**Annex 4: Example No-Objection Process Flow Explanation**

**Background**

A process flow diagram is a visual representation of a business process that depicts a step-by-step process, from beginning to end. It uses shapes to represent specific tasks and outlines the steps (also referred to as tasks) required to complete a business process. It also shows the process flow between different work groups or individuals responsible for managing the tasks.

A process flow diagram often includes accompanying timelines for two elements: (1) the time to complete each task, known as cycle time, and (2) the time to complete the entire business process. The cycle time considers the time required for a work group or individual to complete a task after receiving it and forwarding the deliverable of a given task. Cycle times generally consider the task complexity, resources available, policies, roles and responsibilities of work groups or individuals, and any other internal or external variables that are expected to impact the completion of the task. The expected time required to complete the entire business process is determined by adding the cycle times of all sequential steps.

**Explanation of the Example Process Flow**

The ‘example No-Objection process flow’ in Annex 4a provides a general process flow diagram for a document being prepared for MCC No-Objection. AEs can use this example as a starting point to develop process flows tailored to their specific structure or circumstances.

**Process Flow Shape Definitions**

Terminator shape **Start/End:** this shape signifies the first and last step of the process.

 **Process:** this shape represents a typical step in the process and is the most frequently used shape in almost every process.

 **Decision:**  this shape indicates a point where the outcome of a decision dictates the next step. There can be multiple outcomes, but often there are just two: yes and no.

 **Subprocess:**  this shape is used for a set of steps that combine to create a sub-process that is defined elsewhere.

 **Document:**  this shape represents a step that results in a document.

 **Arrows**: this shape connect the task shapes and indicates the next step in the process flow.

**Key Actors in the ‘Example No-Objection Process Flow’**

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| **Actors – Individuals or Work Groups**[[1]](#footnote-2) | **Role** |
| External – Consultant/Engineer/ Project Management Consultant (PMC)/ Implementing Entity (IE) | * Provide input, additional information; review, and/or comment consistent with the terms of their contract/implementing entity agreement/other, if appropriate * Engineer may provide recommendations or approvals at certain thresholds |
| AE Technical Staff (project staff, ESP, GSI, M&E, etc.) | * Provide input, additional information; review, comment and/or clear * Ensure consistency with AE/MCC procedures and requirements (Environmental Guidelines, Social and Gender Integration Plan, M&E Plan, Branding standards, etc.) * Determine if external input is needed |
| Document Owner – AE staff member (project or sector) responsible for development of the document and managing the internal review process (usually works under AE Project/Sector Lead/Director) | * Review 1) the level of clearance/authority necessary based on policies/thresholds, 2) the AE’s Clearance Matrix to determine who should be involved in the review process and how; and 3) appropriate steps in the process flow * Discuss with MCC, if appropriate * Circulate the document to relevant actors. Collect and review feedback, and update the document as necessary * Populate the Clearance Sheet prior to sending to next level * Finalize document review process |
| Procurement – AE/Procurement Agent (PA) | * Determine if procurement or grant action is required and provide input/clearance as necessary * If procurement or grant, confirm it has been approved in the Procurement Plan/Grant Schedule * Confirm consistency with AE procurement procedures (Procurement Operations Manual, Contract Administration Manual, and Contract Management Manual) and MCC procurement policy and guidance (i.e., PPG) * Provide input or process guidance, if appropriate given document type (contract past performance reports, contract amendment, etc.) |
| Finance – AE/Fiscal Agent (FA) | * If relevant, ensure availability of funds for commitments and disbursements (review disbursement authority and budget) * Confirm consistency with AE financial and internal procedures (i.e., Fiscal Accountability Plan) and MCC requirements (i.e., Cost Principles) * Provide input/clearance, if appropriate |
| AE Legal | * Confirm consistency with compact/threshold agreement, Program Implementation Agreement, contracts and other legal documents or requirements * Review for legal compliance * Prepare timing and submission to the AE Board, if required * Provide input/clearance, if appropriate |
| Approver | * Review final cleared document; revise if necessary * Approve or reject and return to Document Owner for action/no action |
| AE No-Objection focal point | * Send No-Objection request to MCC * Receive and process No-Objections and/or Objections with comments from MCC * Send final documents to MCC, if No-Objection provided |
| AE Board | * Review and approve, if required |
| MCC RCM | * Work with Country Team to review AE’s request for No-Objection * Respond to the AE with either a No-Objection or an Objection with details on specific Fatal Flaws and actions required to address them |

**Development of AE-specific process flows**

To help ensure that documents have received input and clearance/approval from all necessary AE staff prior to submission to MCC, AEs are encouraged to develop process flow diagram(s), similar to the example provided, to delineate the internal review and approval process. AEs may want to create different process flow diagrams for the Technical Review process or for document reviews envisioned by an AE that may not necessarily be submitted for MCC No-Objection.

To determine if a business process will benefit from a process flow diagram, the AE should first determine if it requires multiple tasks and actors. If so, the AE should complete a process flow analysis to identify the tasks, their sequencing, and roles and responsibilities for the work groups or individuals involved in the business process. The output of this analysis should then be used to build the process flow.

When creating a process flow, the following questions or considerations should be contemplated:

* Who will the Document Owner typically be (the Project/Sector Director, a separate individual on the Project/Sector Director’s team)?
* What is required to ensure alignment with other AE manuals or processes?
* What are the approval thresholds and steps (noting that approval thresholds are often determined by the policies, document type, budget/price, contract terms, and roles and responsibilities)?
  + Is the AE Board of Directors’ approval required? If yes, will the AE seek Board approval or MCC No-Objection first?
  + Are there any other clearances or approvals required (IEs, other local, regional or national government entities, etc.)?
  + What level of AE approval is required, given the executive management structure?
* If there are multiple external entities (contractors, IEs, PMC, etc.) required to provide input to a document, should those entities be further expanded in the process flow?
* How should the overall business process time and cycle times be articulated on the process flow diagram?

It will be necessary to establish an overall business process time and specific cycle times for each task, while taking into consideration which tasks can be performed simultaneously and which tasks are dependent on other tasks and must therefore be sequential. Different types of documents will take different amounts of time for reviews and approvals and will require different steps in a process flow diagram. For example, review of an invitation for bid could take a significant amount of time and involve many actors while the review of a contract amendment for an extension of time at no additional cost could be done in a relatively short time with few actors.

1. Note that in this example, we are assuming the relevant AE does not have a grant program. However, if grants were included, there may be a separate row for grants, including both the AE grant staff and the grant manager, and their role would be responsible for confirming consistency with AE grants procedures (Grants Operations Manual, LGF Operations Manual, Partnership Navigator) and MCC grants policy and guidance (i.e., PGG). [↑](#footnote-ref-2)