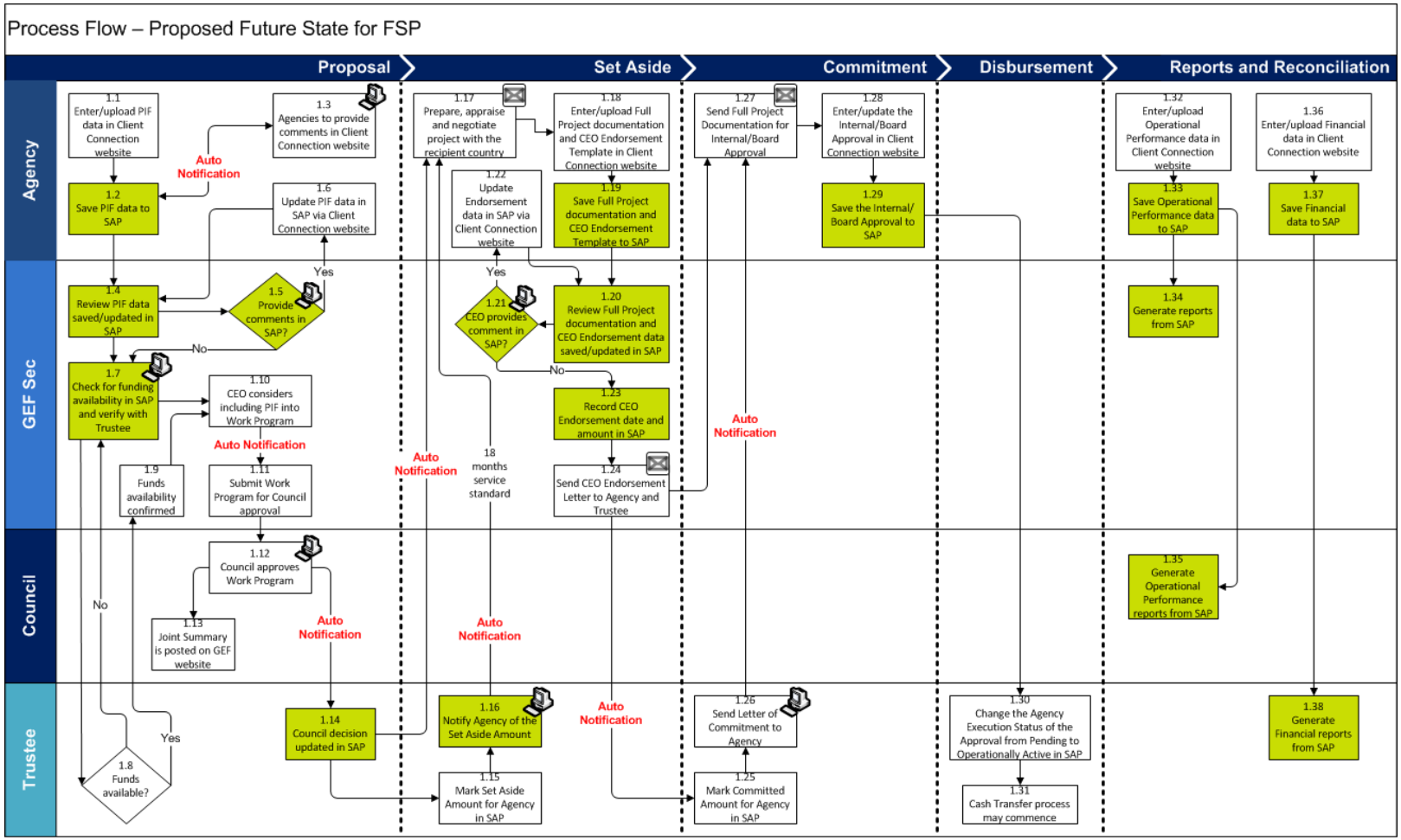
Appendix C – Proposed Future State Workflow for FSP

Process Flow – Proposed Future State for FSP

The proposed future state Full Size Project(FSP) process flow highlights some of the benefits of the target operating model…



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Appendix D - Proposed Future State – Key Benefits

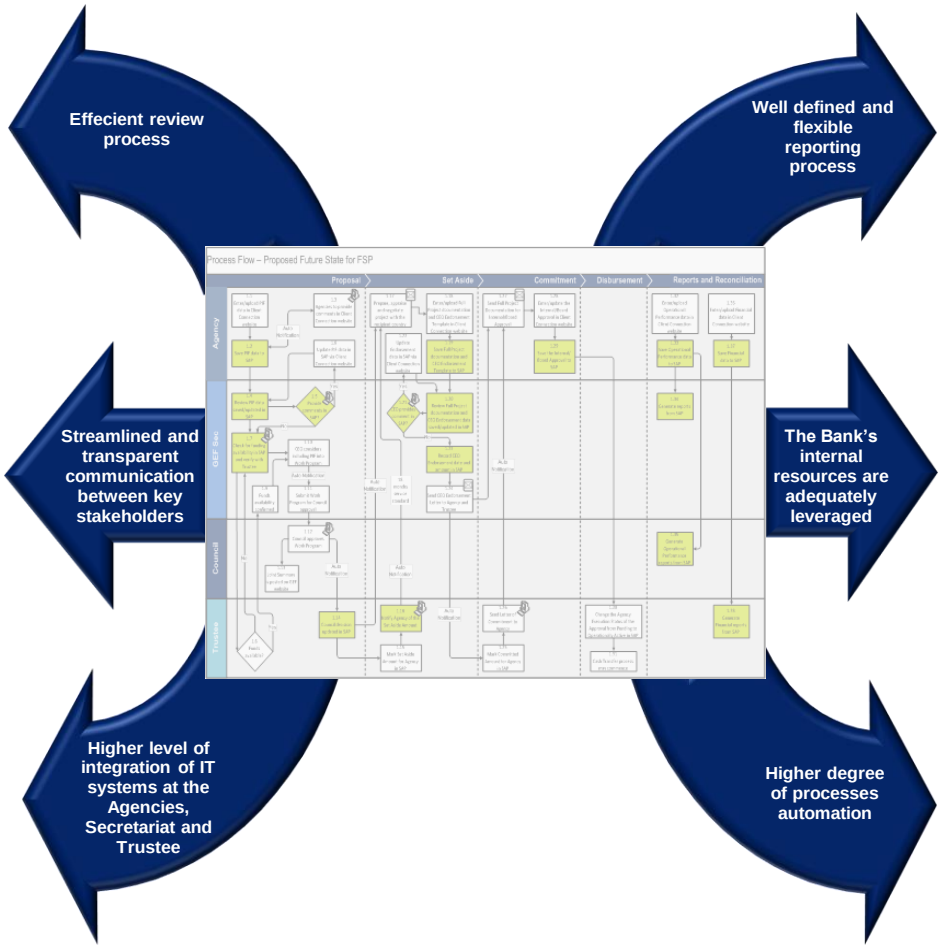
Proposed Future State – Key Benefits

Key Benefits

- Project evaluation based on the maturity, experience and the fiduciary controls of an agency.
- Customized project evaluation documents based on project size/focal area.
- Review comments entered and tracked in centralized system.

- Workflow based automated communication for all stakeholders.
- Direct access by the Secretariat to funds availability data maintained by the Trustee in SAP.
- Ability to share calendars with all stakeholders.
- Transparent sharing of the project concepts, PIFs, review comments, etc. across stakeholders.

- Electronic transmission and storage of data in a centralized repository.
- Profile based access to centralized project data.
- Reduce the manual rekeying of data in disparate systems.
- Enhanced reporting, tracking and resolution of issues.
- Customized GEF Tracking Tools based on project size/focal area.



Key Benefits

- Ability to upload reports, such as the APR & AMR, electronically into a central repository .
- The Agencies provide periodic reports rather than event based reports .
- Automatic on-demand aggregation of the data to provide MIS reporting.

- Efficient use of the IT staff towards product development and enhancements.
- Timely resolution of IT issues for users irrespective of time-zone.

- Electronic submission of the data via SAP screens and centralized website.
- Auto-notification to the stakeholders on milestones such as Council decision, CEO Endorsement, set-aside and fund commitment.
- Interface to illustrate and track the workflow at each step
- Program Assistant and Program Manager resources are more analytical

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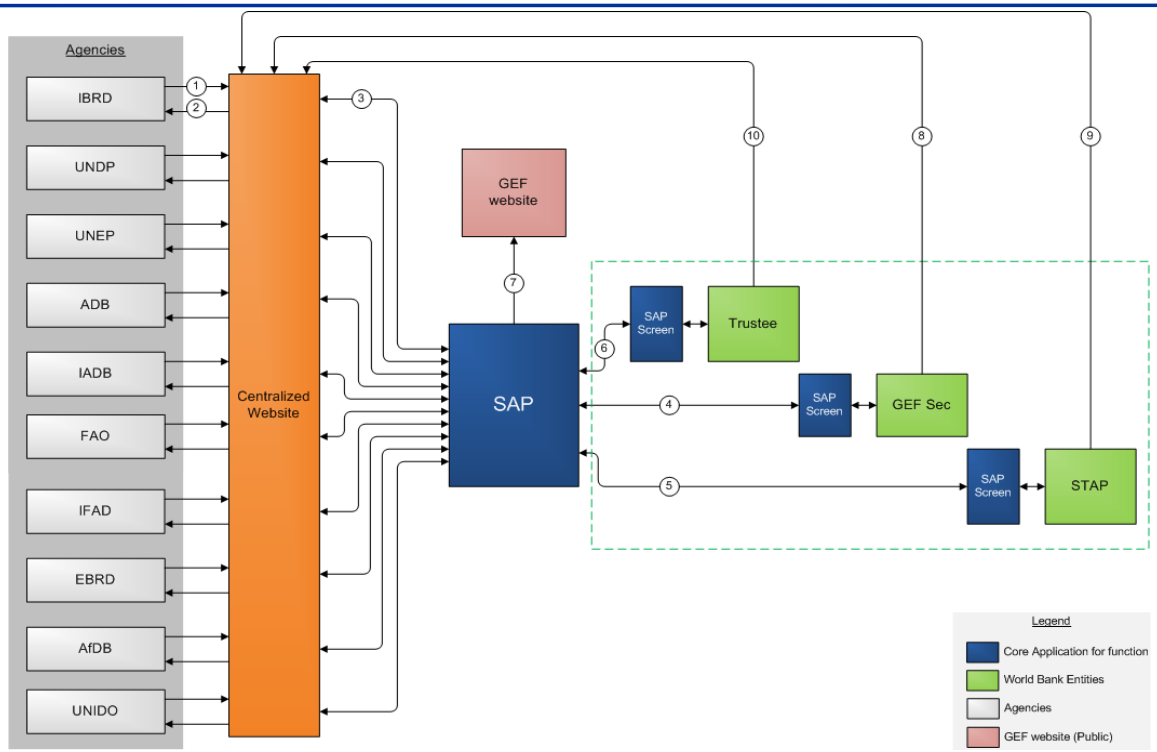
Appendix E – Proposed Future State Systems Architecture

Proposed Future State Systems Architecture



Data Flows			
1	Agencies enter/upload PIF, CEO Endorsement data, full project documentation and reports in centralized website	6	Trustee updates Council decision in SAP, marks set-aside and committed amount for the Agency in SAP
2	Data saved in SAP can be viewed by the agencies including project related information submitted by other agencies	7	Project related data can be shared publically by uploading it to the GEF website.
3	Data entered in centralized website is saved to SAP. Based on user profile, data saved in SAP is available for viewing in the centralized website	8	GEF Sec can view the project status on the Client Communication website, use the website to share knowledge based documents, and share details with stakeholders related to upcoming meetings
4	GEF Sec reviews PIF, CEO Endorsement data and full project documentation in SAP; also checks for available funds in SAP	9	Trustee can view the project status on the Client Communication website, use the website to share knowledge based documents, and view details related to upcoming meetings
5	STAP (Scientific and Technical Advisory Panel) reviews the PIF data and provides comments to the stakeholders	10	STAP can view the project status on the Client Communication website, use the website to share knowledge based documents

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Appendix F – Proposed Dashboard Template

Proposed Dashboard Template

The proposed dashboard presents a single view of information from diverse sources. It includes web pages providing a summarized and central view of project status and action items. It displays functional links based on user profile including projects list, customized alerts, meetings calendar, knowledge sharing, workflow links, and option for the users to upload documents…

Access the Secretariat related information including CEO Endorsement letter, Council approval notice etc…

Link that provides the option to the user to upload project documents to SAP, which would then route them to the responsible personnel based on built-in workflow rules…

The Agencies, the Secretariat, the Trustee, Country Focal points, and the STAP can share knowledge papers, information on lessons learnt, etc…

View the workflow steps including those at the Country Focal points, Agencies, STAP, Secretariat and the Trustee, at each step of the project lifecycle

Action items are triggered automatically and displayed on the dashboard per the user profile based on workflow rules

Displays full list of current and new projects and their high level details including description, required action, due date ,etc.

Customized functional and informational links based on user profile including –
- Financial Statements
- Trustee Cancellation
- World Bank Contacts

Legend
Tab Activated when Clicked
Inactive Tab

Public access to the Calendar that lists the upcoming meetings between the GEF and the country focal points. This provides opportunity to other stakeholders to participate in those meetings

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