

What Are the Main SPI Platform Operating Processes?

Chapter 8 provides an overview of SPI activities and documentation. The SPI Committee operating guidelines are completed, with more details on project management group activities and on EU Better Regulation methods. Most documents prepared by the SPI Platform are standardized; the **annexes** to this chapter contain templates to be used for project documents and for activity planning and reporting.

8.1. SPI Committee Operating Guidelines

The SPI Committee operating guidelines (see **Annex I-1**) and their annexes govern the activities of the SPI Platform. They provide the rules and procedures for decisions and executive activities in the SPI Platform for all stages of project-related activities:

- the functions of the SPI Committee;
- Project selection and approval (see Annex II of the SPI Committee Operating Guidelines);
- Project implementation (see Annex III); and
- Enactment activities (see Annex IV).

Annex V of the SPI Committee Operating Guidelines presents the cooperation between SPI stakeholders and the SPI Secretariat when deciding on projects to undertake, identifying solutions, reaching consensus on the proposals and enacting the agreed solutions.

8.2. Organizing Project Activities

The essence of the SPI Platform work methodology is that individual projects are placed under the responsibility of a Project Owner who is appointed by the SPI stakeholder proposing the project. The Project Owner assembles a public-private Project Management Group; provides guidance to project working activities; endorses final project working group recommendations before they are transmitted to the SPI Committee for discussion and endorsement; and leads post-SPI Committee approval enactment promotion activities with relevant authorities.

The Project Manager and Co-Project Manager, with SPI Secretariat support, identify the technical expertise needed in the project working group and recruit the experts; clear the documents prepared by the SPI Secretariat before submission for project working group discussion; lead project working discussions.

The responsibilities of project working groups (see Annex III of the SPI Committee Operating Guidelines) are summarized in **Annex VIII-1**. This document should be handed to project working group members at their first project meeting. For some of the projects, domestic or international experts, known as technical anchors or TANS, may be needed to identify the most appropriate solutions.

The presentation shown in **Annex VIII-2** helps the SPI Secretariat to explain: i) what it is expected from the project management team and from the project working groups; ii) SPI Committee responsibilities; and iii) EU Better Regulation methods. The Annex explains the steps for analysis and provides examples from the SPI Albania project in terms of understanding a problem, the general, specific and operational objectives of the project and identification of possible solutions.

Annex VIII-3 sets out models for sharing responsibilities between project working groups, TANs and the SPI Secretariat in three situations:

- when the project working groups and SPI Secretariat can achieve project objectives without additional expertise;
- when project working groups and the SPI Secretariat ask for the assistance of a TAN, but most of the analytical work is done by SPI Secretariat;
- when the SPI Secretariat has a supporting role, with the analytical work covered by a TAN.

Examples of minutes of meetings that must be prepared by the SPI Secretariat to record discussions of documents and project progress is presented in **Annex VIII-4**. It is important that the SPI Secretariat accurately records points raised by project working group members during discussions and notes the conclusions reached. Practical examples can be downloaded from <http://www.convergence-see.eu/instrument/project-working-groups.html>.

8.4 Project Documents

In the Annex section are shown examples of standard SPI project documents based on EU Better Regulation approach (see **Annex VIII-5**) to be prepared by the SPI Secretariat as projects develop:

- Terms of Reference (**Annex VIII-6**);
- Scoping the Problem (**Annex VIII-7**);
- Note on International Experience (**Annex VIII-8**);
- Cost-Benefit Impact Analysis (**Annex VIII-9**);
- Summary of the cost and benefits analysis (**Annex VIII-10**);
- Final project working group recommendations document (**Annex VIII-11**).

Use of standardised documentation is a key operational process to enable the small SPI Secretariat team support many domestic expert teams to execute the financial modernization program. International experts bring with them their own idiosyncratic project management methodologies which are ill-suited for the emergence of local analytical and project management capabilities.

A detailed **Terms of Reference**, to be approved in the first project working group meeting, becomes the roadmap that will guide the work, step-by-step, with a strong focus on quick resolution of the solution-finding process.

The **Scoping the Problem** document provides a succinct institutional, legal and regulatory context, defines the nature of the problem to be solved (either a market or a regulatory failure), assesses the impact of this failure on the authorities policy goals and outlines possible solution options.

The **Note on International Experience** provides a benchmark on how the problem at-hand has been addressed in other relevant countries or group of countries. It helps guide the project working group to identify solutions that would work in an international context.

The **Cost-Benefit Analysis** is an essential part of the solution-searching as it purports to understand how proposed regulatory measures may affect clients, financial intermediaries and financial authorities. It provides a "reality-check" on how whether the intended solution (or solution options) is likely to work out in practice. The resulting **Summary** is then discussed in a Market Consultation context to generate technical consensus on the final recommendation.

The **Recommendation** document, cleared by the Project Owner, contains the proposed official decision document, together with background analyses that will help the enacting authority process the proposal through its own decision-making circuit.

These documents, codified by EU financial regulators as helping achieve the goals of "Better Regulation", are also very useful to catalyze transparent and evidence-based analytical collaboration between public sector and private sector experts, consistently with the high integrity standards now being implemented internationally for public-private policy dialogue.

8.5 SPI Secretariat Reporting

The SPI Secretariat may plan activities and reporting on a weekly basis (see **Annex VIII-12**). It should also prepare monthly activity reports (see **Annex VIII-13**) to be sent to SPI Committee members, SPI partners and to the SPI website.

In order to have a comprehensive image of all activities project or non-project related and of their progress, SPI Secretariat could use a multi-week planning board as exemplified in **Annex VIII-14**.

To obtain a clear picture of stakeholders' involvement in SPI activities, it is recommended that quarterly or bi-annual analyses be carried out of each party's contribution to the partnership, in line with the example of an SPI Romania report (**Annex VIII-15**).

For Annual Reports, the SPI Romania 2007 and SPI Albania 2008 reports could be used as benchmark¹⁴.

8.6 Project Evaluation

It is a good practice to ask project working group members to evaluate the activities of the SPI Secretariat at the completion of a project. This helps improve performance and is an effective mechanism for feedback of financial community views of the activities of the SPI Platform. Project working group members should be given an evaluation questionnaire (see **Annex VIII-16**) at their first meeting so that they can familiarize themselves with the aspects of Secretariat performance to be observed.

Annex VIII-17 gives an example of a summary of SPI Secretariat performance as appraised by project working group members in Albania.

¹⁴ SPI Romania: http://www.spi-romania.eu/admin/filemanager/files/spi_romania_annual_report_2007.pdf

SPI Albania: <http://www.spi-albania.eu/admin/js/filemanager/files/web/news/SPI%20Albania%20Annual%20Report%202008.pdf>

ANNEX

**ANNEX Section
Page Number**

Annex VIII-1	SPI Project Working Group Responsibilities	193
Annex VIII-2	Project Working Group First Meeting Presentation	195
Annex VIII-3	Responsibilities sharing PWG and SPI Secretariat	207
Annex VIII-4	Example of Project Working Group Meeting Minutes	211
Annex VIII-5	EU Better Regulation Methodology	217
Annex VIII-6	Example of SPI Project Working Group Terms of Reference	219
Annex VIII-7	Example of Scoping of the Problem Document	227
Annex VIII-8	Example of Note on International Experience	241
Annex VIII-9	Example of Cost-Benefit Questionnaire	255
Annex VIII-10	Example of Survey Summary of Cost-Benefit Findings	279
Annex VIII-11	Example of Project Working Group Recommendation Document	301
Annex VIII-12	SPI Secretariat Weekly Planning Report Template	303
Annex VIII-13	Example of SPI Secretariat Monthly Activity Report	305
Annex VIII-14	Example of SPI Secretariat Multi-Week Work Plan	307
Annex VIII-15	Example of SPI Secretariat Stakeholder-based Bi-Annual Activity Plan	309
Annex VIII-16	Example of SPI Secretariat Evaluation Questionnaire	317
Annex VIII-17	SPI Secretariat Summary Evaluation	327

ADDITIONAL READING

1. Examples of SPI Albania and SPI Romania Project Working Group Meetings activities
<http://www.convergence-see.eu/instrument/project-working-groups.html>
2. Example of SPI Albania Secretariat Activity Evaluation
http://www.convergence-see.eu/IMG/pdf/SPI_Albania_Secretariat_evaluation_Liquidity_Octobe_2009.pdf
3. Example of a Cost-Benefit Qualitative Analysis Questionnaire
http://www.convergence-see.eu/IMG/pdf/Capital_Adequacy_Questionnaire.pdf
4. Example of SPI Secretariat Activity Planning Reports
<http://www.convergence-see.eu/instrument/spi-secretariat.html>