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# Coordinating to Deliver

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## Lessons Learned from the Colombian Government's Delivery Unit

Prepared for the Innovation in Citizen Services Division by:

Sebastián González
Paula Acosta

July 2018

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## Abstract

This paper, prepared within the framework of work carried out by the Inter-American Development Bank (IDB) on Centers of Government, describes and analyzes the Center of Government management model implemented by the Colombian Government between 2014 and June 2017. The document focuses mainly on the Directorate for Government and Strategic Areas (Dirección de Gobierno y Áreas Estratégicas) of the Presidency of the Republic of Colombia, also known as the Delivery Unit. The paper analyzes the tools, products and routines implemented to manage the highest government priorities that have led to positive public-policy outcomes. The aim of this paper is to serve as a reference for other governments interested in applying a management model of similar characteristics.



**JEL codes**: H10, H11
**Keywords**: Center of Government, Colombia, coordination, Delivery Unit, monitoring, presidency, results-based management, strategic planning

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## Acknowledgements

As will be shown throughout this paper, the management capacities developed by the Presidency of the Republic of Colombia are the result of efforts that go beyond the term of office of any particular government. They are the sum of tools and practices that have been incorporated by the Colombian public administration over many years and even decades. This is true of the National Planning System (Sistema Nacional de Planeación) or the Results Evaluation and Management (Evaluación y Gestión de Resultados) system that, for many years, have provided support for the country's development. Hence, what is described in this paper encompasses the efforts of civil servants working in different entities. Principally, we would like to highlight the team from the Public Policy Evaluation Directorate (Dirección de Evaluación de Políticas Públicas) at the National Planning Department (DNP) (Departamento Nacional de Planeación), without whom this paper would not have been possible.

We would like to extend special thanks to the team of top professionals who, with their invaluable work, participated in the development and consolidation of the Delivery Unit: Carlos Aparicio, Elizabeth Arciniegas, Yandra Bolaños, Myriam Charry, Tatiana García, Lena Gaviria, Sandy Guerrero, Marcos Hernández, Miss Cleopatra Marrugo, Juan Camilo Neira, Julia Peña, Diana Carolina Pereira, Sara Pérez, Diana Roa, Fabio Rodríguez, Karen Rodríguez, David Santamaría, Paula Sierra, and Tatiana Silva. The work carried out by this team is the result of efforts by many other people who, from the first day of President Juan Manuel Santos' administration, have promoted the principles of good governance and administrative efficiency. People such as Paola Buendía, Paula Durán, Diego Dorado, and Catalina Sandoval established the guidelines for the management model used during the period of 2010–18.

We also thank the Inter-American Development Bank (IDB), which supported and accompanied the formation of the Delivery Unit in Colombia by granting access to its work on the Center of Government and by facilitating the country's participation in knowledge networks, which enabled us to make steady and rapid progress. The support for this publication and the invaluable comments made by Carlos Santiso, Mariano Lafuente, Diego Arisi, Ray Shostak, and Ángela Reyes form part of this process.

Special mention goes to those who proposed and championed the use of these tools within the presidency and who, thanks to their constant support and their work, made this publication a reality. María Lorena Gutiérrez created, designed, and propelled it with loyalty and determination while maintaining the highest quality control. Luis Guillermo Vélez kept it up to date and added uses related to other key areas of the presidency.

As the entire bibliography on Delivery Units attests, political backing from the principal client—the president—is fundamental for the success of the Delivery Unit. This was one of the greatest strengths of the Colombian model.

## Executive Summary

Strengthening the center of government, in particular through rapid diffusion of Delivery Units as a mechanism for generating specific results in managing the chief executive's highest priorities, has been a global trend in recent years. Leading organizations, such as the Organization for Economic Cooperation and Development (OECD) and the Inter-American Development Bank (IDB) have spearheaded important processes aimed at understanding the role of centers of government, collecting best practices and, in the case of the IDB, providing technical assistance to various governments in the region.[1]

The Colombian model of the Delivery Unit (DU) was the result of a fusion of the model put forward in the United Kingdom by Prime Minister Tony Blair (who coined the term), of that used by the office of President Clinton in the United States, and of recommendations made to Colombia by the OECD's Public Governance Committee (PGC). The DU was attached to the Presidency of the Republic and, under the auspices of the General Secretary to the President, exercised five main functions: (i) to focus government attention on presidential priorities and boost their chances of success; (ii) to coordinate government actions in pursuit of them; (iii) to support rapid implementation and processing; (iv) to provide technical support to deepen understanding of the issues; and (v) to carry out monitoring with a view to establishing the alerts and actions required to achieve the desired objectives.

In order to achieve this, the DU relied on existing institutions to create prioritization methodologies, complemented the analysis of specific problems with the definition of work plans and coordinated the different departments responsible for delivering the goods and services required. Among the main results of the model implemented in Colombia between 2014 and the first semester of 2017, the following stand out:

i. **Regularization of monitoring and projection capacity.** The routines and incentives established reduced information asymmetries, such that, by the end of 2016, 95 percent of projections were achieved. The government gained the ability to anticipate deviations in advance.

[1] The book by Alessandro, Lafuente, and Santiso, *Governing to Deliver: Reinventing the Center of Government in Latin America and the Caribbean* published in 2014 by the IDB, followed the publications on the cases of Chile (Dumas, Lafuente, and Parrado, 2013) and the state of Pernambuco in Brazil (Alessandro, Lafuente, and Shostak, 2014), and a review of the literature regarding the role of the center of government (Alessandro, Santiso, and Lafuente, 2013). Since 2013, the IDB has been providing technical support for national and sub-national governments to help strengthen the center of government in Argentina, Bahamas, Colombia, Costa Rica, Guatemala, Guyana, Haiti, Honduras, Mexico, Peru, and Uruguay, among others. The lessons learned from these experiences are analyzed in the study published by the IDB: *Do Delivery Units Deliver?: Assessing Government Innovations* (Lafuente and González, 2018).

ii. **Coordination and targeting.** Strategies such as reducing mobile phone theft or managing important infrastructure projects meant that the dynamics of inter-institutional coordination could enter into play, with great impact. With regard to mobile phone theft, ten million mobile phones suspected of being illegal were shut down; in the case of infrastructure project management, delays in pre-intervention procedures were reduced to less than 15 days.

The innovation of the Delivery Unit model in the Colombian context consisted in raising awareness and putting into practice the public administration maxim that **"all levels of government are responsible for the effective delivery of goods and services to citizens,"** which greatly empowered those directly responsible for implementation. The methodologies developed helped to clarify and differentiate the role of each of the participants in the government value chain and highlighted the **importance of the coordination function of the Center of Government**.

Relationships were established from the Center of Government to the sectors based on generating value, while information flows that enabled inexpensive and timely decision-making were encouraged.

This type of model brings significant benefits for governmental coordination and effectiveness. However, it has limitations that should not be ignored and that render it vulnerable. Among them, its high dependence on the willingness of the incumbent president, its dependence on the style of that president and its capacity to add value to the work of the different ministries without either duplicating functions or competing with them and to take advantage of preexisting institutions in functions such as planning, monitoring and evaluation.

The Colombian DU model forms part of a decades-long process to build a results-based public culture. The role of the Center of Government is fundamental for improving the efficiency of a government as a whole, and of the figure of the president as a public servant who responds to the interests and needs of her citizens.

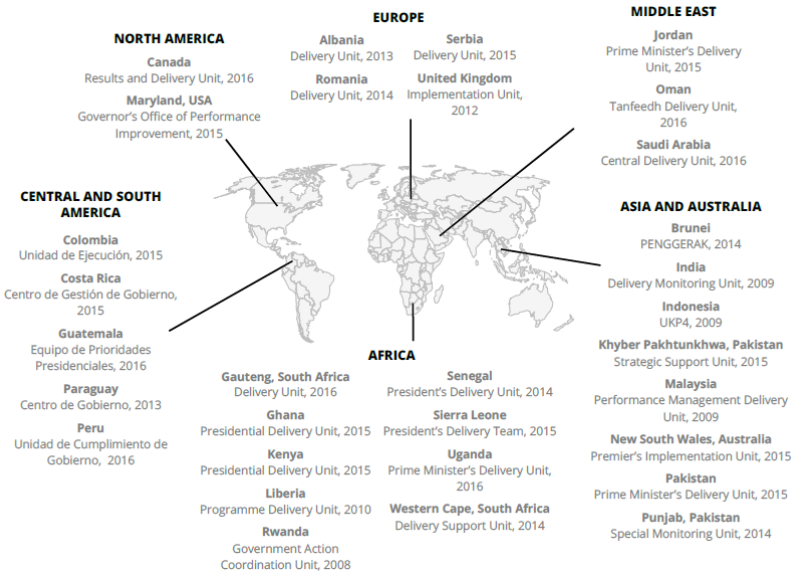
## Introduction

This paper is framed within the IDB's work on Centers of Government, initiated in 2012, whose objective was to understand better their role, gather best practices and provide technical assistance to various governments in the region.

Strengthening the Center of Government is an increasingly common reform aimed at making governments more effective, in particular by improving their capacity to deliver results to citizens. As part of a government re-engineering process, debate about the structure, tools, and operation of Centers of Government has gained particular relevance, given the potential they have to act as catalysts for processes that generate results over the short term, at a low political and fiscal cost.

At the beginning of 2017, nearly 30 countries around the world had put in place national or regional coordination systems to improve the implementation of priority policies and projects (Diagram 1).

**Diagram 1. Distribution of Delivery Units (National and Regional)**




*Source*: Institute for Government (2017).

Inspired by the British Delivery Unit model, and integrating practices from the Office of President Bill Clinton and recommendations made by the OECD's Public Governance Committee, among others, the Colombian government decided in 2014 to set up a Delivery Unit called the Directorate for Government and Strategic Areas under the auspices of the Presidency of the Republic, in response to the President's demands for more effectiveness in achieving the goals proposed during his second term of office.

This paper seeks to gather the main lessons learned during the establishment of this new institutional arrangement and to present the tools, products, and routines that hold the greatest potential so that they may serve as a reference for other governments setting out on the same path. Between 2014 and the first semester of 2017, the Colombian government's Delivery Unit managed to position itself at the international level and to offer technical assistance to other governments in the region such as the Bahamas, Costa Rica, El Salvador, and Peru.

The model developed in Colombia is far from perfect. It is a work in progress, like everything else in public administration. The intention behind this paper is to continue to amass knowledge toward building a public culture oriented increasingly to the effective delivery of goods and services to citizens.

## 1. Institutional Context, Functions, and Services of the DU

The creation and implementation of the Directorate of Government and Strategic Areas within the Presidency of the Republic (Delivery Unit) toward the end of 2014 forms part of a process of institutional capacity-building that, in the case of Colombia, began in the 1960s with the creation of a ministry of planning that supported policy-making and information analysis (National Planning Department - DNP) and, at the end of the twentieth century, the creation of the National Management and Results Evaluation System (Sinergia) (Sistema Nacional de Evaluación y Gestión de Resultados), upon which was built the culture of monitoring and evaluation that has permeated central government.

The **concept of the Delivery Unit is that of a team responsible for guaranteeing that certain government priorities are converted into effective outcomes**. This is achieved mainly through methodologies and coordination and monitoring routines. In the case of Colombian, the Delivery Unit further developed the concept of monitoring the chief executive's performance by: (i) creating prioritization methodologies, (ii) complementing the analysis of a specific problem with the definition of a work plan, and (iii) coordinating the different departments responsible for delivering the goods and services required. In other words, building on the information and existing analytical capacities within the technical government departments, it goes beyond the process of monitoring by becoming involved in the very process of "delivering results." This means coordinating and facilitating processes while taking special care not to replace the entities that are responsible for formulating and executing the policies.

One of the innovations of the Delivery Unit model in the Colombian institutional environment has been to renew the understanding that **all levels of government are responsible for the effective delivery of goods and services to citizens**. This ranges

from the policy-makers to those who draft the budget, as thought must be given to both operational and specific aspects of the policy's implementation. The DU methodologies allow the role and scope of each of the participants in the government value chain to be clearly defined and highlight the **importance of the Center of Government's coordinating function**.

Hierarchically, the DU fell under the General Secretary of the Presidency and had five main functions: (i) focus government attention on presidential priorities; (ii) coordinate governmental action around them; (iii) support their efficient implementation and processing; (iv) provide technical support in dealing with problematic issues; and (v) carry out monitoring with a view to generate the warnings and actions required to achieve set goals.

If the five functions of the Center of Government are taken from the conceptual framework proposed by the IDB (Alessandro, Lafuente, and Santiso, 2014), the Colombian DU mainly prioritized three of them: (i) strategic management (ensure the selective nature of the priorities, the resources to achieve them and support detailed planning for their implementation), (ii) coordination, and (iii) monitoring and improvement of performance, functions often associated with the Delivery Units, setting aside the functions of political management and of communication and accountability, which are led by other actors within the Center of Government .

The DU had a structure of eight advisory-level officials, all political appointments, from multidisciplinary technical backgrounds that mainly included economists, engineers and political scientists, with a marked emphasis on information management and analysis and proven knowledge in the operation of the public sector. As time went on, people from other backgrounds were added, in particular, a group responsible for leading regional initiatives with direct intervention by the Unit, comprised of a further six professionals.

In order to identify the services it would offer, the DU was inspired by the mandate to *comply, and demand compliance, with the president's word as an institution*. One of the challenges faced by leaders all over the world is ensuring that an instruction manifests itself in works, policies or regulations. The commitments assumed daily by presidents in representation of their governments include actions that are extremely diverse in complexity, scale, and resources, ranging from organizing a meeting to reducing infant mortality; nonetheless, there must be a monitoring mechanism that ensures that the president's word is honored. These services included:

i. **Monitoring government result and management indicators.** Known as the president's scorecards, this tool enabled systematic monitoring of the main goals defined in the Government Plan (Plan de Gobierno) that the newly-

elected government must present to the Congress of the Republic every four years and that included the definition of goals and indicators associated with the proposed policies and programs. The president, in conjunction with the heads of the 21 sectors (ministers and directors of administrative departments), defined a subset of 170 indicators (on average, eight per sector). This practice, which had commenced in 2010,[2] was refined in the second period by the introduction of three improvements:

- **Mega-goals**. This is a new level of prioritization wherein each sector has to choose a single goal (21 in total), either for its importance to the sector, for its significance in terms of public opinion or because it is a priority for the presidential legacy. Each mega-goal was established jointly by the president and the director or minister of the sector in a public act.
- **Forecasting methodologies.** Analytical tools were introduced that complement the monitoring of partial results with relevant information needed to carry out corrections. Based on historical and budgetary data and specific information provided by the sector, predictive models were designed to estimate the end of year and the four-year period. These models were shown to have a predictive power of over 90 percent.
- **Definition of specific plans.** The different sectors focused on compliance with the goals, for which the DU played the role of technical counterpart and process facilitator with other sectors when necessary. The sector had to present a chronogram and a concrete work plan detailing how it would achieve the outcome to which it was committed.

ii. **Monitoring budget execution.** Carried out on a monthly basis, alongside the Treasury (MHCP) (Ministerio de Hacienda y Crédito Público), the DU prepared progress reports on the execution of the national budget proposal for each one of the sectors of the national government's executive branch.[3] For this purpose, monthly goals were defined, differentiated by sector and taking into account historical data, institutional capacities, and identifying warnings in order to achieve the overall goal of execution.

[2] Led by the Chief Advisor on Good Governance (Alta Consejera de Bueno Gobierno), Dr. María Lorena Gutiérrez, the president's scorecards and the routines for reporting to the president and to the Council of Ministers were established. The technical work is supported by the National Management and Results Evaluation System (Sinergia) (Sistema Nacional de Evaluación de Gestión y Resultados) coordinated by the DNP.

[3] As a reference, the 2017 budget represented nearly USD 63,000 million, including operation and investment.

iii. **Coordination and organization of specific initiatives.** Following the most traditional Delivery Unit model, the president established specific goals that must be managed by the DU, which had in common: high degrees of inter-institutional coordination, issues that were sensitive to citizens and closely associated with achievement of the government's main promises.

The degree and type of intervention varied widely. However, use of the following tools was maintained: (i) identification of the value chain, (ii) analysis of the process flow, (iii) identification of critical points or activities, (iv) periodical monitoring routines; and (iv) reports to the president.

iv. **Direct intervention in specific initiatives.** The DU coordinated three regional programs with an integrated development approach, taking advantage primarily of the executive capacity of the entities attached to the Administrative Department of the Presidency (DAPRE) (Departamento Administrativo de la Presidencia de la República). These programs sought to develop integrated strategies in the San Andrés and Providencia Archipelago, the Pacific coast and the Guajira peninsula.

v. **Prioritizing the government agenda.** The dynamics of government involve routinely making announcements and launching new initiatives and programs. There has to be an *intelligent inventory* of such initiatives. The DU systematically mapped and prioritized the programs and plans managed by the different sectors as well as the inter-sector initiatives to establish supervisory mechanisms in accordance with their needs and relevance.

vi. **Monitoring presidential commitments and tasks**. Although it may not have focused on the highest government priorities, the DU monitored compliance with all the president's decisions. In close coordination with the Private Secretariat of the Presidency (Secretaría Privada de la Presidencia), the DU managed a reporting and monitoring protocol for nearly 2,400 commitments which, thanks to an information system developed by the Information Systems Office (Oficina de Sistemas de la Presidencia), enabled the progress of each one to be followed online.[4]

The following section analyzes each one of these services in greater detail, including the tools technical used.

[4] The design and implementation of this system, named the Commitment Monitoring System (Sistema de Seguimiento a Compromisos), began in 2011 and was coordinated by the DAPRE until the creation of the Delivery Unit. This function is frequently found in the Center of Government (see, for example, the case of Chile in Dumas, Lafuente, and Parrado, 2013).

## 2. Monitoring of Government Performance and Management Indicators

Presidential scorecards systematized monitoring of primary government goals (Image 1). These scorecards summarize in eight indicators (average) the government priorities for each sector. Through the combination of impact and outcome indicators, annual and four-year goals are defined and must be funded as a prerequisite.[5] The message is clear: setting an ambitious goal is not a mechanism for seeking additional funds from the budget (Illustration 1).

**Illustration 1. Example of Monitoring Scorecard**

**PRESIDENT'S SCORECARD**
**Culture**

IMAGE 1

GOBIERNO DE COLOMBIA

TODOS POR UN NUEVO PAÍS
PAZ EQUIDAD EDUCACIÓN

| CULTURAL INFRASTRUCTURE | STOPLIGHT | LB 2014 | CLOSE 2015 | PROGRESS 2016 | GOAL 2016 | FOUR-YEAR GOAL |
|---|---|---|---|---|---|---|
| New, renovated and strengthened cultural spaces | | 296 | 348 | 411 Dec | 406 | 472 |
| **ENCOURAGING READING** | | | | | | |
| ★ Average number of books read by Colombian people | | 1.9 | NA | 2.0 Dec | 2,0 | 3,2 |
| Books and audiovisual material acquired (millions) | | 10.2 | 12.5 | 15.2 Dec | 15,1 | 20,2 |
| **STRENGTHEN THE CINEMA SECTOR** | | | | | | |
| Films shot in the country within the framework of Law 1556, 2012 (Fondo Fílmico Colombia [FFC]) | | 4 | 14 | 21 Dec | 14 | 26 |
| Feature films, produced or co-produced in Colombia, with commercial premiere in the country | | 90 | 126 | 168 Dec | 135 | 191 |
| **MUSIC FOR PEACEFUL COEXISTENCE** | | | | | | |
| Children and young people receiving musical training | | 93,000 | 108,506 | 118,207 Dec | 110,000 | 130,000 |
| **VALUING CULTURAL HERITAGE** | | | | | | |
| Goods and examples of cultural heritage recognized and protected | | 36 | 39 | 48 Dec | 43 | 48 |

★ Sector mega-goal NA: Not applicable

*Deviation from projection?* STOPLIGHT N/A

> 10% < 0%

*Source*: Example of scorecard used by the Directorate for Government and Strategic Areas in 2017.

[5] According to the DNP's Methodological Guide (2014), the indicators must be: (i) Timely. Enabling information to be gathered in real time, in an adequate and timely fashion, to measure to an acceptable degree of precision the results obtained and the deviations with respect to the proposed objectives, thereby supporting decision-making to correct and redirect project management; (ii) Practical. They must be simple to gather and process; (iii) Clear. They must be understandable to any official, both to the person who formulates the indicator and to the one who analyzes it; (iv) Explicit. The variables that form the basis for analysis must be clearly defined in order to avoid ambiguous interpretations; (v) Sensitive. They must reflect any changes in the variable over time; (vi) Transparent/verifiable. Their calculation must be adequately supported and provide a document for their monitoring and tracking.

### *2.1. How Were the Scorecards Defined?*

Definition of the scorecards was done in partnership with the sectors. With the objective of giving visibility to the commitments undertaken, it was carried out within the framework of a tour of different municipalities in the country called *Gira: Estamos Cumpliendo* ("We are Delivering" Tour). In it, the president publicly reported the balance of compliance, weighing the current state of the sector, and goals were set for the remaining term of office.

Each meeting followed the same format. First, there was a private meeting in which the president, the minister overseeing the respective portfolio, and the heads of the sector entities analyzed the most significant advances and challenges. Thereafter, an open session was held in which the state of the sector and the main challenges for the coming four years were presented to the public. Finally, the president and the minister publicly signed a "check" with the most important commitment that the sector would make before August 2018—the date on which the government term of office expired (Illustration 2). This commitment was called the sector "mega-goal."

The result of this tour, which took nearly a month and a half, was the definition of 21 sector scorecards and 21 mega-goals upon which the government performance would be judged. In this process the DU, with the technical support of the DNP, carried out the preparatory technical work.

**Illustration 2. Signing the Sector Mega-Goal for Agriculture**

The president, along with the minister of agriculture, signs the sector mega-goal, which consisted of increasing the country's arable land area by 1.5 million additional hectares in 2018.

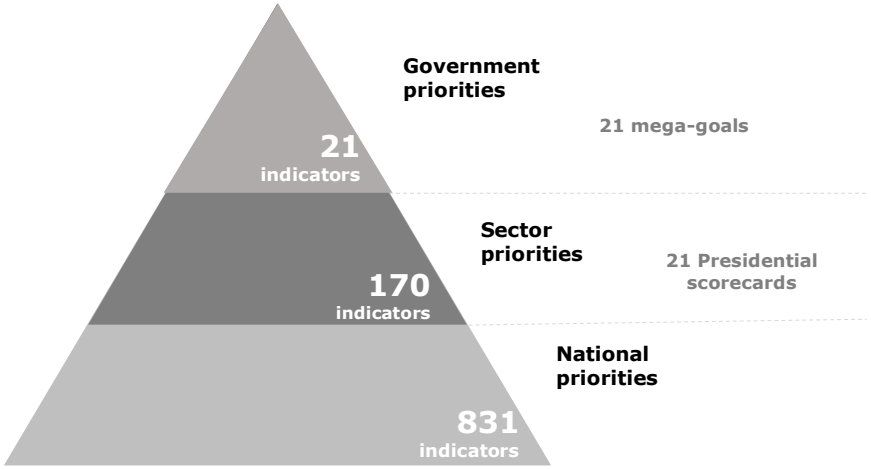
*Source*: Courtesy of the Press Office, Presidency of the Republic. August 2015, Urabá, Antioquia.

### *2.2. Main Characteristics of the Scorecards*

Among the main characteristics of the president's scorecards are:

i. *Differential management of the portfolio of priorities*. The scorecards tools are classified (mega-goals, sector goals with monitoring by the presidency, and sector goals with monitoring by the DNP), which allows the Center of Government to concentrate its attention on the two first levels (Figure 1).

**Figure 1. Structure of Government Goals 2014–18, According to Level of Importance**

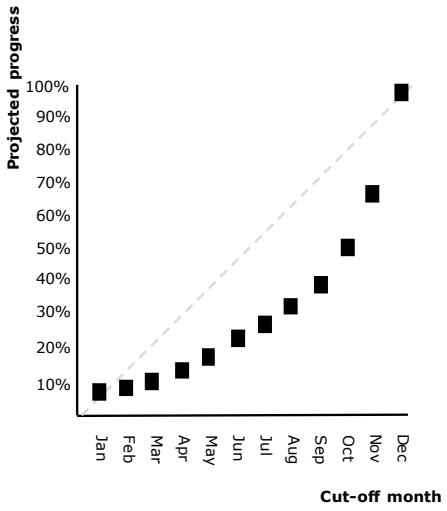



*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas, 2015.

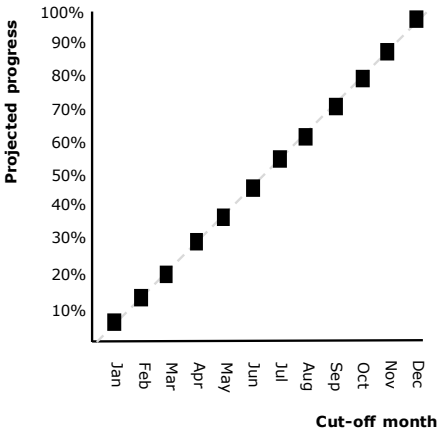
ii. *Quarterly progress projections to evaluate progress with respect to the annual goal*. Given that each indicator behaves differently according to the nature of the outcome itself, quarterly progress projections were made for each sector, and if this information was unavailable, a linear projection was assumed (Figure 2). Furthermore, and as described in Annex 1, information regarding milestones and critical activities was systematized. This, together with the partial goals, made possible reports that describe the percentage of progress and also identify warnings so that responsible parties can act quickly and provide better feedback to the system.

**Figure 2. Projections of Progress According to Available Information**

Projection defined with the ministries




Linear projection when there is no information



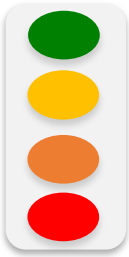

*Source*: Authors' elaboration.

iii. *RAG ratings (or traffic lights) for each indicator*. Each indicator is assigned an RAG (Red-Amber-Green) rating color according to its level of progress compared to the projection and to the annual goal (Diagram 2). The cut-off levels are very strict, given that only a 100 percent achievement of the goal justifies a green light. The latter demands detailed technical work when it comes to setting the goal.

The RAG ratings are given according to the deviation—difference in percentage points (p.p.)—from the projection for the cut-off month. If progress were equal to or better than expected, no observation would be made for the indicator; it the opposite were true, it would be rated in accordance with different levels of risk (see Annex 2 for more details about how the RAG ratings are awarded according to the type of indicator).

This method of assigning RAG ratings was not accidental. It allowed execution to be evaluated by taking into account what had been done and what still remained to be done. Using this methodology, incentives were created to provide information and make projections, which reduced the information asymmetry between the presidency and the sectors.

**Diagram 2. Classification into RAG Ratings and Cut-off Points**



Level of progress equal to or better than projected

Difference between % of projected progress and % of actual progress less than 3 p.p.

Difference between % of projected progress and % of actual progress less than 10 p.p.

Difference between % of projected progress and % of actual progress greater than 10 p.p.

*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas, 2015.

iv. *The Directorate for Government's scorecard.* In order to provide more contextual tools to the team that supports the analysis of government performance, a second scorecard was created that included the support indicators necessary for information analysis. This scorecard, designed with technical personnel in mind, allows sector meetings to be prepared more thoroughly and generated additional alerts regarding critical factors of success.

v. *Their use in routines to encourage healthy competition.* The scorecards became a structural part of the government. Every six months, a report was presented to the Council of Ministers that was used thereafter as an input for the permanent accountability of the government to citizens. For the president, this was a practical and efficient way of monitoring the entire government, given that multiple variables were standardized in a simple tool that enabled him to objectively analyze the progress of his administration. Additionally, it generated healthy competition within the cabinet, given that no minister wishes to be in last place.

### *2.3. Differential Monitoring Within Mega-Goals*

With a view toward optimizing DU resources, boosting the chances of achieving mega-goals and generating added value for its clients (the ministries), a classification methodology was developed within the so-called government priorities with the aim of establishing which ones required closer attention and support. The methodology was based on the following premises:

i. **Not all the priorities are equally relevant or sensitive to public opinion**. Each goal was classified taking into account external factors such as political significance and public interest and perception.

ii. **The probability of the risk of non-compliance varied**. Some challenges are more complex than others, which required changes in behavior or multisector interventions that lowered their probability of compliance.

iii. **Recognize institutional shortcomings and disparities**. Each institution has strengths and weaknesses that limit its capacity to convert policies into results.

Based on these premises, a methodology was constructed with the aim of classifying the mega-goals based on two factors: political significance and risk of non-compliance. On the one hand, political significance was defined as a classification based on information regarding public perception, campaign promises, and the president's own hopes regarding the legacy of his administration. It was constructed based on (i) structured conversations with relevant parties, (ii) analysis of presidential speeches, and (iii) the results of citizen perception surveys.

On the other hand, the risk of non-compliance factor was defined as an objective classification based on five variables:

i. **Feasibility of the goal**. Technical analysis of the determinants of the respective indicator and its historical trends. This included the construction of possible scenarios based on the probability of occurrence of events or identified risks.

ii. **Existing planning and management capacities**. Analysis of the sector's institutional capacities to achieve the mega-goal. This included identifying management tools and planning activities, as well as analyzing historical sector performance behaviors.

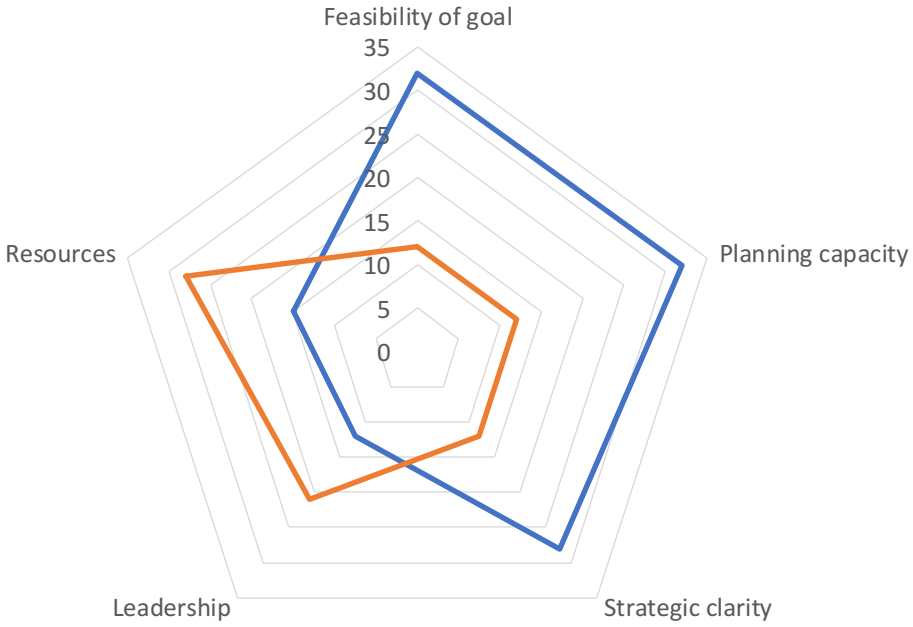
iii. **Solidity, clarity, and coherence of the strategy**. Analysis of the action plan aimed at achieving the goal and of the operational structure set up for the delivery of the good or service throughout the entire process.

iv. **Leadership and acknowledgement from the immediate environment**. Assessment of the empowerment of the person or institution responsible.

v. **Sufficiency of the financial, physical, and human resources.** Analysis of the availability of budget or technical resources was crucial for understanding whether to leverage resources from other sources.

Following the analysis, graphs were prepared that identified where the major risks were concentrated. Figure 3 is an illustrative example of this analysis in which the critical factors are leadership and resources.

**Figure 3. Example of the Result of Risk Analysis due to Failure to Deliver or Non-Compliance[6]**




*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas, 2015.

The DNP, as the coordinator of Sinergia, developed two methodologies to measure these variables.[7] The first was based on the construction of possible evolution scenarios for each indicator, using probabilistic tools (see Table 1 below). The second corresponded to a composite indicator that incorporated the institutional and process factors relating to achieving the specific goal. A structured form was designed and surveys were taken among key actors within the planning and implementation chain for the respective goals (Annex 4).

[6] By way of illustrative example, if the black line reflected the risk analysis of non-compliance with a goal, it would be concluded that the principal causes of possible non-compliance would be the lack of sector and political leadership and the insufficiency of resources. In the case of the gray line, the feasibility of the goal and the lack of clarity regarding the strategy would be the problems to address in order to reach optimal compliance levels.

[7] The DNP, especially through the Public Policy Monitoring and Evaluation Directorate (Dirección de Seguimiento y Evaluación de Políticas Públicas) has a close relationship with the DU, given that it performs technical support functions (Back Office). This means that, without duplicating functions, there is greater technical capacity to produce specialized reports and analysis.

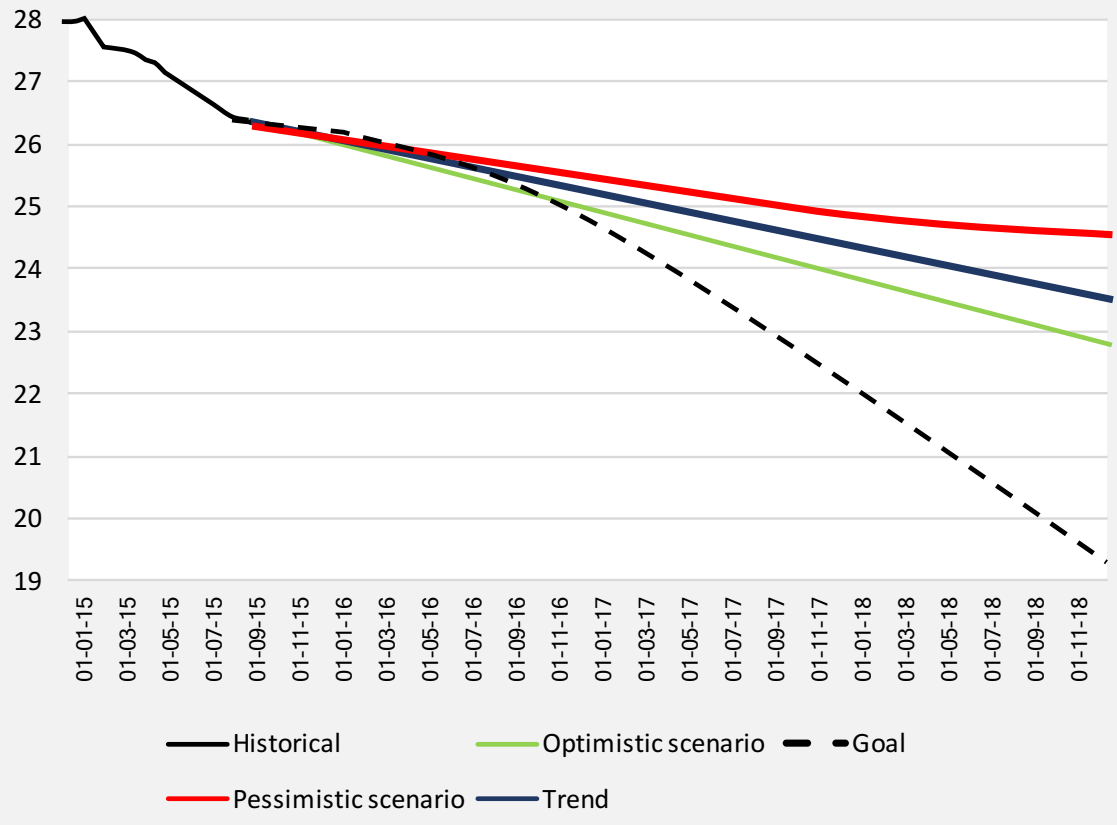
### Box 1. Feasibility Analysis of the Defense Sector Mega-Goal

In July 2015, the defense sector committed to reducing the rate of homicides from 26.4 to 19 per 100,000 inhabitants between 2015 and 2018 (a reduction of 25 percent). This is a goal especially difficult to achieve, given that at the time it was set, the homicide rate was at its lowest in the last 40 years.

The feasibility study carried out by the DNP simulated different scenarios in 2018 combining factors such as: (i) the impact of peace negotiations with the Revolutionary Armed Forces of Colombia (FARC) (Fuerzas Armadas Revolucionarias de Colombia),[a] (ii) historical trends of homicides that could not be attributed to the armed conflict, and iii) possible rise in urban violence as an undesired effect of the signing of a peace agreement with the FARC.

As a result of this analysis, and as Figure 4 shows, the projection made revealed that the feasibility of the goal was low considering the assumptions used. Historical behavior made it likely that the goal had been overestimated. Based on this analysis, the Ministry of Defense launched a series of additional initiatives aimed at boosting the chances of success.

**Figure 4. Reduction in the Rate of Homicides per 100,000 Inhabitants[b]**



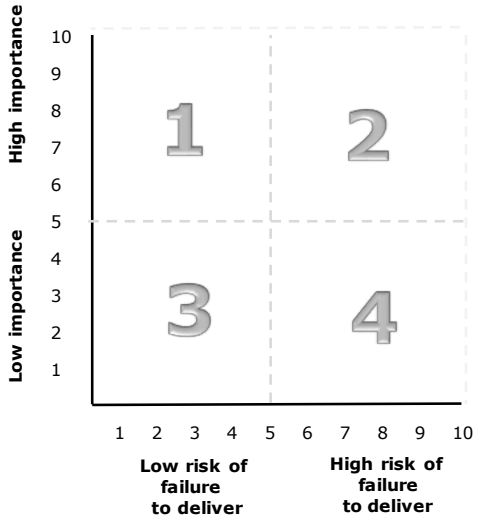

*Source*: Ministry of Defense, calculations by Sinergia–DNP.

[a/] The final agreement was signed on 24 November 2016 by the parties and ratified by the international community.

[b/] Homicide rate over the last 12 months. The trend was predicted using the Holt Winters method (additive model).

Taking the results of this methodology as an input, each mega-goal was classified according to its level of importance and probability of achievement. Figure 5 presents the classification matrix of the mega-goals. Based on this classification, a packet of differentiated services was designed on the basis of which greater value could be generated (quadrant 2).

**Figure 5. Classification Matrix of Mega-Goals**




*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas, 2015.

Services offered to the sectors to promote achievement of the mega-goals included the following:

i. **Analysis of delivery capacity or compliance**. With recommendations of areas of institutional strengthening according to the five variables evaluated.

ii. **Identification of priority initiatives**. Joint construction of the strategy to maximize the chances of success according to the limitations and risks identified. This analysis was able to establish (i) the specific causes of the problems, (ii) the interventions with highest impact, and (iii) the monitoring metrics.

iii. **Mapping the actors.** Joint elaboration of maps of institutional relations with a view to specifying (i) roles and responsibilities and (ii) possible conflicts of interest.

iv. **Elaboration of delivery chains**. Construction of the sequences of implementation required to achieve the desired results based on the prioritized initiatives and the actors identified. This exercise was able to (i) make explicit the sequence and contribution of each actor; (ii) determine the

times and risks involved with execution, and (iii) highlight the benefits generated for the different actors.

v. **Formulation of project management models**. Translation of the delivery chain into a project management model which, at the same time, facilitates monitoring tasks and makes them more effective.

vi. **Monitoring at the activities level**. Support for monitoring at the activities level to help mitigate problems associated with information asymmetries and lack of coordination.

vii. **Monitoring at the milestones and results level**. Monitoring an aggregate level of (i) inputs, (ii) products, and (iii) results.

viii. **Constructing projections and alerts**. Helped identify gaps and establish the necessary corrections more quickly.

Table 1 summarizes the services offered, ranked according to order of priority and probability of compliance with the mega-goal.

**Table 1. Services Offered According to the Classification of Risk of Non-Compliance and Order of Priority**

| | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| Analysis of delivery capacity | ✓ | ✓ | ✓ | ✓ |
| Identification of priority initiatives | | ✓ | | ✓ |
| Map of actors | | ✓ | | |
| Delivery chains | | ✓ | | ✓ |
| Project management model | | ✓ | | |
| Monitoring activities | | ✓ | | |
| Monitoring milestones and goals | ✓ | ✓ | ✓ | ✓ |
| Making projections | ✓ | ✓ | ✓ | ✓ |

*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas, 2015.

### *2.4. Recommendations for the Implementation of Monitoring Tools*

Below is a summary of some recommendations for implementing this type of tool.

i. **Ensure indicators are focused and few in number.** The number of indicators on the president's scorecard per sector must be as strategic as possible (no more than 10). This allows for the concentration of resources

and efforts and the definition of an agenda that can be completed within a government term.[8] Prioritizing is a fundamental part of governing.

ii. **Make ministers responsible.** The link between the sector plans and budgets and the monitoring scorecards is not automatic. Knowledge of priorities must be strengthened within the sector, as well as the criteria by which physical, financial, and human resources are allocated. This is especially true in sectors in which there are changing priorities.

It is desirable to create open presentation forums in which ministers make public commitments to the president so that, in addition to the institutional commitment, a personal commitment is made to achieving the prioritized goals. This is both a technical and a political commitment.

iii. **Build a trust-based relationship with the sectors**. Everything presented to the president regarding the management of a sector must be developed in conjunction with the sector itself; this helps prevent surprises and inconsistencies in the data. A team that aspires to perform these management-support functions in order to achieve results and effective delivery cannot compete for leadership of the sectors.

iv. **Protect the evaluation system.** The evaluation system—RAG ratings—is subject to much pressure from the sectors. It must be standardized to make it as objective as possible and therefore beyond question.

v. **Improve the timeliness of the information.** The periodical nature of some of the indicators hampers timely analysis. Information-reporting cycles should be curtailed in order to accurately project trends with regard to execution.

vi. **Improve management tracking**. Although the focus should remain on the achievement of short-term results, the link with the four-year goal must be explicitly maintained. Year-by-year tracking should help to reward overachievement and to punish delays.

## 3. Monitoring Budget Execution

Although executing financial resources is not the same as generating results, it must not be forgotten that without the former it is impossible to achieve the latter. Budget execution is a proxy for implementation times and reveals the operational and administrative capacities of the ministries and attached entities. Furthermore, it helps

[8] In Colombia's case, the presidential term of office lasts four years, without the possibility of re-election.

support the macroeconomic policy decisions related to budget allocation, allocation of sector cash flows and public expenditure management.

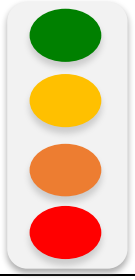
The DU carried out a monthly review of budget execution[9] with the support of the MHCP. The analysis was made for total budget execution, with the operational and investment budgets treated separately, for the sector as a whole, and details of the attached and linked entities were given beneath the goal. For the purposes of this analysis, the following variables were considered:

i. **Budget resource execution cycle**. Progress on mandatory spending, that is, resources backed by contract and that were already in execution, were compared on a month-to-month basis. Using previous stages of the resource execution cycle could create false expectations of the final budget.[10]

ii. **Historical performance of the sector**. Both the annual goal and the month-by-month projection were constructed on the basis of historical behavior of the sector, with the aim of reflecting existing execution capacities. It was therefore necessary to establish a period of observation to be able to determine points of reference related to the best year of execution or to the average execution, taking into account the last 12 years of records.

iii. **Deviation from projected execution**. Each sector was assigned a RAG rating color in accordance with its deviation from the level of execution it should have attained at the time of the report, normally at the end of every month (Diagram 3).

**Diagram 3. Classification of Budget Execution by RAG Ratings and Cut-off Points**



Level of progress equal to or better than projected

Difference between % of projected progress and % of actual progress less than 3 p.p.

Difference between % of projected progress and % of actual progress less than 2 p.p.

Difference between % of projected progress and % of actual progress greater than 2 p.p.

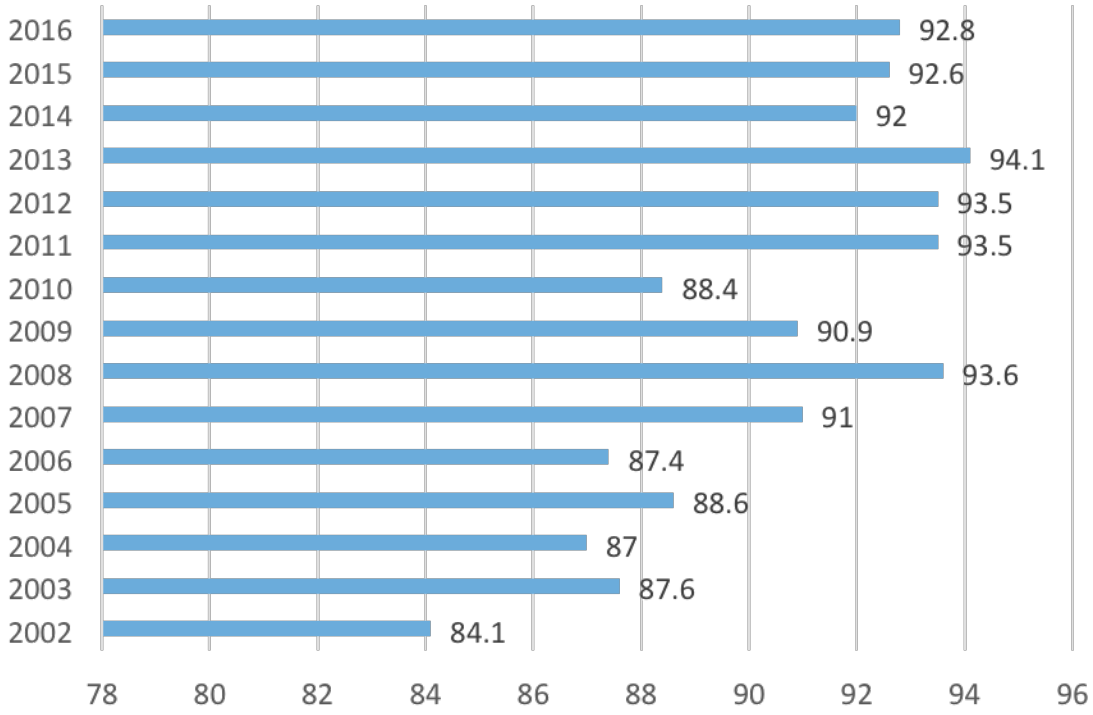
*Source*: Taken from a descriptive document of the functions of the Directorate for Government and Strategic Areas of 2015.

[9] La Alta Consejería de Buen Gobierno introduced this type of report in 2011. The Directorate for Government took over in 2014.

[10] This was a constant point of discussion with sectors that prefer to be evaluated not by disbursements but rather by the commitment of the resources (for example, by signing a contract). The position and arguments have not varied: Only the disbursement of the resources helps ensure that the good or service has been delivered.

iv. **Level of compliance with the overall goal**. All reports were based on the premise of compliance with the overall government goal. The alerts generated jointly emphasized the risks of non-compliance by the government as a whole. As seen in Figure 6, since this practice began (toward the end of 2010), government delivery levels increased significantly.

**Figure 6. History of National Government Budget Execution (Percentage of Execution of the Budget by Entities that Form Part of the Executive)**




*Source*: Budget Directorate, MHCP, 2017.

### *3.1. How Were Budget Execution Sector Goals Defined?*

Setting the goals that each sector was to achieve was an exercise that combined (i) the figures from its historical performance, (ii) the particular details of its management and contracting plans, and (iii) the deficit ceilings established by the fiscal rule.

Recognizing historical performance meant that realistic scenarios could be proposed that took into account existing capacities and the cyclical nature of expenditure. If a projection was not based—even initially—on an already proven annual sequence, it was easily discarded as being unrealistic (Table 2).

## Table 2. Example of Summary of Historical Performance

| Sector X (illustrative example) | January | February | March | April | May | June | July | August | September | October | November | December |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2002 | 0.4 | 2.5 | 3.1 | 3.7 | 4.3 | 5.7 | 7.7 | 9.9 | 10.5 | 11.4 | 12.4 | 38.8 |
| 2003 | 0.5 | 1.1 | 1.9 | 4.3 | 5.2 | 6.0 | 7.2 | 9.5 | 10.3 | 40.9 | 45.1 | 47.5 |
| 2004 | 0.4 | 0.8 | 6.2 | 7.1 | 7.7 | 8.5 | 10.6 | 12.4 | 13.1 | 24.3 | 39.7 | 68.9 |
| 2005 | 0.3 | 0.9 | 1.4 | 5.8 | 6.4 | 12.1 | 13.5 | 15.0 | 21.3 | 22.0 | 26.3 | 31.7 |
| 2006 | 0.2 | 20.5 | 26.3 | 26.7 | 27.1 | 27.6 | 28.3 | 30.5 | 34.1 | 50.8 | 52.7 | 66.0 |
| 2007 | 0.1 | 26.1 | 26.6 | 27.2 | 27.7 | 28.3 | 44.8 | 61.5 | 63.1 | 64.2 | 67.4 | 78.9 |
| 2008 | 0.2 | 17.8 | 18.8 | 19.5 | 20.2 | 28.9 | 37.5 | 41.5 | 43.7 | 45.7 | 48.0 | 80.7 |
| 2009 | 12.9 | 13.2 | 19.2 | 22.2 | 23.1 | 24.5 | 32.3 | 36.6 | 38.3 | 38.4 | 42.4 | 71.3 |
| 2010 | 0.1 | 0.3 | 16.2 | 17.9 | 22.4 | 24.1 | 28.1 | 34.3 | 36.7 | 37.4 | 40.7 | 83.0 |
| 2011 | 0.1 | 0.8 | 1.1 | 3.8 | 5.6 | 8.8 | 11.8 | 30.0 | 32.1 | 35.5 | 58.4 | 86.0 |
| 2012 | 0.2 | 16.6 | 19.6 | 21.1 | 24.2 | 26.3 | 27.6 | 30.7 | 37.2 | 39.9 | 50.5 | 95.4 |
| 2013 | 0.3 | 14.2 | 16.4 | 18.5 | 41.4 | 42.8 | 42.5 | 50.6 | 55.3 | 58.8 | 63.2 | 86.4 |
| 2014 | 0.3 | 8.9 | 23.1 | 27.0 | 30.3 | 32.9 | 36.5 | 40.3 | 42.4 | 47.1 | 51.6 | 91.0 |
| 2015 | 0.4 | 16.2 | 17.3 | 21.1 | 23.3 | 39.3 | 43.6 | 46.6 | 52.2 | 54.5 | 66.6 | 89.4 |
| 2016 | 2.7 | 18.1 | 21.0 | 24.7 | 29.1 | 31.8 | 33.9 | 38.7 | 44.5 | 47.5 | 50.0 | 96.2 |
| % average 2002–16 Mandatory/Approximate | 1.3 | 10.5 | 14.5 | 16.7 | 19.9 | 23.2 | 27.1 | 32.5 | 35.7 | 41.2 | 47.7 | 74.1 |

*Source*: Budget Directorate, MHCP.

Based on the analysis of Table 2, the best execution, as well as the average execution, etc., were identified year by year. It is important to clarify that executions such as those generated based on the average were not real performances and were therefore never used. This was also the case of the projection comprised of the combination of the best month-to-month execution in the observed period.

With this information, the proposed goal became more objective. Among the most commonly used goals were improving on the previous year's performance or achieving the best performance of the last 15 years. The aim was to get the sector to compete against itself and thereafter with other portfolios.

Based on the preliminary definition of the goals of each one of the sectors, the aggregate goal of execution of the entire government was calculated. Given that the level of overall execution determined the national government's total expenditure, coordination was necessary with the MHCP to ensure that the overall execution goal was kept within the fiscal rule (the ratio between the nation's revenue and its expenditure). This exercise was indispensable for ensuring that the goal was realistic, that it enjoyed fiscal support and did not put the country's financial obligations at risk.

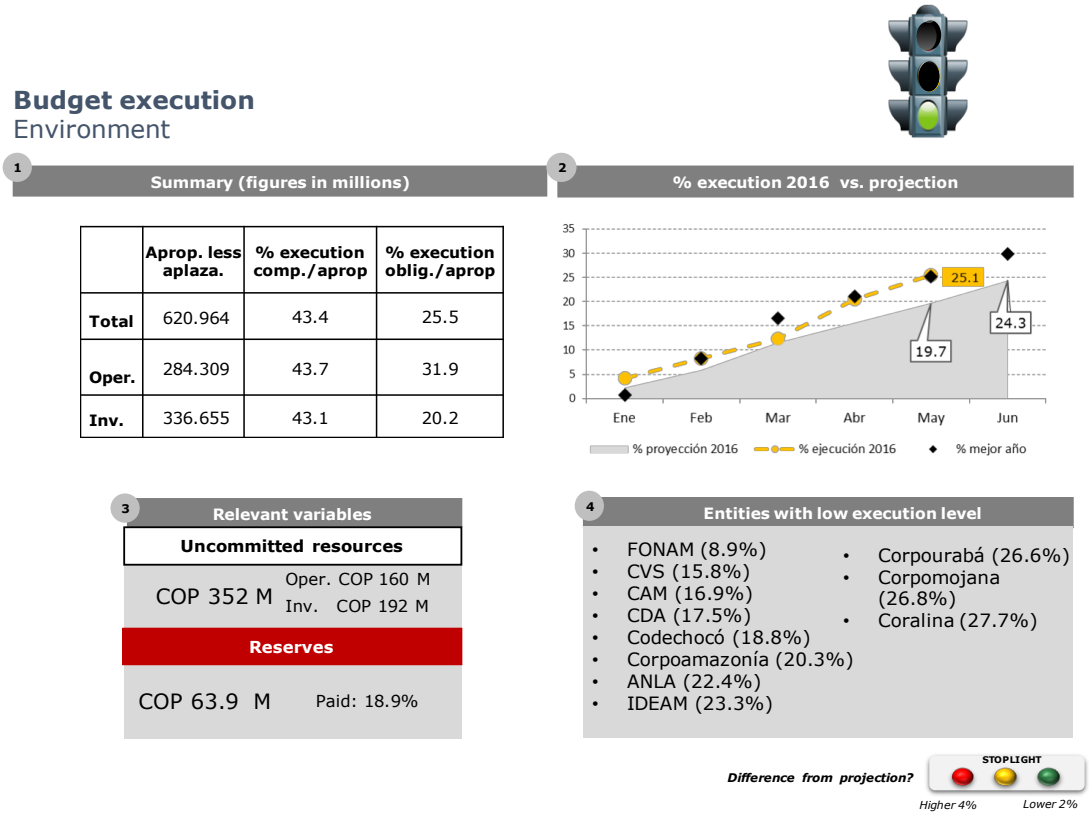
Once the overall goal had been agreed upon, the budget-execution goal for each sector was reviewed. Great flexibility was employed in establishing monthly goals so that they might reflect execution plans more accurately, but little or no modification of the end-of-year goal was allowed. Once this process was finalized, both the monthly projections and the annual goal were made official, at which point monitoring of budget execution began. This exercise and the ranking of sectors were presented to the Council of Ministers and to the president along with a detailed report for each sector.

### *3.2. Characteristics of the Budget Execution Monitoring Sheets*

Illustration 3 presents an example of a budget execution monitoring sheet. As shown therein, four variables of analysis were taken into account:

i. **Differential data for investment, operation, and budget reserves.** This included both the executed budget resources and those pending execution.
ii. **Comparison between historical performance (best year) and current projection.** In a single graph, the points of reference to which the level of execution was being compared at the cut-off date were shown.
iii. **Clarify regarding the following month's goal.** The expectation of performance for the following period had to be obvious to the reader.
iv. **Sector alerts.** Guidelines were presented explaining the causes of delays in execution, both at the level of the entity and in relation to the budget lines that best explained the reported performance.

**Illustration 3. Example of Budget Execution Monitoring Sheet**




| | Aprop. less aplaza. | % execution comp./aprop | % execution oblig./aprop |
|---|---|---|---|
| **Total** | 620.964 | 43.4 | 25.5 |
| **Oper.** | 284.309 | 43.7 | 31.9 |
| **Inv.** | 336.655 | 43.1 | 20.2 |

*Source*: Example of a monitoring sheet prepared by the MHCP and the Directorate for Government and Strategic Areas of 2016.

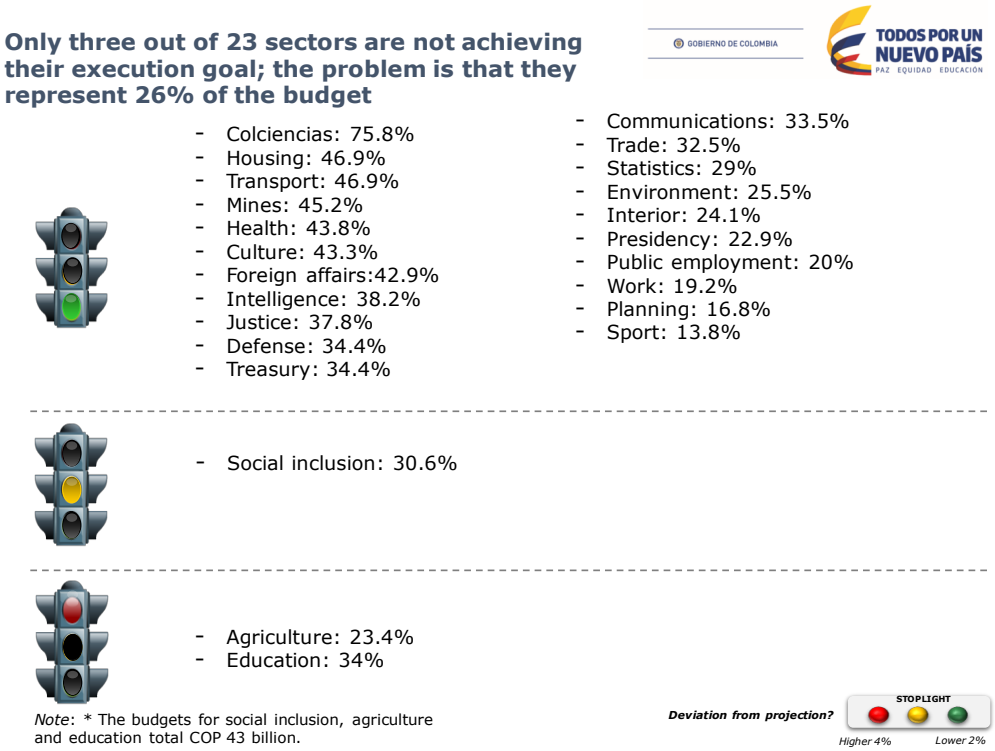
### *3.3. Recommendations for the Implementation of Budgetary Monitoring Tools*

The following section summarizes some recommendations for implementing this type of tool.

i. **Differential monitoring management.** Not all sectors have the same budget share or the same shortcomings in terms of capacity to execute. The most important sectors when it comes to achieving the overall goal of the national government should therefore be identified and a targeted monitoring plan established that prioritizes the most significant budget lines.

ii. **Healthy but open competition.** The analysis routine within the Council of Ministers (Consejo de Ministros) must be supported by healthy and open competition between the sectors. A report should be presented in which the different sectors are classified according to the RAG rating they are given at the time of the evaluation. This creates two incentives: (i) to achieve the monthly goal so as not to compare unfavorably with others and (ii) to compete for first place at the end of the year in terms of the highest level of budget execution (Illustration 4).

**Illustration 4. Illustrative Example of a Budget Report Using RAG Ratings**




*Source*: Directorate for Government and Strategic Areas, 2016.

iii. **Readiness of those evaluated.** It is very easy to confuse monitoring with auditing. The report on the level of budget execution reached by a sector at a specific time can be routinely produced by an automated state accounting system. The value of this exercise is not in auditing, but in explanatory capacity. It is therefore fundamental that each minister is fully aware of the causes that have led to this situation and clearly understands the plan to get up to speed.

iv. **Coordination with budget departments.** Government discussion forums on budget execution were very useful for solving problems and improving processes common to various sectors. Discussion at the level of the Council of Ministers helps generate alternatives that are usually not viable at technical levels.

## 4. Coordination and Articulation of Specific Initiatives

The rise in public expectations and media pressure make it increasingly necessary to deliver results in both the short and the medium term. The risk is that, under pressure from the media, governments end up focusing attention on short-term objectives and fail

to promote the more complex transformations demanded by the citizenry toward the end of the term of office.

Taking this need into account, one part of the DU functioned as a coordination department for initiatives directly prioritized by the president, following the model of the original Delivery Unit (Diagram 4).

**Diagram 4. Priority Classification Methodology Used by Delivery Units**

*Source*: Authors' elaboration based on Barber, Moffit, and Kihn (2010).

One key event in the DU's creation was the introduction in 2013 of a specialized monitoring and support mechanism for the management of 53 Projects of National and Strategic Interest (PINES) (Proyectos de Interés Nacional y Estratégico), which were experiencing difficulties related to environmental, social, and property procedures that hampered efficient execution. This mechanism was developed and implemented in its early stages by the High Council for Competitiveness (Alta Consejería de Competitividad) and the High Council for the Private Sector (Alta Consejería para el Sector Privado) (Annex 5).

The DU's degree and level of participation varied widely. The use of certain tools was maintained, such as (i) identification of the value chain, (ii) analysis of the process flow, (iii) identification of critical interventions, (iv) regular monitoring routines, and (v) reports to the president and the Council of Ministers. This model was used to coordinate three sector goals and three regional plans, which are described in Table 3.

**Table 3. Sector and Regional Strategies for Which the DU is Responsible (2014 – First Semester of 2017)**

| Sector strategies | Regional plans |
|---|---|
| Reducing the number of mobile phones stolen by 50% | Strategic Plan for San Andrés, Providencia and Santa Catalina |
| Reducing monetary poverty by 4% | Plan *Todos Somos Pazcífico* |
| Extending the scope of updated multipurpose land registry to 25% of the national territory | *Alianza por el Agua* and *Vida en La Guajira* |

*Source*: Authors' elaboration based on Report al Congress presented by DAPRE (2015).

The following, by way of example, describes in detail the strategy for reducing mobile phone theft and the plan for the San Andrés and Providencia Archipelago.

### *4.1. The Fight Against Mobile Phone Theft*

In Colombia, mobile phone theft was the primary cause of increasing perceptions of insecurity in urban areas in 2014. Seventy percent of citizens in the country's 13 main cities who claimed to have been the victims of crime reported that the stolen object was a cell phone.[11] According to mobile phone operators, more than 1.1 million mobile phones were stolen annually in the country (Figure 7). Furthermore, between 2014 and 2015, 14 people were murdered during cell phone robberies.

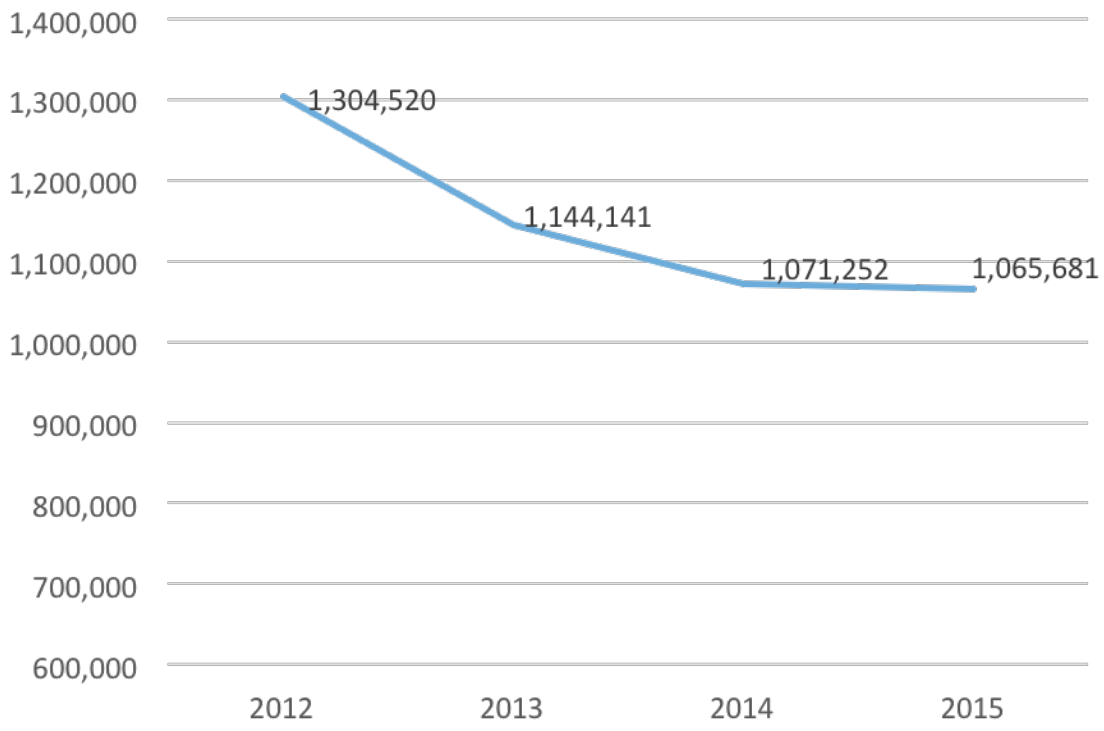
The National Police Intelligence Division (División de Inteligencia de la Policía Nacional) estimated that this business moved approximately USD 400 million per year and that, for the most part, it was controlled by criminal organizations that stole, manipulated and traded these goods. It was calculated that 70 percent of these devices were taken out of the country for the international market and that 30 percent were illegally reintroduced to the home market.

In this context, and despite the reduction of more than 18 percent recorded between 2012 and 2014, in February 2015 the president called on the DU to define a new strategy to complement efforts already being carried out to that end by coordinating further actions from at least four sectors: defense and security, technology, finance and trade, and the private sector.[12]

[11] Data obtained from the Coexistence and Citizen Security Survey (Encuesta de Convivencia y Seguridad Ciudadana) carried out by the National Statistical Administrative Department (DANE) (Departamento Administrativo Nacional de Estadística); 2015.

[12] Highlighted among the public entities are the National Police, the Attorney General, the Ministry of Defense; the Ministry of Information and Communications Technologies (Ministerio de Tecnologías de la Información y Comunicaciones), the Communications Regulatory Commission (Comisión de Regulación de Comunicaciones), the Ministry of Industry, Trade and Tourism, and the National Taxes and Customs Directorate (DIAN) (Dirección de Impuestos y Aduanas Nacionales). Among the private actors are mobile phone service operators, mobile phone manufacturers, large importers and marketing chains, small retailers, technical service providers, and managers of customs-free zones, among others.

**Figure 7. Mobile Phones Reported as Stolen to Mobile Phone Operators**




*Source*: Communications Regulatory Commission.

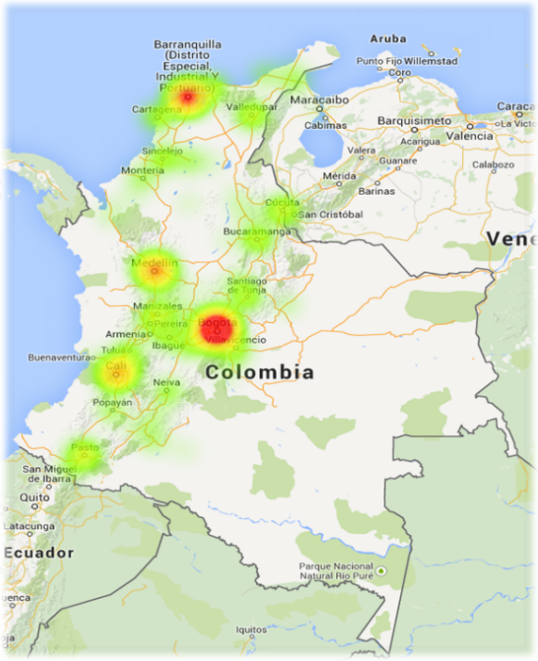
To implement this strategy, there were two possible data sources for measuring. The first were complaints lodged by users with the national police, and the second were reports made by users to mobile phone operators. Although they showed similar trends, there were significant gaps in the figures, given that the number of police complaints represented 1 percent of the reports made to operators. Table 4 shows the distribution in the 10 cities with the highest incidence according to each data source.

After analyzing the advantages and disadvantages of both indicators, a decision was made to monitor progress in implementing the strategy based on the reports made to mobile phone operators. Among the advantages of this decision are: (i) the reporting process is simpler and carries lower transaction costs for the victim; (ii) the incentives to report were clear and were not impacted by the perception of confidence in the authorities; and (iii) the number of reports reflected more accurately the reality of the phenomenon and public perception of it. It was thereby established that the goal for 2018 would be to *reduce the reporting of mobile phone theft in the country's 10 major cities by 50 percent.*

**Table 4. Number of Mobile Phones Reported as Stolen to Operators and to the Police**

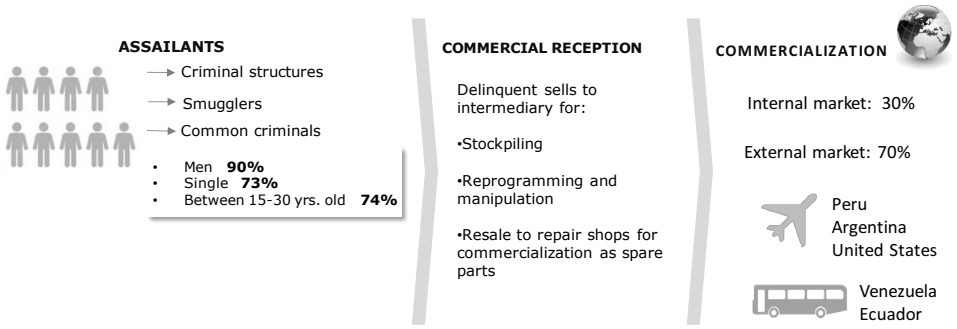
| | Reporting of theft to operators | | Report of complaints to the police | |
|---|---|---|---|---|
| | **2014** | **2015** | **2014** | **2015** |
| Bogota | 456,382 | 371,445 | 4,088 | 3,779 |
| Medellin | 67,415 | 54,755 | 1,651 | 3,339 |
| Cali | 56,886 | 60,780 | 2,427 | 2,701 |
| Barranquilla | 39,106 | 41,761 | 1,137 | 1,152 |
| Bucaramanga | 21,172 | 22,263 | 877 | 1,390 |
| Cartagena | 18,064 | 20,432 | 227 | 141 |
| Ibague | 16,498 | 14,406 | 550 | 972 |
| Villavicencio | 16,581 | 16,499 | 949 | 1,116 |
| Cucuta | 13,629 | 13,474 | 378 | 359 |
| Pasto | 17,505 | 18,747 | 678 | 754 |

*Source*: DIJIN – Corte Inglés.




The problem was addressed from three angles: (i) market failures, (ii) failure of the State, and (iii) citizen co-responsibility. Within each one of these categories, causes and sub-causes were identified that explained the complexity of the problem and the profitability of the illegal economy that was to be targeted. The strategy was defined collectively on the basis of existing knowledge in different state agencies (Diagram 5).

**Diagram 5. Description of the Mobile Phone Theft Crime Chain**




*Source*: Taken from a descriptive document of the strategy prepared by the Ministry of Defense and the Directorate for Government and Strategic Areas.

The objective of the project was to focus and maximize the result, which led to a strategy comprising six lines of action, put into practice in September 2015.

i. **Initiative 1: Improve the quality and quantity of the information about this crime (reports and complaints) in order to boost the investigation and intervention capacities of the national police and the prosecutor.** In partnership with celular service operators, additional fields were added to the database in which victims of the crime reported the theft. Within the first month of operation, more information was made available to help with criminal investigations than was yielded by all complaints lodged in 2015. Following analysis of the georeferenced information, greater knowledge was acquired about how this crime operated throughout the territory, which meant that criminal organizations could be more effectively tackled at the local level.

ii. **Initiative 2: Enhance coordination between the police and the prosecutor.** Based on increasingly more targeted and coordinated work, in the first two years 66 criminal organizations dedicated to mobile phone theft were dismantled. Through the posting of 15 prominent prosecutors to mobile phone theft and 12 to extinction of ownership, the national police and the prosecutor have joined forces to reach criminal organizations and increase charges for conspiracy to commit a crime. In 2016, 16,000 people were arrested, 49,700 seizures were made, 20,000 mobile phones were recovered and nearly 30,000 devices were seized. Additionally, the first National Extinction of Ownership Plan (Plan Nacional de Extinción de Dominio) was unrolled, aimed at criminal organizations dedicated to small-scale drug trafficking and mobile phone theft, which led to the extinction of ownership of 15 business properties.

iii. **Initiative 3: Optimize prosecution resources and processes.** Conceptualizing this offense as organized crime enabled the use of legal resources such as extinction of ownership or prosecution for conspiracy to commit a crime. Consequently, the sentences were more rigorous and the delinquents or their partners had less incentive to commit crimes.

iv. **Initiative 4: Effectively block altered mobile phones.** Different measures were introduced in conjunction with the industry to strengthen the databases of devices that operated within national networks. As a result of this intervention, more than 12 million mobile phones were blocked between August 2015 and August 2017. Among these measures were the following:

Registration of the devices prior to their import was improved. From December 2015, all devices that legally entered the country were registered before being formally nationalized.

Entry and exit ports were specialized, taking into account those that the industry used most. These three ports were identified in conjunction with the private sector. This enables the customs and border police to specialize and focus controls more efficiently.

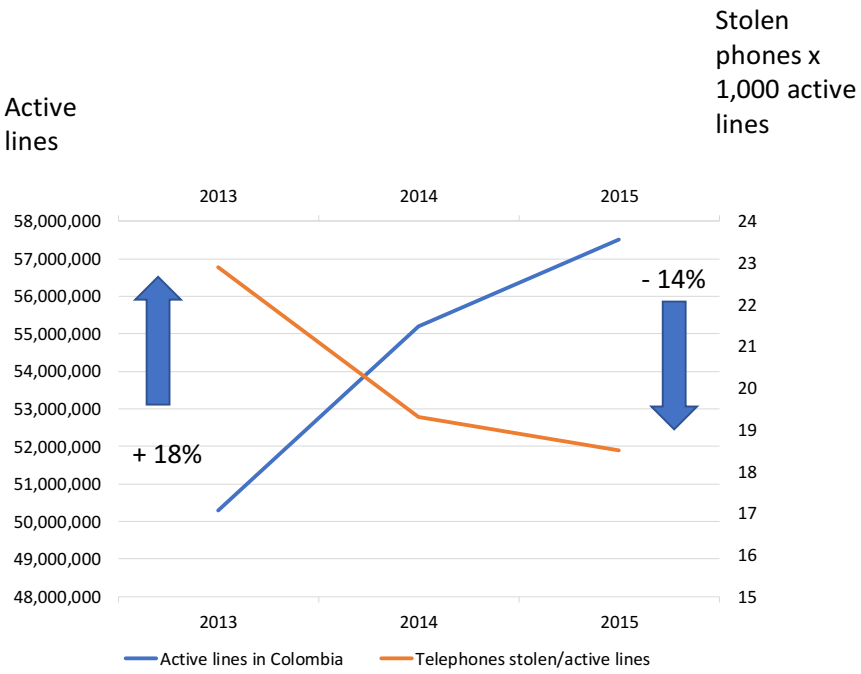
Additional regulatory measures were issued, including five resolutions by the Communications Regulatory Commission (Comisión de Regulación de Comunicaciones) to ensure that operators identified invalid, non-certified devices or those that had been manipulated or duplicated, with a view to eliminating them from the phone network.

v. **Initiative 5: Enhance the control and formalization of small retailers and technical service providers.** On top of the policing and legal control activities applied to commercial premises, the following activities were developed in conjunction with the National Apprenticeship Service (SENA) (Servicio Nacional de Aprendizaje), and the municipal associations of mobile phone retailers and technicians: (i) the design and implementation of technical training courses for the repair of mobile devices, provided by SENA; (ii) strengthening the license to sell issued by the Ministry of Science and Technology (Ministerio de Ciencia y Tecnología); and (iii) the design and implementation of the *Móvil Legal* application*,* developed directly by retailers themselves, which enables the user to identify whether the device acquired, and the store that sold it, were legal.

vi. **Initiative 6: Increase vigilance of mobile devices leaving the country.** A new strategy was implemented for monitoring the main corridors used to take illegal mobile phones out of the country, with a view to dismantling the criminal organizations using them. To facilitate this task, restrictions were established on exporting devices, which could leave the country only in four cases: (i) when they were carried by a tourist or visitor; (ii) when they were managed by an environmental management firm *en route* to be recycled or destroyed; (iii) when they were taken out of the country as a result of compliance with a guarantee; or (iv) when they were dispatched from a duty-free zone (DFZ).

As result of these initiatives, in 2015 mobile phone theft was reduced by 12 percent in the 10 prioritized cities compared to 2014, a percentage only slightly below the goal of 12.5 percent. In 2016, however, the results were not so encouraging. Although the theft was reduced as a proportion of active phone lines, in nominal terms it rose once more to its 2014 levels (Figure 8).

**Figure 8. Number of Active Lines Versus Rate of Stolen Mobile Phones / Active Lines**




*Source*: Taken from a description document of the strategy elaborated by the DIJIN, National Police.

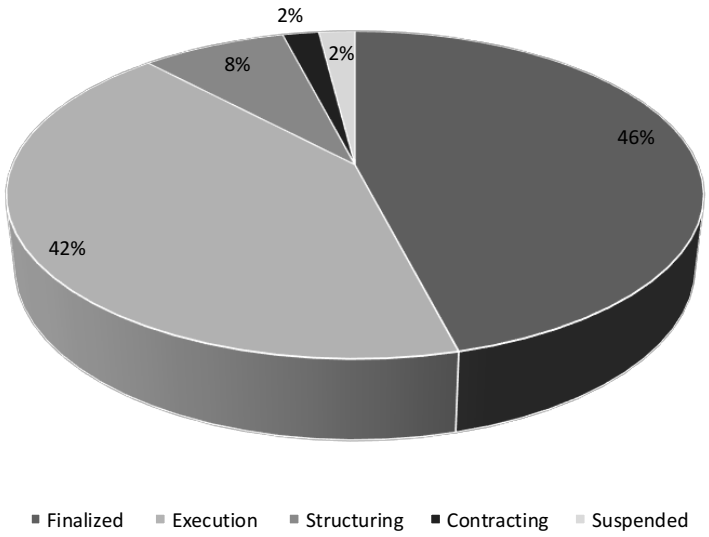
### *4.2. Strategic Plan for San Andrés, Providencia, and Santa Catalina*

The Strategic Plan for San Andrés, Providencia, and Santa Catalina was designed by the national government in coordination with the local governments of San Andrés and Providencia, on the basis of the ruling by the International Court of Justice in The Hague of 19 November 2012, which adjusted the country's maritime boundaries. The plan is an integrated response that seeks to promote development with a vision for sustainable growth and was prepared jointly by national, departmental, municipal, and community levels.[13]

The plan comprises 105 projects grouped into five main lines of action: (i) infrastructure, (ii) productive development, (iii) sustainable development, (iv) social development, and (v) institutional capacity-building. By June 2017, 48 projects had been finalized, while 44 were still in execution (Figure 9).

[13] During the first stage of plan formulation, around 15 sector-based working groups were set up in San Andrés and Providencia, which allowed the lines of action to be identified.

**Figure 9. State of the Archipelago Plan Projects**




*Source*: Taken from a descriptive strategy document prepared by the Directorate of Government and Strategic Areas, 2017.

The DU's role was to coordinate and monitor project execution. Two main monitoring models were employed:

i. *Periodic project-to-project monitoring* by technical work groups and through regular standardized reports, as well as through working with the entities that carry out each project. Cooperation and monitoring is carried out from the project formulation phase up until successful delivery to the local authority or the community. Socialization processes with the Archipelago inhabitants and among the levels of government are actively promoted.

ii. *Monitoring execution of the resources*. Through regular meetings with the National Disaster Management Unit (Unidad Nacional de Gestión de Riesgo de Desastres), an entity attached to the presidency, the execution of the allocated resources was monitored. Given the size of this task, a specialized coordination team serves as a link between the DU and the other departments.

Furthermore, the DU was responsible for chairing the Intersector Commission (Comisión Intersectorial) for providing guidance and support for financing programs and investment projects from the Department of San Andrés, Providencia, and Santa Catalina Archipelago sub-account, which is composed of the local authorities (the offices of the governor and mayor), five representatives from the community and six national

government entities.[14] This is a **vertical coordination** department *par excellence* (nation, department, municipality) but one that, due to its plural nature, also carries out horizontal coordination (among entities of the national government).

Among the main results of the Archipelago Plan are the following:

i. *Increased investment in the department:* between 2011 and 2016, the national government has doubled its investment in the Department of San Andrés, Providencia, and Santa Catalina compared with the previous eight years (2003–10).

ii. *Poverty reduction:* poverty fell from 16.5 percent in 2012 to 7.3 percent in 2015, while extreme poverty decreased from 3.6 percent to 1 percent in the same period. These figures have consolidated the Archipelago as one of the departments with the lowest rates of poverty and of extreme poverty in the country.

iii. *Reduction of unemployment:* the unemployment rate fell from 8.9 percent in 2015 to 6.9 percent in 2016, which makes it the department with the second-lowest rate unemployment of the country. More than **2,500 jobs were created in the department** between 2014 and 2017.

### *4.3. Conclusions*

From the Center of Government perspective, the principal challenge of implementing these strategies lay in aligning interests. Government actors from different levels were joined by private sector actors to work together on the issues that affect them all. The achievements made were possible for the following reasons:

i. **The perception of public value remained high**. Presidential commitment and the continuous demand from citizens for concrete results created incentives that encouraged the actors not to deviate from these strategies.

ii. **Strategies gained legitimacy in the eyes of the different actors**. Two factors aided in this. The first was the focus and discipline of the DU team regarding the prioritized initiatives, which boosted the perception of commitment and seriousness. The second, which complemented the former, were the constant forums for interaction and feedback from stakeholders, which helped build trust.

[14] In order to guide the operation of this sub-account, Decree 226, 20 February 2013 (amended by Decree 471, 14 March 2013), establishes the commission comprising the Minister of the Interior, the Minister of Foreign Affairs, the Director of the Administrative Department of the Presidency (Departamento Administrativo de la Presidencia), who sits as chair, the Director of the National Planning Department, the Governor of San Andrés, the Mayor of Providencia and five community representatives.

iii. **Existing operational capacities were sufficient to implement the prioritized measures over the short term**.

iv. **Coordination with authority works.** Although the process of preparing the plans and programs involved all the parties, support for the plan of action and the decisions made were unwavering once a consensus had been reached.

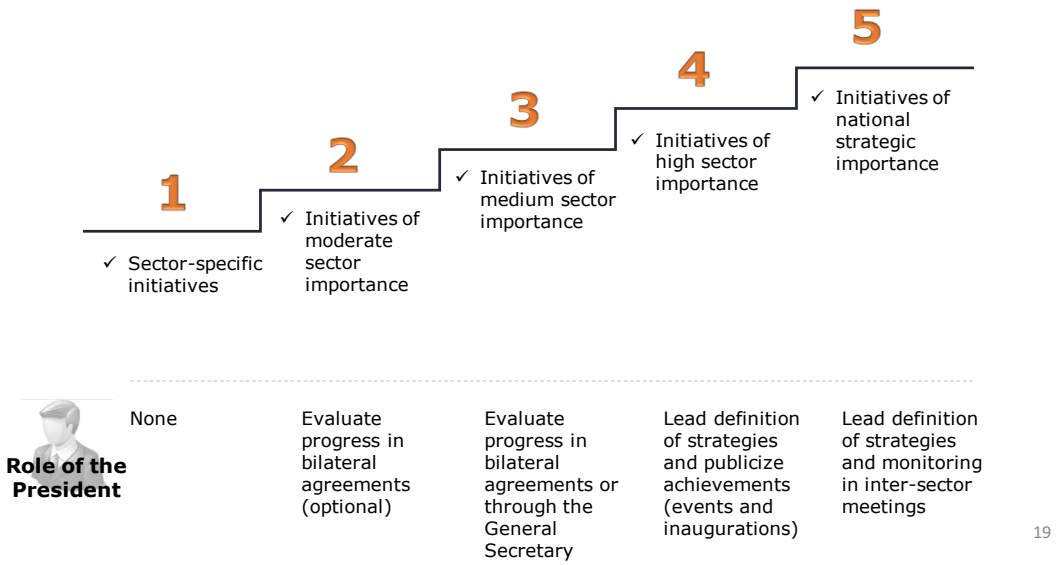
## 5. Prioritizing the Government Agenda

The principle of targeting and prioritizing can and must be applied to all national government initiatives. This is especially significant for a Center of Government, given that excessive dependence on the figure of the president hampers efficient execution and the president's time is, by definition, a scarce comodity.

In coordination with other areas of operation of the Presidency of the Republic, such as the office of Strategic Communications (Comunicaciones Estratégicas) and the Private Secretariat (Secretaría Privada), the DU developed a tool for building a government agenda that (i) recognized the president's priorities, (ii) incorporated the political reality and the social demands of the population, and (iii) helped to allocate, in an organized fashion, the main resource of the office of the president (his time). The ultimate aim was to systematically prioritize the government agenda in such a way as to achieve compliance with government goals. This translates into greater control and a higher possibility of delivery with regard to the issues of the highest political, social, and programmatic importance. To achieve this, a two-step methodology was defined:

i. **Inventory and classification of initiatives:** all initiatives launched by each one of the sectors from the beginning of the government term were identified and classified into five levels, taking into account their importance for compliance with government goals and the visibility of the issue (Diagram 6). This was a consensual process with the respective sectors that sought to ensure that that no significant initiatives were discarded and that the priorities of the ministers were aligned with those of the president. For each level, roles were assigned to the different actors, including the president, and the mechanism for information flow was established.

**Diagram 6. Model for Classifying Initiatives Launched by the Government**




ii. **Defining actions for managing highly important initiatives**. The type of meetings and their presentation formats were defined. The meetings were to be led alternately by the General Secretary of the Presidency and the president. Alternatively, other matters would be subject to monitoring by the Council of Ministers and other specialized departments such as the Post-Conflict Committee (Comité del Posconflicto). Additionally, sector worksheets were compiled, one sheet per sector, allowing the president to maintain an organized sector agenda with the entirety of the government classified into 21 pages. This facilitated setting agendas for the bilateral meetings, whereby the issues to monitor could be clearly represented in a single format.

Despite its simplicity, this tool turned out to be one of those with greatest potential, as it allowed additional services to be provided to other departments of the Office of the Presidency and broadened the principle of prioritization and targeting to the national government agenda.

## 6. Monitoring Presidential Commitments

In her daily activities, a president makes many decisions and defines tasks for her immediate team of collaborators and for the government entities. Monitoring these commitments is a fundamental task when it comes to guaranteeing their achievement.

In close coordination with the Private Secretariat of the Presidency, the DU defined a reporting and monitoring protocol of nearly 2,400 commitments. In order to do so systematically, the Information Systems Office developed the Commitments

Management System (Sistema de Gestión de Compromisos) that allows for the integration, systematization and monitoring of information corresponding to the tasks assigned by the president. Given that the principal unit of analysis is each individual commitment, the following information is recorded:

i. Description of the commitment, which seeks to express the president's own words as literally as possible.
ii. Event and date on which the commitment was signed.
iii. Person or institution responsible.
iv. Expected date of completion.
v. Current state of progress.
vi. Observations.

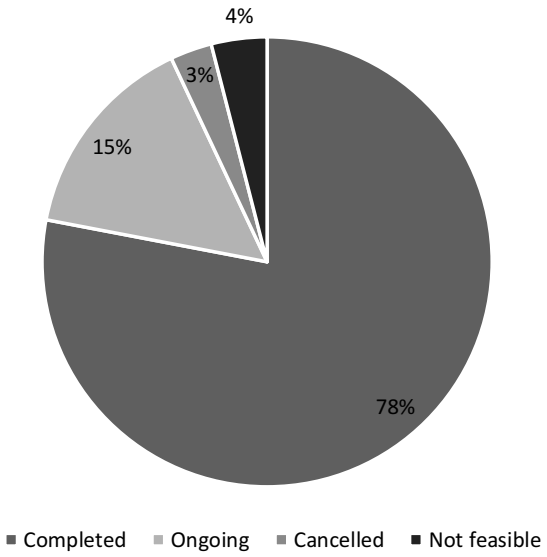
The methodology developed included four stages:

i. **Recording the commitment:** the Private Secretariat of the Presidency enters the commitment into the system. The Director of the DU reviews the draft and the institution responsible to guarantee the message's clarity and the standardization of tasks. For example, the infrastructure projects to which the president is directly committed enjoy a special monitoring level and protocol, with monthly work groups and weekly technical committees in charge of execution.[15]
ii. **Notifiying the entities:** the Commitments Management System automatically prepares formal communications in which the responsible agencies are notified of their tasks, the date upon which the task is expected to be finalized and, in the relevant cases, with whom they must coordinate.
iii. **Monitoring:** with monthly cut-off points, all entities with current commitments must report on progress. The DU analyzes this information before entering it into the system and, if necessary, asks the entities for further explanations or project scopes. Once compliance with the task assigned has been verified, the commitments can be removed from the system.
iv. **Report:** monthly reports are prepared for the general secretary and the president detailing progress of the commitments in each sector, highlighting those that were delayed or that reported risks of non-compliance. Reports for each sector were also prepared as an input for the bilateral meetings between the Office of the President and the ministers.

[15] Monitoring of the infrastructure projects was carried out in coordination with the Prosperity and Development Project Fund (FONADE) (Prosperidad Social y el Fondo Financiero de Proyectos de Desarrollo), which enabled weekly progress to be reported. In this way, the difficulties were identified in good time and immediate solutions were sought, with a view to delivering the projects within the previously agreed-upon time periods.

This systematic monitoring process helped to provide reliable, timely information and to identify warning signs, thus overseeing compliance with the commitments. The monitoring methodology implemented meant that weekly progress on the projects could be tracked in such a way that difficulties could be spotted early on and immediate solutions sought. At the close of the first semester of 2017, a total of 2,357 commitments had been registered, of which 78 percent were already achieved and 15 percent were underway (Figure 10).

**Figure 10. Current State of Commitments**




*Source*: Directorate of Government and Strategic Areas, June 2017.

As shown above, the level of compliance is very high and the capacity to report on all commitments is nearly immediate.

## 7. Conclusions

The Delivery Unit model represents a bid to break into the organizational structures of the public sector, seeking more flexible and effective responses. However, during its implementation it became obvious that it had to be complemented with environmental, institutional and social variables similar to those described by Moore (1995).

According to the theoretical framework defined by Mark Moore, all governmental intervention requires a combination, not necessarily in equal measure, of three dimensions: (i) legitimacy, (ii) political and procedural clarity, and (iii) operational capacity. Although the interaction among these variables is not pre-established nor does it necessarily respond to a relationship of maximums and minimums, the absence of any

one of them is a determinant for the failure of any intervention. Hence, any person that seeks to manage and deliver results using a Delivery Unit model must at least be conscience of their existence.

It might be argued that the Delivery Unit model recognizes and addresses at least two of these dimensions: political and procedural clarity and operational capacity, and that it obtains sufficient legitimacy to reflect presidential priorities. In practice, this cannot be taken for granted, and one of the main conclusions of the implementation of this model is the constant evaluation of these three dimensions and the inclusion of specific activities to strengthen them (Moore, 1995). The Colombian example of the Directorate of Government and Strategic Areas has demonstrated its usefulness in coordinating government goals and achievements at different levels, in relation to sector initiatives and regional plans, and for monitoring overall goals of outcomes and budget execution.

This flexibility and capacity for *horizontal coordination* (among national government departments) and *vertical coordination* (among different levels of government) possesses great potential for improving the efficiency of governments. It is all about coordinating to deliver.

The ability of governments to build trust and legitimacy among their constituencies and, furthermore, to fulfill the social purpose of governing, will depend to a great extent upon greater productivity and efficiency in public expenditure in years to come.

Finally, the Delivery Unit model has limitations that should not be ignored and that render it vulnerable. Principally, the following are worth mentioning:

i. **The incumbent government's style of management.** This type of model greatly depends on the management styles of those who are in charge of the government. These make it vulnerable to electoral cycles while, at the same time, increasing the pressure to generate results in the short term. The life of this type of unit is often strictly linked to political and electoral cycles. Therefore, the effectiveness of these units must be measured both in terms of impact and over time.

ii. **The power of the Office of the President is significant but not sufficient.** The added value of this type of unit does not depend on its taking center stage but rather on its ability to serve the interests of its clients—the government team. The latter should look upon these kinds of units as useful partners that (i) make their own management visible to the president, (ii) position matters that interest them on the agendas of other sectors, (iii) have the ability to leverage financial and human resources, and (iv) provide technical support for decision-making. A minister or "champion" of a particular issue should

never feel that the Delivery Unit is competing for leadership. The vocation of these units must be to serve their clients and achieve the expected result, above and beyond any desire for prominence.

iii. **The temptation to execute from the Center of Government.** In general, Centers of Government enjoy only limited capacities to directly execute resources; furthermore, avoiding duplicating functions and competition with other sectors forms part of the Delivery Unit's DNA. Clarity in the role played by each government department is key if a goal is to be achieved efficiently. Paradoxically, to the extent possible, a Delivery Unit must not execute directly.

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## Annex 1. Methodology for Establishing Implementation Milestones and Trajectories[16]

This is an exploratory exercise to define the trajectories of performance (expected progress) of the monitoring scorecard indicators, which seeks to strengthen (i) the early warning process, (ii) the management behind compliance with goals, and (iii) the definition of short- and medium-term projections in compliance with presidential priorities.

### *Methodology*

The exercise of *setting the milestones and trajectories of implementation* comprises three elements: (i) the establishment of projections or expected progress of the indicator, (ii) the definition of milestones associated with their implementation, and (iii) the risk analysis associated with execution.

### *Expected progress*

In order to establish the expected progress of each indicator, its historical performance and the associated chronogram of implementation must be taken into account. The following methodology is suggested:

i. Review the real behavior of the indicator in previous years. Project a similar trajectory taking into account the end of the previous year and the expected goal for the current year. The projection must start from the value of the end of the previous year and continue up to the annual goal (this does not apply to indicators of flow and of annual reduction, whose values start at 0). That is, for the 2017 milestones, the projection will begin at the end of 2016 and should continue to the 2017 goal, as seen in Figure A1.1.

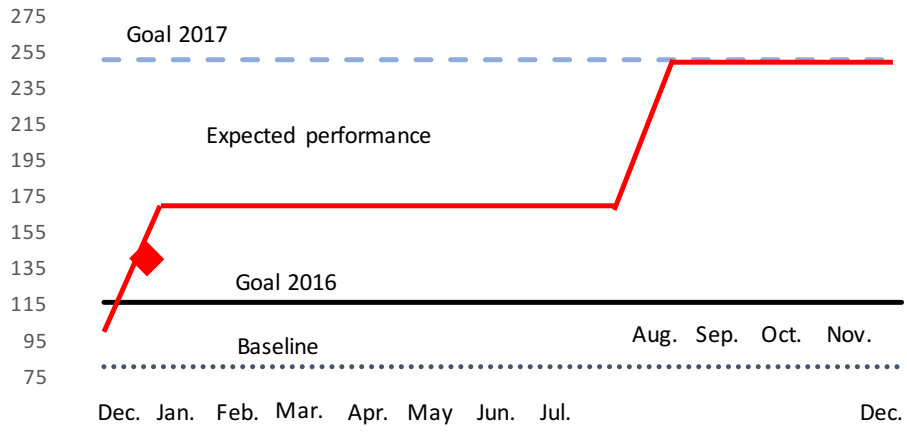
ii. Whenever possible, calculate the expected progress in the indicator by month or by quarter.

The sector may argue that the end-of-year projection will be below the annual goal. In this case, it must explain the reason why the established goal will not be met. It could also make a projection of overachievement.

[16] Taken from the guidance document produced by the DNP's Monitoring and Evaluation Directorate (2016).

IMPORTANT: When the sector recognizes that it will not achieve the goal at the end of the year, even though real progress is as expected, the possibility of non-compliance at the end of the year will be shown in the monitoring scorecard.

**Figure A1.1. Example Graph of Established Milestones**




In the case of the indicator described in Figure A1.1, the end would be below the goal for 2016, which is understood to mean that in this term the sector failed to comply. When it comes to drafting the projection for the following term (2017), the sector will have to include both the backlog from the previous year and the contribution for 2017. The elements to take into account are the following:

i. The projection must be made for the entire year and respect the periodicity of the indicator. The projection should be made at least quarterly. For indicators with six-monthly or annual periodicity, efforts should be made to identify proxy variables and establish projections with these variables.

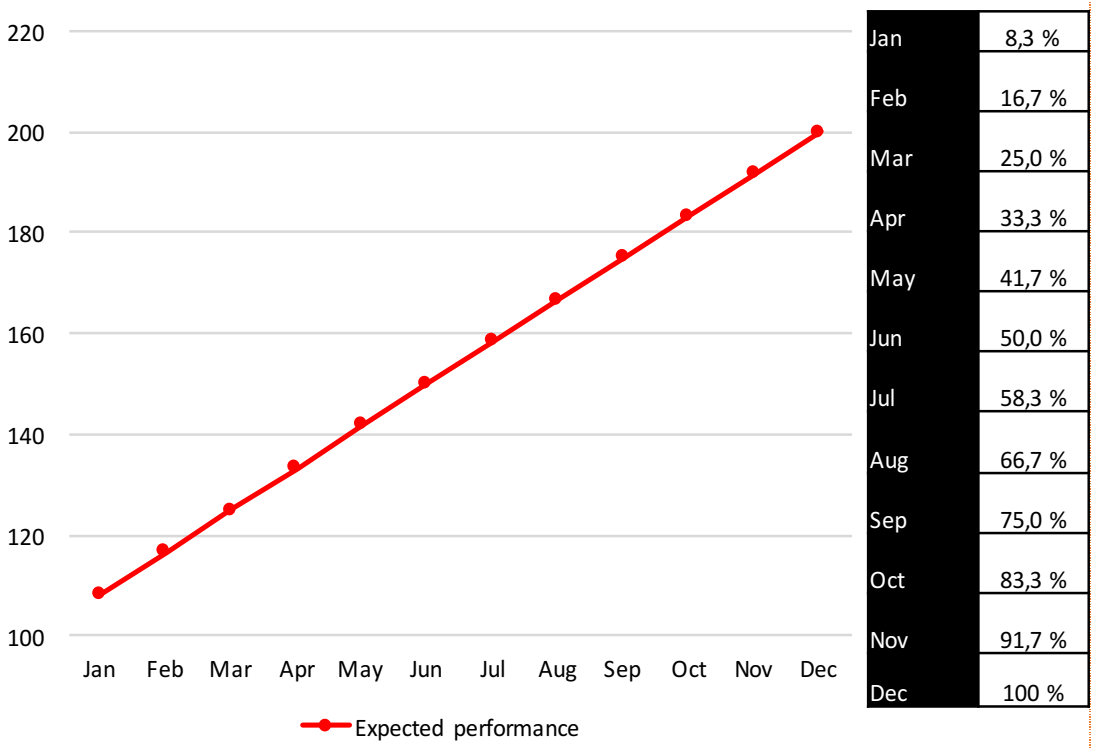
ii. The projection must be delivered in the same values as the indicator. Percentages of compliance or transformations of the variable are not acceptable.

iii. This projection will utilized throughout the year; therefore, it must be made with the greatest possible detail and foresight.

iv. The projection should not begin from the baseline (2014) or from the previous year's goal. It should always be based on the **end of the previous year**. This does not apply to indicators of flow and of annual reduction, whose values begin at 0.

IMPORTANT: In the event that sectors fail to send information, a linear projection of progress will be used. This projection corresponds to dividing the annual contribution of the indicator by 12, and building month by month to establish the progress for the current year. See Figure A1.2.

**Figure A1.2. Example of Linear Projection**




| | |
|---|---|
| Jan | 8,3 % |
| Feb | 16,7 % |
| Mar | 25,0 % |
| Apr | 33,3 % |
| May | 41,7 % |
| Jun | 50,0 % |
| Jul | 58,3 % |
| Aug | 66,7 % |
| Sep | 75,0 % |
| Oct | 83,3 % |
| Nov | 91,7 % |
| Dec | 100 % |

Periodicity: Annual

[a/] Annual goal taking into account the backlog from the previous year if such is the case. That is, 2017 goal – end of 2015 for those indicators that apply.

***Defining the milestones***

The second step is to *set the milestones*. These milestones are understood to be the set of most important actions and/or activities associated with the management needed to achieve the expected progress for the indicator. The milestones are the actions that lead to compliance with the goals. Each milestone must be given a starting date and a date of completion, in order to identify whether the actions necessary for compliance with the goals are being undertaken in time.

The milestones are an essential part in creating monitoring scorecards. Based on these, actions that either failed or that met with success in achieving progress can be shown.

***Presentation format***

The milestones should be provided in the format described below.

**Table A1.1a. Presentation Format for Milestones**

| MILESTONE 1 | | |
|---|---|---|
| **Description** | **Start date** | **Finish date** |
| Description of the activity (milestone) to be carried out | day/month/year | day/month/year |

**Table A1.1b. Example of Presentation Format for Milestones**

| **Indicator** | **MILESTONE** | | |
|---|---|---|---|
| | **Description** | **Start date** | **Finish date** |
| **Students in the official sector with *Jornada Única*** | Enter into the Integrated Registration System (SIMAT) (Sistema Integrado of Matrícula) the registration of the educational establishments approved in the third round of *Jornada Única* and that initiate the operation of the program. | 30/07/2016 | 30/10/2016 |
| **Exports of non-mining energy products and services (millions)** | Begin with intervention of the beneficiary firms of the Productivity Accelerator (Acelerador de Productividad) (Aburrá Sur, Cali, Risaralda, Bogotá, Santander, Bolívar, Caldas). | 30/03/2016 | 30/10/2016 |
| **Exports of non-mining energy products and services (millions)** | Link 18,080 *Familias in Su Tierra*. | 30/04/2016 | 30/11/2016 |
| **Boys and girls in the *Cero a Siempre* program** | Efficiently manage the future funding procedures to ensure their full approval and thereby guarantee the achievement of fully integrated care for the country's boys and girls.<br>Contract service providers for the services planned for the months of October and December to ensure continuity with the integrated care scheme for boys and girls. | 30/03/2016<br>30/03/2016 | 30/05/2016<br>30/05/2016 |

***Risks associated with the milestones***

A further crucial input for this exercise is to characterize the risks associated with each one of the milestones. A risk is a possible event that, if it occurred, could jeopardize or negatively affect the development of the activity in question. In this order of ideas, at least one risk must be identified for each milestone.

The risks are the principal tool that will help identify the causes of non-compliance or of deviation from expected performance. An acknowledgement of these risks in time strengthens monitoring efforts.

**Table A1.2. Example of Risks Associated with Milestones in Firms Benefiting from the Productivity Acceleration Program that Boosted their Productivity by 15 Percent**

| MILESTONE 1 | | |
|---|---|---|
| **Description** | **Start date** | **End date** |
| Firms begin to participate in Productivity Accelerator (Aburrá Sur, Cali, Risaralda, Bogotá, Santander, Bolívar, Caldas) | 01/03/2016 | 01/06/2016 |
| **Associated risk**<br>At the moment, 60 firms have signed up for the program; there is a risk of desertion that could affect the number of firms that benefit. | | |

***Rules of play***

i. The projection of expected progress begins at the end of the previous year. It does not begin with the baseline or goal of the previous year.
ii. If the projections are not turned in, a linear progression of expected progress will be assumed.
iii. The exercise must be presented for the entire year, and the periodicity of the indicator must be respected.
iv. If the sectors predict that they will fail to achieve the goal at the end of the year, this will be reflected in the monitoring scorecard.

## Annex 2. RAG Ratings Methodology[17]

i. The methodology is based on comparing actual performance with the projections made and described in Annex 1.

ii. At the cut-off date, the percentage of actual progress and the percentage of expected progress are defined, always depending on the type of indicator.

**Diagram A2.1. Calculation of Actual and Expected Progress According to Type of Accumulation**

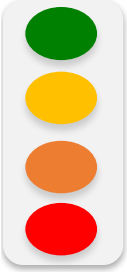
| | | |
|---|---|---|
| **Accumulated Capacity (TC)** | **X%**<br><br>**X%¯** | $\%\ Actual\ progress = \frac{Progress_{t,month\ x} - End\ of\ year_{t-1}}{Goal_{t,} - End\ of\ year_{t-1}}$<br><br>$\%\ Expected\ progress = \frac{Projected\ progress_{t,month\ x} - End\ of\ year_{t-1}}{Goal_{t,} - End\ of\ year_{t-1}}$ |
| **Flow**<br><br>**Accumulated stock (Sinergia)** | **X%**<br><br>**X%¯** | $\%\ Actual\ progress = \frac{Progress_{t,month\ x}}{Goal_t}$<br><br>$\%\ Expected\ progress = \frac{Projected\ progress_{t,month\ x}}{Goal_t}$ |
| **Reduction**<br><br>**Annual reduction** | **X%**<br><br>**X%¯** | $\%\ Actual\ progress = \frac{Progress_{t,month\ x} - End\ of\ year_{t-1}}{Goal_{t,month\ x} - End\ of\ year_{t-1}}$<br><br>$\%\ Expected\ progress = \frac{Projected\ progress_{t,month\ x} - End\ of\ year_{t-1}}{Goal_{t,month\ x} - End\ of\ year_{t-1}}$ |

*Note:* To calculate the annual reduction and capacity, it must be considered that if the end of the previous year exceeds the current goal, then the percentage of compliance is automatically 100 percent. In the event that progress is inferior relative to the previous year, the loss of progress already made must be explained.

iii. The RAG rating is assigned according to the scale described below.

[17] Taken from the guidance document produced by the DNP's Monitoring and Evaluation Directorate (2016).

**Diagram A2.2. Classification of RAG Ratings and Cut-off Points**



Level of progress equal to or better than projected

Difference between % of projected progress and % of actual progress lower than 3 p.p.

Difference between % of projected progress and % of actual progress lower than 10 p.p.

Difference between % of projected progress and % of actual progress greater than 10 p.p.

During the process of formulating the projections, when it is shown that the annual goal will not be achieved, then the following RAG rating system is applied.

**Table A2.1. RAG Rating Classification at Year-End**

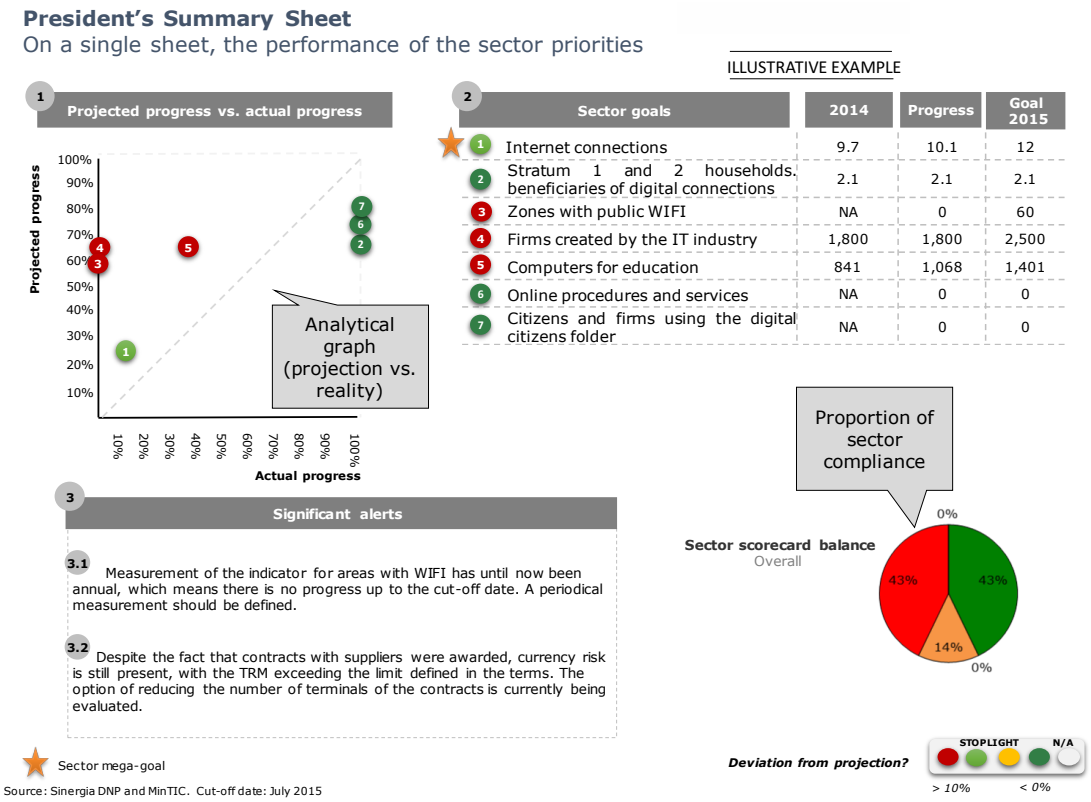
| Deviations in percentage points over percentage of projected progress | | | | |
|---|---|---|---|---|
| Percentage of compliance expected at year-end | Green | Amber | Orange | Red |
| 100% - 95% | (<0%] | (0-3] | (3-10] | (>10) |
| 94.99% - 85% | Unsuitable | (0-2.85] | (2.85-9.5] | (>9.5) |
| 84.99% - 70% | Unsuitable | (0-2.7] | (2.7-9] | (>9) |
| Less than 69.99% | Unsuitable | Unsuitable | (2.25-7.5% | (>7.5) |

***Rules of play***

i. Goals are not changed for the projection of the milestones.
ii. Percentage progress is not calculated in relation to the milestones.
iii. The annual goal is always used as a point of reference for calculating the percentage progress.
iv. For the calculations that use the baseline, the baseline should be replaced by the end of the previous year. This includes the indicators that are accumulated in the TC.
v. At the end of the year, the RAG ratings are estimated in relation to the goal. In this case, the milestones are not included when it comes to evaluating the results.

# Annex 3. Format of President's Summary Sheet

## Image A3.1. Example of the President's Summary Sheet




*Source*: Taken from a document describing the functions of the Directorate of Government and Strategic Areas, 2015.

# Annex 4. Tool for Rating the Determining Variables of the Risk of Non-Compliance

## Table A4.1.Tool for Establishing the Risk of Non-Compliance

| Analysis of delivery capacity | | | | |
|---|---|---|---|---|
| **Sector: Housing** | | | | |
| **Feasibility of the goal** | **Response** | **Argument** | **Rating** | **Rating criteria** |
| **1) Is compliance with the mega-goal in 2018 feasible?** | **Yes** | The mega-goal is achieved in between the medium scenario and the optimistic scenario | **3** | 1. Is not achieved even in the optimistic scenario.<br>2. Is achieved in the optimistic scenario.<br>3. The mega-goal is achieved between the optimistic scenario and the medium scenario.<br>4. The mega-goal is achieved between the medium scenario and the pessimistic scenario. |
| **Delivery** | **Response** | **Argument** | **Rating** | **Rating criteria** |
| **1) Can the strategic outcomes (mega-goal) be delivered effectively?** | **Yes** | The ministry has identified five programs that contribute directly to achieving the mega-goal with annualized goals. Moreover, an external partner, the family welfare funds (Cajas de Compensación), which directly supports achievement of the mega-goal, has been identified. | **4** | 1. There is no plan of delivery (or its equivalent).<br>2. There is a chronogram of activities at the milestone level.<br>3. There is plan of delivery that identifies the value chain, roles, persons responsible and external partners.<br>4. There is a model for permanent and detailed monitoring of the delivery plan (micromanagement) with permanent feedback. |
| **2) Is there a sequence between the achievement of intermediate results (value chain) and the achievement of strategic outcomes (mega-goal)?** | **Yes** | Regulatory, financial, technical and human resources are sufficient (future funding is in place until 2022). | **4** | 1. There is no information available to define the value chain.<br>2. The products are not clearly defined.<br>3. The products do not determine the final outcome.<br>4. The products determine the final outcome. |
| **3) Have the roles and people responsible been identified and agreed to the intermediate results?** | **Yes** | *Fonvivienda* manages the resources for VIS housing subsidies. | **4** | 1. Neither roles nor persons responsible have been identified.<br>2. Roles have not been identified, although persons responsible have been.<br>3. Both roles and persons responsible have been identified.<br>4. Roles and persons responsible have been identified, and there is commitment. |

| | | | | |
|---|---|---|---|---|
| **4) Are there external partners who are aligned with the strategy and enthusiastic about achieving the results?** | **SI** | The ministry aligns the different partners in accordance with compliance with the mega-goal.<br>**Family welfare funds**: manage subsidies and resources for the purchase of VIS housing.<br>**Construction firms**: are responsible for building VIS housing on authorized land.<br>**Banks:** are responsible for the projects' financial closure.<br>**Mayor's offices:** coordination of the supply and authorization of new building land.<br>**FINDETER:** conducts the eligibility process that guarantees the technical, legal and financial viability of the projects to be developed using subsidy resources.<br>**National Savings Fund (Fondo Nacional del Ahorro):** finances the purchase of VIS home for individuals. | **4** | 1. The external partners have not been identified.<br>2. External partners are identified but are not aligned.<br>3. External partners are identified, but not all are aligned.<br>4. External partners have been identified, and all are in inter-institutional forums or departments. |
| **Strategy** | **Response** | **Argument** | **Rating** | **Rating criteria** |
| **1) Is there a joint, clear, coherent and achievable strategy with a single set of results, purposes, objectives and measurements of success?** | **Yes** | The main strategy is to design a new housing subsidy and financing scheme that addresses all population groups. | **4** | 1. There is no strategy.<br>2. There is a strategy, but there is no clarity regarding how to reach the objectives.<br>3. The strategy is clear, but the objectives are unobtainable.<br>4. The strategy is clear and the objectives are obtainable. |
| **2) Is the strategy constantly updated to recognize opportunities when circumstances change?** | **Yes** | Monitoring the mega-goal with monthly housing start-up figures for all programs. No additional risks are envisaged. | **2** | 1. There is no monitoring.<br>2. There is monitoring, but there is no risk assessment.<br>3. There is monitoring, and there is risk assessment, but there are no risk-containment mechanisms.<br>4. There is monitoring and risk assessment, and risk-containment mechanisms are in place. |
| **3) How is political leadership used to develop the strategy and ensure adequate compensation among the priority results?** | | The vice president of the republic is responsible for positioning the mega-goal at the highest level of national government. In addition, the VP carries out regular monitoring of the projects' progress. | **4** | 1. The head of sector is not familiar with the strategy.<br>2. The head of sector is familiar with the strategy but does not prioritize it.<br>3. The head of sector knows the strategy, prioritizes it and positions it among the top sector managers.<br>4. The head of sector knows the strategy, prioritizes it, and positions it at the highest level of the national government. |

| | | | | |
|---|---|---|---|---|
| **4) Is the strategy based on the adequate use of evidence and timely analysis?** | **Yes** | Based on timely evidence and diagnostics, it was determined that past housing programs had failed to guarantee the prompt delivery of new housing, and a new subsidy scheme was therefore designed. | **4** | 1. There is no strategy.<br>2. There is a strategy, but no diagnostic.<br>3. The strategy is based on the diagnostic, but the goal is not.<br>4. The strategy and the goal are based on the diagnostic. |
| **Leadership** | **Response** | **Argument** | **Rating** | **Rating criteria** |
| **1) Does the head of sector show her commitment to achieving the strategic outcome (mega-goal) and to continuous improvement of delivery?** | **Yes** | The minister and vice-minister coordinate the financing and construction of the projects with the external partners. | **4** | 1. The head of sector is familiar with the strategic outcome.<br>2. The head of sector prioritizes achievement of the strategic outcome within the sector.<br>3. The head of sector carries out permanent monitoring of progress toward the strategic outcome.<br>4. The head of sector promotes achievement of the strategic outcome alongside the external partners. |
| **2) Do the sector leaders establish guidelines for achieving the strategic outcomes (mega-goal) within the sector?** | **SI** | Within the Ministry of Housing, the housing projects, and therefore the mega-goal, are prioritized. | **4** | 1. Within the sector the strategic outcome is unknown.<br>2. Within the sector the strategic outcome is known, but it is not prioritized by the top management levels.<br>3. Within the sector the strategic outcome is prioritized by the top management levels, but no clear guidelines are established for its achievement.<br>4. Within the sector the strategic outcome is prioritized by the top management levels, which establish clear guidelines for its achievement. |
| **3) Do the leaders encourage the stakeholders and establish partnerships so that they work toward compliance with the strategic outcomes?** | **Yes** | The minister and vice-minister of housing meet regularly with banking associations (Asobancaria) and house builders (Camacol) in order to coordinate the achievement of the mega-goal. | **4** | 1. The sector leaders do not know the strategic outcome.<br>2. The sector leaders know the strategic outcome but fail to promote it outside the sector.<br>3. The sector leaders encourage participation by stakeholders in compliance with the strategic outcomes only occasionally and informally.<br>4. The sector leaders permanently encourage active participation by stakeholders in compliance with strategic outcomes through agreements, partnerships and formal discussion forums. |

| Resources | Response | Argument | Rating | Rating criteria |
|---|---|---|---|---|
| **1) Has an analysis been performed of the budget/resources required for achieving the strategic outcome (mega-goal)?** | **Yes** | Resources from the budget and future funding for each year and for each program have been identified, except for family welfare funds. The resources come from the Attorney General's Office (PGN) (Procuraduría General de la Nación) with approved future funding. | **4** | 1. The cost of the mega-goal has not been estimated.<br>2. The cost of the mega-goal has not been estimated, but an estimate has been made of the necessary resources (historical).<br>3. The cost of the mega-goal has been estimated but no budget drafted.<br>4. The sources of budget financing have been identified. |
| **2) Are the financial resources needed for compliance with the strategic outcomes (mega-goal) available?** | **Yes** | Future funding has been approved by the Treasury (Ministerio de Hacienda). | **4** | 1. The cost of the mega-goal has not been estimated.<br>2. The cost has been estimated, but the budget is insufficient.<br>3. The cost has been estimated, and the budget is insufficient, but a strategy is in place to get additional funding.<br>4. The cost has been estimated, and the budget is sufficient. |
| **3) Are there institutional structures, qualified staff and relevant systems to effectively support and manage achievement of the strategic outcomes (mega-goal)?** | **Yes** | *Fonvivienda* has the human and financial resources to manage the resources effectively and achieve compliance with the mega-goal. | **4** | 1. It does not have all the necessary resources.<br>2. It has all the resources, but they are insufficient.<br>3. It has all the resources, and some are sufficient.<br>4. It has all the resources, and all are sufficient. |
| **4) In case additional resources (human, financial, technological, etc.) are required to address unforeseen circumstances in achieving the strategic outcomes (mega-goal), do the mechanisms exist to provide them?** | **No** | The ministry's budget is already committed. | **1** | 1. There are no contingency funds for any component.<br>2. There are contingency funds for one component.<br>3. There are contingency funds for two components.<br>4. There are contingency funds for all components. |

*Source*: Prepared by the DNP's Monitoring and Evaluation Directorate (2016).

## Annex 5. Monitoring the PINES. Strategic Infrastructure: Bridging the Information Asymmetries

In August 2013, the Colombian government revealed that 53 of the projects known as projects of national and strategic interest (PINES) were experiencing difficulties related with environmental, social and real-estate procedures that were hampering efficient execution. Obtaining an environmental license in Colombia was a process that involved more than 30 steps (11 of a social nature, 14 of an environmental nature, four of a geological nature and one, archeological). Seven state entities participated in the process, alongside innumerable private actors. The estimated time required to complete these processes ranged between three and six and a half years (from 35 to 78 months) (DNP, 2013).

Despite the differences in the nature of the projects, the PINES portfolio was characterized by:

i. **Multiplicity of actors**. Execution depended on actors with different roles and incentives. There were: (i) the entities responsible for the technical and budget aspects of the projects (roads, bridges, tunnels and airports), both in the public works model or as concessionaries; (ii) both national and local government entities, responsible for processing the permits required for contractual management and project execution; (iii) planning and budget agencies, which were national-level entities linked with budget resource management; and (iv) private organizations responsible for developing the projects in compliance with previously established contractual agreements with the government.

ii. **Information asymmetries**. Despite the existence of coordinating work groups, neither the state of progress nor the expected end of the procedures being processed was clear. The lack of detailed processes that could be communicated to the participants led to setbacks and delays and hindered the clear allocation of responsibilities.

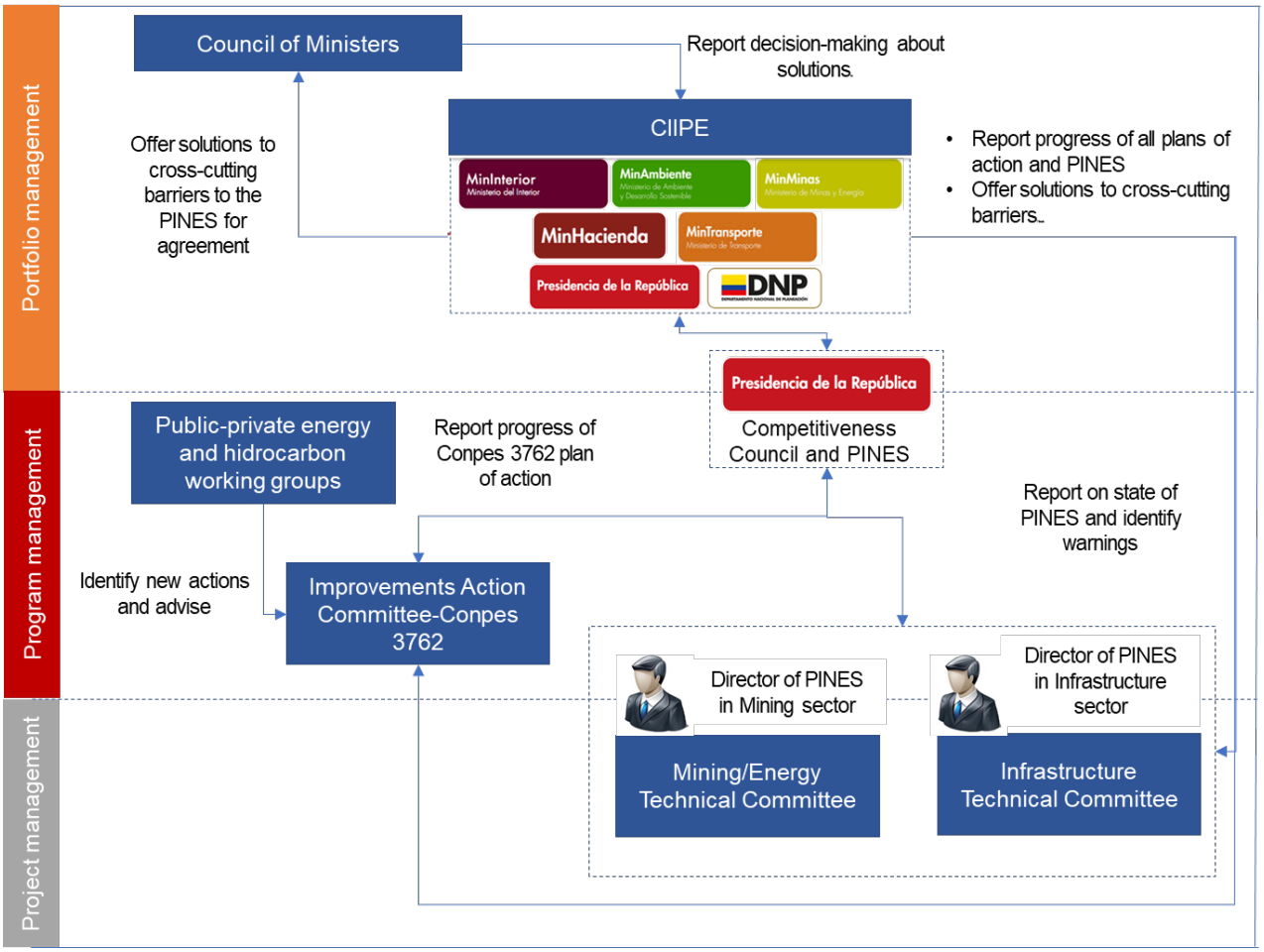
iii. **Conflicting incentives**. The interests were not aligned. The monitoring system established by the national government revealed progress only in the final outcomes. This had a singular impact on the performance evaluation of the agencies in charge of the projects. Intervention by other agencies – necessary in order for the project to advance – was not reflected. For the processing agencies, managing these projects was “business as usual.”

Something similar happened with the contractors, concessionaries and trade associations that interacted with this system. It was noticed that, in some cases, contractual conditions made the decision not to cooperate rational given that delays and ambiguities could bring benefits to such actors.

The first step was to organize the system of management, so that there was a clear differentiation between the departments responsible for monitoring, evaluation and conflict resolution. In this way it was established that there would be three levels of management: (i) portfolio management, (ii) program management, and (iii) project management.

The first level—portfolio management—was focused on cross-cutting and inter-sector management of the portfolio. This was used for institutional coordination and for finding solutions to cross-cutting problems. The second level—program management—took a sector-based view of the problems that impacted the projects of a given sector. In the case of the PINES, it was established that programs would be defined as those that included infrastructure projects and mining and energy-sector projects. The last level was project management. At this level, the different projects were managed in an integrated fashion both from the point of view of compliance and results and that of risk management. Its aim was to define and implement detailed plans of action to mitigate possible delays. Based on this operational scheme, an organizational structure was defined with inter-sector committees at each level that had different competencies and decision-making capacities. At the highest level, the Inter-sector Commission for Infrastructure and Strategic Projects (CIIPE) (Comisión Intersectorial de Infraestructura y Proyectos Estratégicos) was set up, comprising six ministers. Figure A5.1 describes the organizational structure defined and its main characteristics.

**Figure A5.1. PINES: Organizational Structure and Main Characteristics**




*Source*: Taken from a descriptive document of the functions of the Competitiveness and Strategic Projects Advisory Council (Alta Consejería para la Competitividad y Proyectos Estratégicos), 2014.

To bridge the information asymmetry, working alongside the responsible entities the processes of the procedures were examined with a view to identifying delivery times and persons responsible. The processes were conducted jointly with the technical staff and were presented in an Excel matrix that was shared and updated week by week.

Each week, the technical committees of the projects held a meeting, either face-to-face or virtual, generating the inputs required for project management. Every month, in a session of the CIIPE, reported progress was analyzed and structural improvements to sectors coordination were studied.

Following implementation of this model, in only eight months, delays had been reduced, on average, to 14.4 days.[18] Should this model be implemented in other contexts, it is advisable to complete the following actions:

[18] Competitiveness and Strategic Projects Advisory Council (September 2014).

i. Define activity indicators that measure each entity's contribution to achieving the goals. The entities must not only be responsible for carrying out tasks, but also for intermediate products that make their contribution to the final objective visible.

**Image A5.1. Example of the Delivery Chain Matrix of Indicators**

| | | | Year 1 | Year 2 | Year 3 | Year X |
|---|---|---|---|---|---|---|
| Products | MinAmbiente | Reduction of area | | | | |
| | MinAmbiente | Opening of hunting season | | | | |
| | MinInterior | Prior consultation | | | | |
| | ANLA | Environmental licensing | | | | |
| Outcomes | CIIPE | Kms of dual roadway freed | | | | |
| | ANI | Kms of dual roadway built | | | | |

ii. Establish that the human and operational resources assigned to carry out administrative procedures (e.g., environmental licensing) meet impact criteria depending on the achievement of results. This means that the procedures must be classified according to their relevance to achieving the goal and adequately optimizing resources. Not all procedures are equally important, nor do they share the same time scale.

In order to facilitate identification, the matrix was arranged by project and section, and was composed of nine variables:

i. **Procedure**. Name of the permit or procedure in process.

ii. **Task**. Description of the activity to be implemented. Included in this column was the sequence of tasks required to comply with the requirements of the permit or procedure in question. In order to avoid an excess of detail, it was established that the task must describe the final product delivered by the responsible entity. Internal revisions and operational transfers between departments of the same entity should not be included.

iii. **Entity responsible for the task**. State or private agency in charge of the specific task.

iv. **Days of duration**. Time in which the responsible party had committed to carry out the task. This was the most important variable of the matrix, given that it was the criteria for evaluating individual performance and compliance. The party's commitment was to fulfill the task in a specific number of days. This was irrespective of the delay in previous activities by other parties.

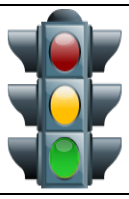
v. **Start date**. Start date of the activity. This was normally linked to the end of the preceding activity.

vi. **Estimated date of completion**. Date resulting from the addition to the start date of the days agreed for the duration of the task.

vii. **Actual date of completion**. This is the date taken as a reference for evaluating performance according to the chronogram. It was decided that it was crucial to generate this additional variable and maintain the estimated date of completion so that both positive and negative performance might be revealed. Furthermore, in most of the cases, it was the starting date for the following task.

viii. **State**. Rating of the state of progress of the specific task taking as a reference the number of days of duration to which the responsible entity had committed. The RAG rating was based on the scale shown in Diagram A5.1.

**Diagram A5.1. Classification in RAG Ratings for PINES**



More than two weeks delay

Less than two weeks delay

Within the scheduled time

*Source*: Competitiveness Advisory Council.