BACKGROUND NOTE ON PARTNERSHIP ASSEMBLY DECISION-MAKING THROUGH ELECTRONIC MEANS
I. BACKGROUND

1. On July 24th, 2014 – during the intersessional period between PA9 and PA10 – the PMR Secretariat, at the request of Brazil and Ukraine, initiated the procedure of using the electronic means for decision making by the Partnership Assembly (PA) for allocation of the implementation funding for these two countries’ MRPs. The PMR Participants were invited to provide feedback on and endorsement of the proposed procedure. Upon endorsement of such procedure, the resolutions on allocation of the implementation funding were adopted by the PA under no objection basis on September 19th, 2014.

2. During this process, comments on the procedure were received from the following PMR Participants: the European Commission, Switzerland and the United Kingdom (see Section III for more information on the nature of received comments and the Secretariat proposal on how to address them).

3. The PMR’s Rules of Procedure allow for approval of allocation of PMR resources to the Implementing Country Participants through electronic means. Section IX of the Rules of Procedure states that the PA may, without conducting a PA Meeting, “approve allocation of PMR resources to the Implementing Country Participants and consider any other matter that the Secretariat, in consultation with the Co-Chairs, determines and requests should not be postponed until the next PA Meeting.”

4. However, in order to establish a common understanding on how and when the procedure for funding allocation through electronic means should be utilized in the future, it was agreed that the PA, at its 10th meeting, will further discuss the modality and process for proposed procedure.

5. In an effort to facilitate further discussions on this matter, the PMR Secretariat prepared this Note on PA Decision-making through Electronic Means (PMR Note PA10 2014-2). The Note outlines main steps and characteristics of the MRP feedback process, provides key observations drawn from the existing experience, and suggests possible modality and a way forward for the PA’s consideration.

II. MRP FEEDBACK AND APPROVAL PROCESS: OVERVIEW AND KEY OBSERVATIONS

6. In order to recognize potential advantages of using the electronic decision-making for allocation of implementation funding, it is important to recall the overall process and time schedule of the MRP feedback and approval processes, respectively.

7. Through Resolution No. PA 2011-6, adopted in December 2011, the PA has put in place a process for providing feedback on the countries’ MRPs with an objective to enhance the formulation and increase the quality of the MRP, as well as provide relevant knowledge and experience to the implementing country participants.
8. The decision on the Implementation Funding Allocation is preceded with three steps: (i) submission of an initial draft MRP to the PMR Secretariat for feedback from the PMR experts, the PMR Secretariat and the World Bank, which also includes country visits (“Expert/PMR Secretariat Feedback”); (ii) presentation of the draft MRP for seeking feedback from the PMR Participants at the PA meeting; and (iii) final presentation of the MRP at the PA for funding allocation. For more details on the illustrative timeline of the MRP preparation steps, see Figure 1.

![Figure 1: Illustrative Timeline of the MRP Preparation Steps](image)

9. The MRP feedback process itself follows a two-staged approach: (i) feedback from the Experts, PMR Secretariat and the World Bank; and (ii) feedback from the PMR Participants. The experience with PMR countries demonstrates that the Expert/PMR Secretariat Feedback Phase is critical for in improving the quality of MRP and for providing a solid foundation for a smooth decision-making on implementation funding allocation by the PA. In fact, most of the MRP-related work at the country-level is done during the first phase and, in many instances, substantive revisions of the country’s MRP occur as a result of such feedback. For more details and advantages of the two-staged MRP feedback process, which is followed by the country’s finalization of its MRP and a subsequent PA’s decision on allocation of implementation phase funding, see Figure 2.
10. The time period between the submission of the initial draft MRP and a final funding allocation usually takes five to eight months (depending on the interval between two PA meetings). Taking into account that potentially fewer PA meetings could be held in the future, this time period could become even longer. The PMR Participants may consider keeping the option of allocating the implementation funding through electronic means during the intersessional period without compromising the quality of the MRP.

III. DECISION-MAKING THROUGH ELECTRONIC MEANS: PROPOSED MODALITY GOING FORWARD

11. When discussing the option for prospective decision-making through electronic means, it is important to note that the proposed procedure may only affect a few countries. As of October 2014, twelve countries have finalized their MRPs and were allocated the implementation phase funding.\(^1\) In addition, one more country (South Africa) has completed its draft MRP following an extensive MRP feedback process. Looking ahead, four PMR countries (India, Jordan, Peru and Tunisia) are yet to go through the MRP feedback process and present them for funding allocation to the PA.

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\(^1\) Vietnam will present its final MRP for funding allocation at PA10 meeting which will be held on November 3\(^\text{rd}\) - 4\(^\text{th}\) in Santiago, Chile.
12. In the context of discussions on Brazil and Ukraine’s requests to use the electronic means for funding allocation to their MRPs, some participants shared their concerns on potentially subjective and arbitrary nature and difficulties in setting a set of unambiguous criteria for triggering the procedure.

Process for Invoking Electronic Means for Funding Allocation

13. In an effort to provide more clarity on the governance aspects of the procedure, and identify a pragmatic approach going forward, the PMR Secretariat invites the PA to consider the following options for allocating the implementation phase funding to the remaining MRPs through electronic means:

(i) If an Implementing Country intends to use the electronic means for funding allocation, it is encouraged to make such a request at the PA meeting during which the draft MRP is presented, subject to no objections from the PMR Participants.

(ii) Alternatively, the procedure could be triggered during the intersessional period at the request of the Implementing Country, in which case it would be forwarded to all the PMR Participants for consideration. If no objection is received within one week after the request is submitted, it will be considered endorsed.

Process for Electronic Decision-making for Funding Allocation by PA

14. In an event that the conditions outlined above are met, the proposed modality for allocation of the implementation phase funding through electronic means will be as follows:

(i) A country submits its final MRP to the Secretariat for circulation to the PA, along with a standard powerpoint presentation (indicating the budget and key changes that were made in the MRP) and a draft resolution.

(ii) The two-week no-objection period for the MRP review and comments by the PA will be in effect. During this period, the country would avail itself to clarify any concerns

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2 Anticipated presentations of countries’ MRPs will depend on a number and schedule of PA meetings in 2015/2016.

3 Ibid.
or answer any question that the PA might have. In an event of comments or questions raised by the PMR Participants during the two-week no-objection period, the Secretariat will facilitate communication with the concerned parties in order to provide clarifications and ensure smooth decision-making process.  

(iii) Upon the end of the two-week no-objection period, the resolution on the funding allocation will be deemed adopted unless explicit objection is raised by a PMR participant. In such case, the decision would be postponed to the next PA meeting.

IV. ACTION BY THE PA

15. The PA is invited to consider the proposal outlined in Section III with the objective of adopting a process that allows electronic decision making on the implementation funding allocation at PA10.

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4 Section IX of the PMR Rules and Procedure specifies that, in case of electronic decision-making, the Secretariat shall invite each PMR Participant to review and approve the proposed decision, including providing all the relevant documents. The Rules of Procedure also stipulate a period of at least fourteen (14) days, during which any PMR Participant may object proposed decision. At the end of the prescribed period, the proposed decision is deemed approved.