



ANNUAL AND 5-YEAR REVIEW MEETING OF PUBLIC FINANCIAL MANAGEMENT REFORM PROGRAM

Achievements, Challenges, and Way Forward of the implementation of PFMRP

General Secretariat of PFM Reform Steering Committee

20 April 2018

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Challenges

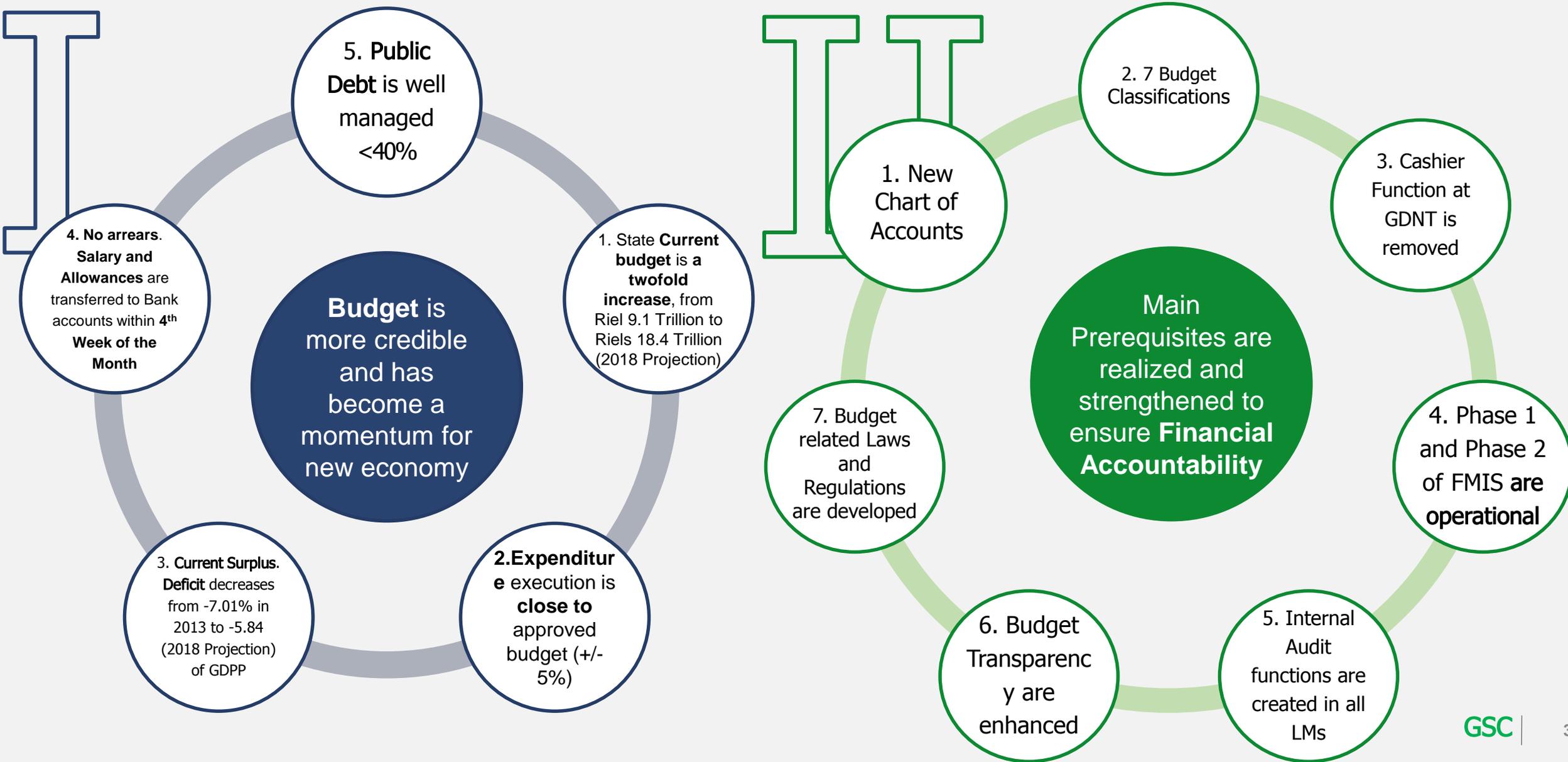
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Objectives for the Next 5 Years of PFM RP (2018-2022)

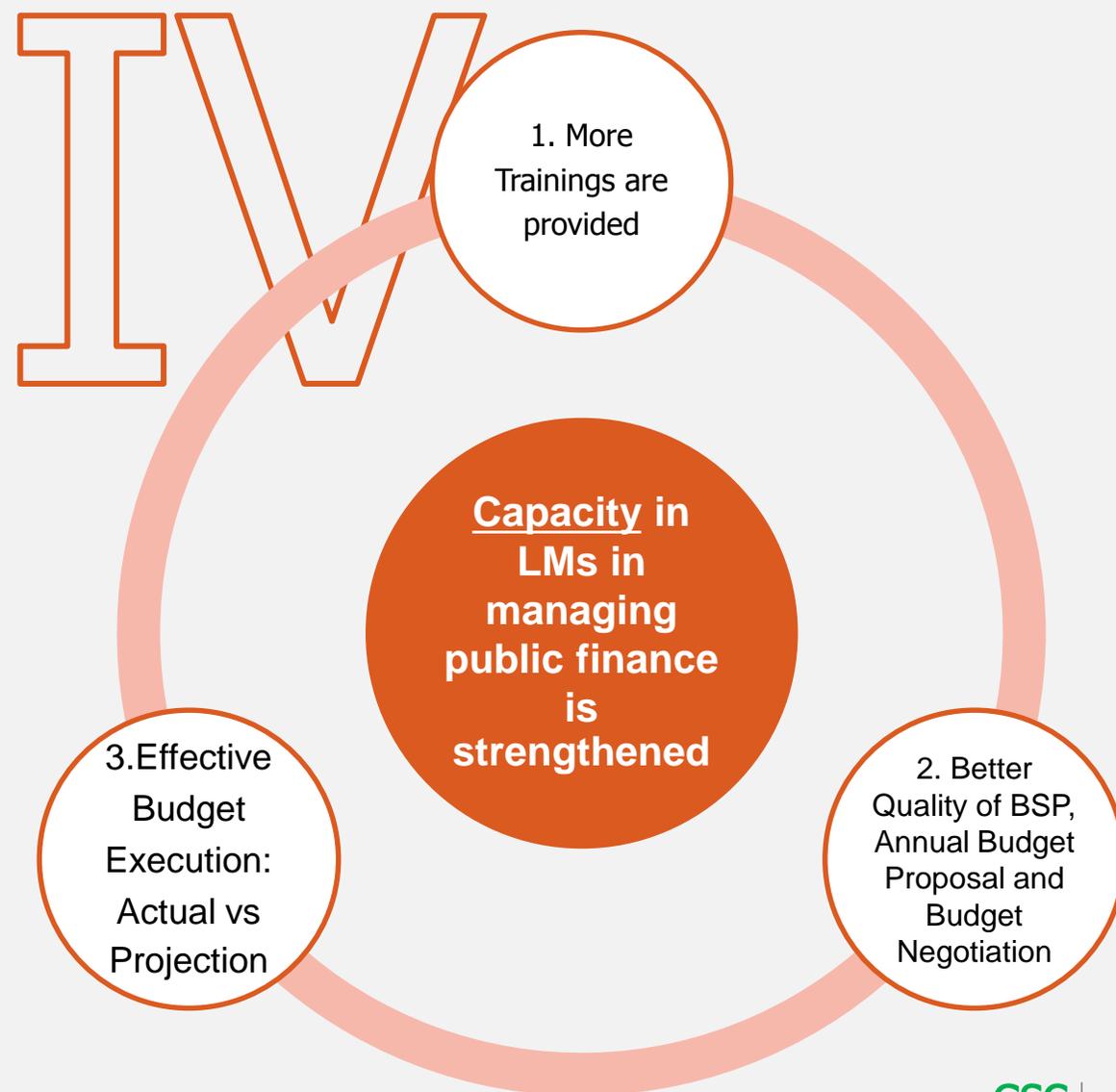
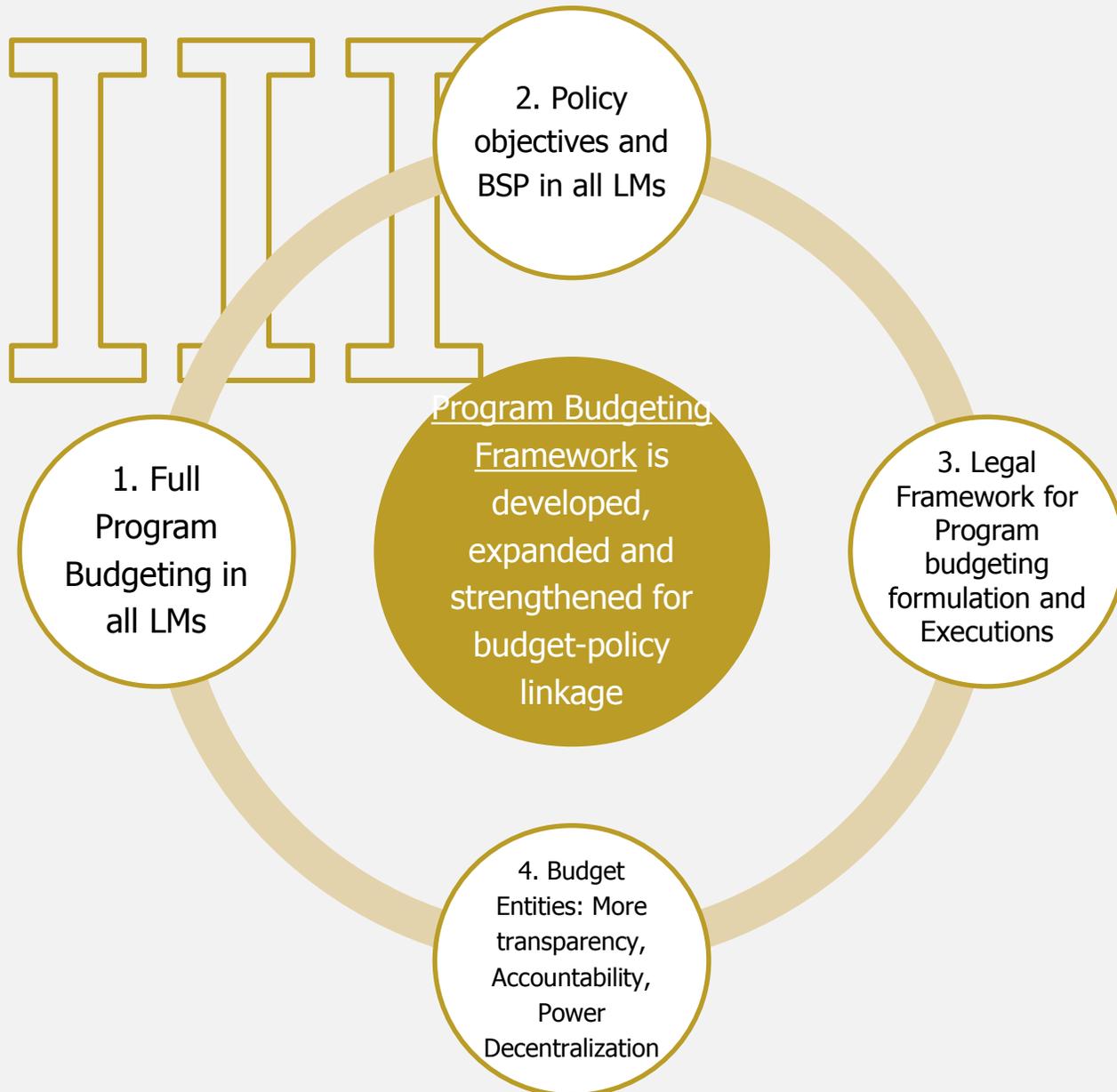
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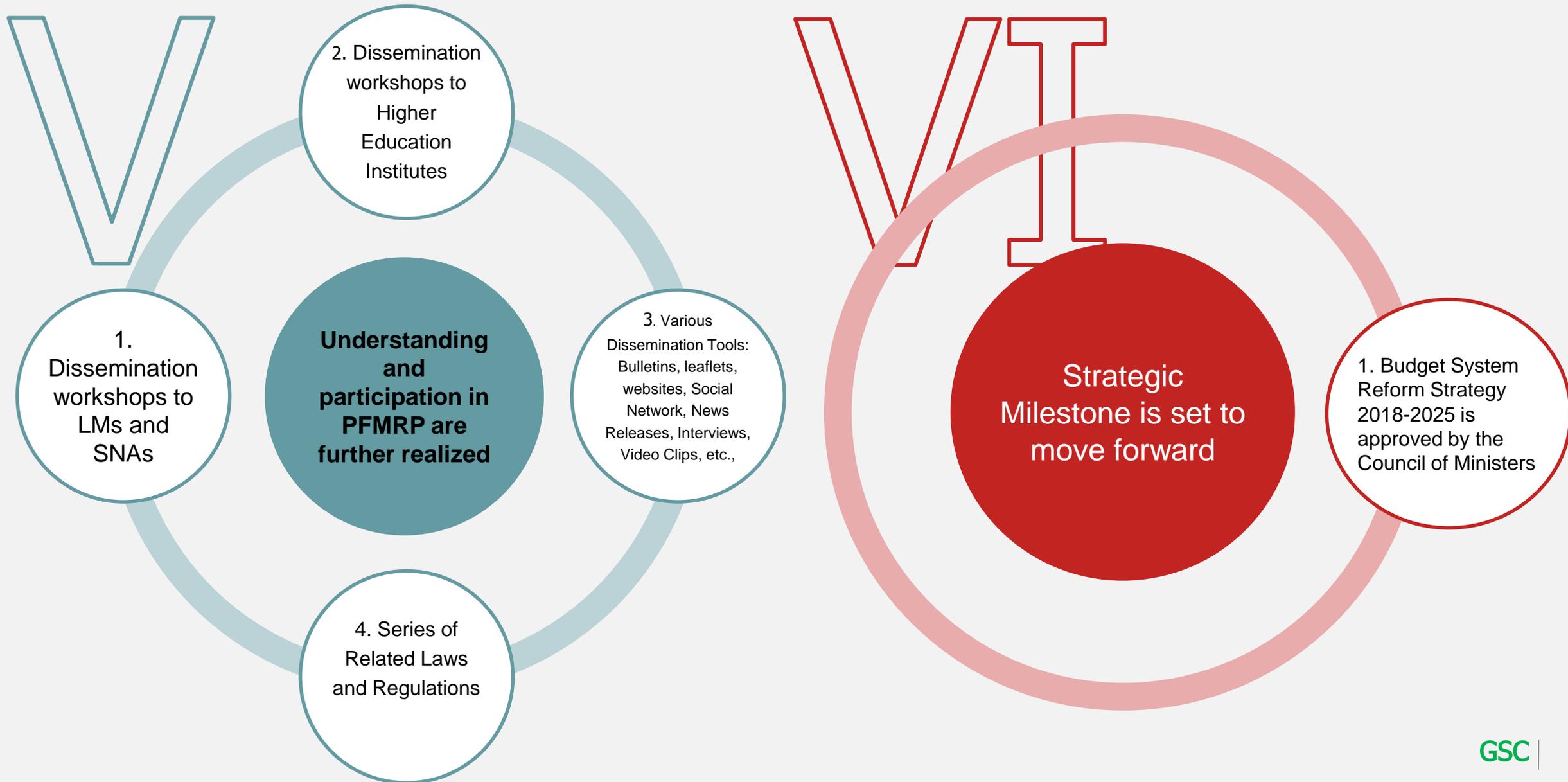
1. 5-Year Achievement (2013-2017)



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2. Challenges

Institution Factors

1. Coordination Mechanism between GDs and Units of MEF and LMs, especially in Budget Execution is not consolidated
2. Even though Willingness, Awareness and Participation of LMs are gradually improved, it is still insufficient to accelerate the implementation of PFMRP
3. No Clear action Plans to link the three reforms

Technical and Human Resource Factors

1. The Development of GDAP3 and MAP3 are not fully responded to CAP3
2. Trainings are provided just to raise awareness. There is no medium and long terms training plans to enhance capacity.

Financial Factors

1. RGC's budget to financially support PFMRP is limited. There is still a need of DP's financial supports
2. Incentive Scheme for PFMRP's Working Group in LMs is not implemented. it is planned to implement in 2018

3. Objectives for the Next 5 Years of PFMRP (2018 - 2022)

Ultimate Objectives of PFMRP

-  Integrity of budget Discipline
-  Budget effectiveness in allocation and execution
-  Efficiency in Public Service delivery



3.1. Objectives for MEF (1/2)

1

Developing Medium Term Tax Policy Framework 2019-2023

2

Executing Budget System Reform Strategy 2018-2025

3

Strengthening and expanding FMIS

4

Developing Medium term Financial Framework (MTFF) and Medium term Budget Framework (MTBF)

5

Amending Public Finance Law 2008

6

Finalizing draft laws on State Property Management and Non Tax Revenue Management



3.1. Objectives for MEF (2/2)

7

Developing Budget System Reform Strategy for SNAs 2018-2025

8

Developing Public Procurement Reform Strategy 2019-2025

9

Developing Public Private Partnership Investment Framework

10

Developing Roadmap for Accrual Accounting

11

Developing guideline of RCC's Financial Management Manual

12

Developing comprehensive PFMRP Fund capacity development for financial management



3.2. Objectives for LMs (1/2)

1

Reviewing Mid Year and Annual implementation of Program Budgeting (Objective 31)

2

Strengthening Budget Strategy Plan (Objective 32)

3

Developing institutional structure of LMs to be in line with Program budgeting (Objective 33)

4

Managing and implementing revenue collection (Objective 11)

5

Strengthening the development of revenue and expenditure programs (Objectives 11 and 14)



3.2. Objectives for LMs (1/2)

6

Strengthening Public Procurement Transparency and Budget Transparency (Objective 25)

7

State Budget Management (Objective 25)

8

Implementing FMIS: (1) Develop SOP, (2) Change management and (3) Delegated Budget Managers for Budget Entities (Objective 21)

9

Strengthening internal audit and inspection functions (Objectives 35)

10

Strengthening capacity and disseminating PFMRP (Objectives 51, 52, 53)



4. Conclusion

The achievement of the Fifth Legislature of the National Assembly RGC's PFMRP has resulted in further developing and strengthening public financial management and shall be highlighted as follows:

- ✓ Budget is more credible and has become a momentum to leverage and sustain economic growth
- ✓ Main Prerequisites are realized and strengthened to ensure Financial Accountability
- ✓ Program Budgeting Framework is developed, expanded and strengthened for budget-policy linkage
- ✓ Capacity of Officials in LMs in managing public finance is strengthened and
- ✓ Understanding and participation in PFMRP are further realized



Public Financial Management Reform Program

“System, Mechanism, Legal Framework and Human Resources”
are Key Success Factors to ensure discipline, transparency, accountability, efficiency and effectiveness of Public Financial System

