

# The Project Appraisal & Approval Process

## PROCESS OVERVIEW

Projects typically enter the Public Investment Management System (PIMS) as a Concept Submission. The concept is supported by relevant data and research and is intended to present a conceptual overview of the project rationale and justification, objectives, and implementation method, as well as cost estimates and options analyses. Concepts are appraised by the Public Investment Appraisal Branch (PIAB) and the Technical Review Committee (TRC). They then advance to the Public Investment Management Committee (PIMC) for another stage of assessment, after which the decision to further develop the concept is made.

If a concept is approved by the PIMC and given permission to be developed into a proposal, the project proponent will apply project management principles to develop a comprehensive project proposal. The proposal then undergoes a further rigorous evaluation by the PIAB, TRC and PIMC. If approved, a recommendation is made to Cabinet for entry of the project into the Public Sector Investment Programme (PSIP), where fiscal space is allocated.

## PHASE 1: CONCEPT APPROVAL

Proponents submit Project Concepts using the relevant forms, supplemented by feasibility studies, technical reports, market surveys and other relevant research.

Projects being submitted for approval through the PIMS must:

1. be endorsed by the Accounting Officer (Permanent Secretary) of the Portfolio Ministry;
2. reflect the recurrent budget that is being implemented under the current PSIP;
3. be aligned with current strategic plans, national development priorities, the Medium-Term Economic Framework, and applicable sector policies, and
4. be supported by a properly defined logical framework and accompanying budget.

Upon completion of the PIAB's appraisal, project proponents will be invited to a Technical Review Committee meeting, where they will present a summary of their project objectives, scope of work and implementation methodology, and respond to queries posed by the committee members. The Technical Review Committee comprises subject matter experts and specialists in the sector/field of the proposed project. The Committee considers the project concept for its feasibility, making recommendations as necessary.

## PHASE 2: PROPOSAL APPROVAL

If accepted as a concept, the project is further developed by the proponent into a full project proposal. This phase sees the completion of, inter alia, a detailed project cost estimate, comprehensive risk register, stakeholder register, market surveys, environmental scans and climate impact assessments, feasibility and technical studies, and where applicable, design plans and models.

Approved proposals enter the five-year rolling Public Sector Investment Programme (PSIP), through which fiscal space is allocated for the implementation of the project. Additional processes apply where the project is to be funded under a loan or grant agreement.

## Definition of a Public Investment Project

To enter the PIMS, projects **must** fit all eight characteristics of a Public Investment Project, as defined by the FAA Act:

- i. Non-recurrent expenditure on goods, works and services
- ii. It will be carried out by [a public entity within the specified public sector on its own or by one or more such public entities] in conjunction with one or more non-public entities through public private partnerships
- iii. It is aimed at accumulating new physical or intangible assets or enhancing human resource capacities, or improving or rehabilitating existing physical or intangible assets or human resource capacities
- iv. It will require planning, execution, monitoring and evaluation
- v. It will be carried out as an integrated set of activities
- vi. It will be undertaken at a specific cost
- vii. It will be undertaken within a defined timeframe
- viii. It will achieve [a] development objective[s]

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