



Figure 1: 'A Virtuous Circle' – Gaining political traction with the facility model. Source: NIAF

What is a facility and why choose one?

A facility is a large programme, comprised of many sub-projects, and run by one Service Provider (SP). The SP sets up a Programme Management Unit (PMU) to manage facility operations. The PMU, drawing on the input of its stakeholders, selects, prioritises, and designs projects which contribute to the facility's intended outcomes.

Guiding principles of the facility model

For the programme to be effective, the PMU deploys projects which are:

- **Demand-driven:** each project under the facility starts with a clear request from a client;
- **Results-focused:** projects have a specific, time-bound, and measurable objective, ensuring the PMU deploys appropriate resources in response to demand;
- **Accountable:** each project has its own client, terms of reference, team, and budget, each of which can easily be held accountable to the PMU on a project level; and
- **Greater than the sum of its parts:** because all the individual projects are selected, managed, and evaluated under a singular logical framework (the logframe), the projects are of a consistent, coherent, and aligned to the client's overall objective.

Characteristics of the facility model

Traditionally, donor programmes have been established using a simple formula, whereby SPs estimate the total overhead for a programme through tender, against a fixed set of inputs and workplan. In these programmes, clients need to wait months or years before assistance is deployed due to procurement procedures, by which time resource allocation, costs, and plans are inevitably incorrect due to changes in the context.

By contrast, facility models have proved to be an economic and effective way for donors to deliver a complex and innovative infrastructure programme. The success of facilities is due to their:

Flexibility: breaking large programmes into small projects allows the client and PMU to adjust to changes in the context, capture opportunities, or shut-down underperforming activities;

Speed: the PMU can mobilise technical assistance (TA) immediately and add resources to projects without the costs and delays of a new tender, recruiting new experts, or set-up costs of a new SP;

Scalability: once projects have demonstrated results, with a large programme and a pool of experts, the PMU can easily scale up or replicate successful work, cancel or shorten low performing projects, and start new projects in response to client demand of changing conditions; and

Expertise: by capturing an economy of scale in delivery, facilities can access a deep and wide pool of technical experts who can be deployed for specific tasks and circumstances.

Unlike a regular TA programme, a facility sees the donor define the outputs they would like to see at the beginning of the programme while leaving the technical detail of the approach fluid, placing a premium on the adaptability, connections and technical ability of the SP.

Traction and political relevance in the facility model

One of the key attributes of the facility model is its ability to achieve traction with counterparts and a political relevance in the region or country of delivery.

Owing to their demand-driven nature, facilities are rooted in partnership with clients such as national, state, or local governments. The SP can act flexibly to tailor technical assistance to meet client demand: it has the capacity to act quickly on requests for support, and the ability to wait for a client to articulate a clear demand for assistance.

Flexibility is a critical factor in the effectiveness and quality of a facility's support to clients. The ability to tailor support and constantly adapt it to changes in the context ensures our advice is relevant. Delivery of tailored, timely, and relevant advice against clients' articulated demands helps the SP build trust with the client.

Strong client relationships are built on flexible and effective delivery which is in response to client demand. This creates a virtuous cycle which starts with client ownership and is pushed forward by delivery. That cycle opens a policy space to have the honest – and at times difficult – conversations about reform.

By contrast, in traditional donor programmes, governments can see dozens of SPs each year – often with overlapping or contradictory mandates, who may arrive months after a request for support is made. Coordination between donor projects is also very poor, with many consultants deployed at different times with different mandates. By contrast, facilities coordinate all projects under one SP. The long-term, demand-driven nature of the facility model therefore allows the SP to build deeper relationships from successive small interventions and open a policy space for real programmes of reform.