

PEFA Advisory Board Terms of Reference

1. BACKGROUND

The PEFA Advisory Board (AB) was established to enhance country ownership of the PEFA initiative and provide suggestions, feedback, and advice to the Steering Committee (SC) on selected issues.

The establishment of the AB in 2022 as a pilot initiative marked a significant step toward enhancing country ownership and integrating user perspectives into the governance of the PEFA Program. Over the course of the 18-month pilot, the AB provided valuable feedback and strategic insights to the SC, contributing to the refinement of PEFA’s direction and operations. PEFA SC restructured PEFA Advisory Board building on the successful pilot experience and the new revamped PEFA Advisory Board Terms of Reference are presented in this document.

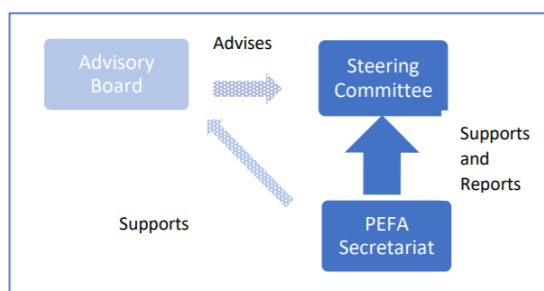
2. PURPOSE AND STATUS

The purpose of the PEFA Advisory Board (AB) with government representatives is to help enhance country ownership and provide suggestions, feedback, and advice to the PEFA SC on selected issues and approaches related to the PEFA Initiative.

3. ROLE OF THE PEFA ADVISORY BOARD

The PEFA SC is a high-level committee that provides strategic direction to, and oversight of, the PEFA Initiative. It includes the nine Partners of PEFA. The SC meets at least twice a year. Annex A defines the role and responsibilities of the SC and the PEFA Secretariat.

The role of the PEFA AB will be to provide advice, perspectives, and feedback to the SC in line with its mandate on key selected issues, taking advantage of the AB’s diverse PFM experience from different regions of the world. Integrating the views and perspectives of the AB on the design and development of the PEFA Initiative will allow it to: (i) expand the stakeholder voice and contribute to broader participation and engagement; (ii) continue to meet client demand and needs, including from the country beneficiaries; (iii) facilitate greater synergies with governments



in PFM; and (iv) reflect the latest research and knowledge in applying and developing the PEFA framework.

4. COMPOSITION AND RESPONSIBILITIES

4.1. The Board

The AB will be an advisory body, whose contributions will be one of the sources of input considered by the PEFA SC in its evaluation of strategic and policy options, and in decision-making. The recommendations of the AB are not binding on the PEFA SC.

The AB will be responsible for reflecting on:

- issues related to the PEFA Initiative as requested by the SC.
- without prior request by SC:
 - the development impact, relevance, effectiveness, and efficiency of the PEFA products (Framework, Supplementary Frameworks, guidance products, etc.)¹;
 - how to improve ownership of the PEFA initiative;
 - country experiences, good practices, and lessons learnt in the use of the PEFA framework; and
- any other issue related to the PEFA Initiative suggested by the AB to the SC and supported by the latter.

4.2. Membership of the AB

The AB will comprise balanced composition with representatives of National or Subnational governments, up to 9 members, with the broadest possible representation reflecting different regions and languages in which the PEFA program operates. The AB will maintain its role as a strategic advisory body to the SC. With the specific focus of sharing government's PFM challenges and needs from different regions and application of the PEFA methodology, different levels of development, and different experiences with PEFA.

It is a condition for being a PEFA AB member to represent a country where the PEFA Framework and/ or its Supplementary Frameworks have been applied either at the national or subnational level (or are planning to).

¹ Examples of possible topics that could be considered by the AB include: (i) the quality and communication of PEFA assessment reports; (ii) monitoring of PEFA results and their impact on PFM systems; (iii) the demand of beneficiaries and other stakeholders for specific PEFA products; (iv) opportunities to enhance peer learning across countries and regions; (v) improving the usefulness and impact of PEFA's knowledge-related work; (vi) the effectiveness of PEFA virtual and in-person training methods.

PEFA AB members will be appointed for a three-year period and can be reappointed. Members of the Advisory Board may serve multiple terms, subject to reappointment by the Steering Committee. To ensure continuity while allowing for renewal, some members may serve up to two consecutive terms, with the possibility of returning after a break, as determined by the Steering Committee.

Advisory Board (AB) members are expected to join as representatives of their governments /government institutions. Members of the AB should have relevant qualifications and experience in Public Financial Management, Government Budgeting, Government Accounting, Auditing, Service Delivery, sustainable development, economics, Public Administration, or related fields with a successful track record of work on strategy, research, policy, or operations related to PFM. They should also have an interest in, and preferably experience of, the PEFA framework; with a demonstrable ability to provide strategic input on PFM related issues. Members should have a working knowledge of English, as the work of the AB would be in English.

4.3. Chair

The Chair of the AB shall be elected by a vote of the AB members from among its members. The Chair shall serve a term of 12 months and may hold the position for a maximum of two consecutive terms.

4.4. The role of the PEFA Secretariat

The PEFA Secretariat will act as the Secretariat for the AB and will support the chair in his/her duties.

5. CONSULTATIONS AND MEETINGS

Observers

Members of the PEFA SC may join individual AB meetings as observers, based on an agreement between the Chair of the AB and PEFA SC, on an exceptional basis.

Frequency and Organizational Set-up

Meetings will be convened by the Chair in consultation with the members, based on the need and/or requests by the PEFA SC for advice. The meetings are generally expected to take place at least twice a year, and up to four times a year if needed, as decided by the AB Chair or upon suggestion of the SC. The dates for the two meetings will be set at the beginning of the first year and in occasion of the last meeting of each year for the successive one.

With the support of the PEFA Secretariat, the Chair will be responsible for circulating relevant background resources and documents to Advisory Board (AB) members in advance of AB meetings. Members of the AB may be requested to provide written comments or

considerations on the circulated materials prior to the meetings to inform and facilitate discussion. To enrich discussions and provide specialized insights on priority topics, external experts may be invited to participate in specific meetings or sessions. These experts could be drawn from academia, development institutions, or other relevant sectors, and would contribute based on their subject matter expertise, helping to inform the Board's deliberations and recommendations.

Meetings are expected to take place remotely using Webex or other relevant technology (although one meeting in person is envisaged). Consultations may also take place by email, where members provide written input. The PEFA Secretariat will support the Chair of AB to consolidate and finalize the conclusions and circulate them to the members.

To enhance collaboration and deepen engagement among members, there may be one in-person meeting every three years. Travel and other costs relating to in-person meetings will be covered by PEFA Secretariat based on pre-determined criteria shared with advisory board members at the time of nomination acceptance. While the Board will primarily operate through virtual meetings to ensure accessibility and cost-effectiveness, the option of a face-to-face meeting for one AB meeting offers an opportunity for deepen the dialogue, relationship-building, and reflection on long-term priorities.

Advisory Board members may be required to step down before completing their term due to changes in their professional status. Common reasons include leaving government service, retiring, or otherwise. These circumstances may affect a member's eligibility or availability to continue serving on the AB. In such cases, the Secretariat will coordinate with the SC to identify and nominate a suitable replacement, ensuring continuity and alignment with the Board's composition criteria. Members are encouraged to notify the Secretariat as early as possible to facilitate a smooth transition.

Effort and Remuneration

Participation in AB as a member is considered as voluntary engagement. Members of the AB will not be compensated by PEFA program, and the Secretariat will not reimburse any related costs except for the travel and incidental costs of in-person meetings.

Each meeting is expected to take 2-3 hours, and in-person meetings are 1 or 1.5 days. However, additional time may be required if members agree to carry out follow-up tasks - such as drafting input, reviewing documents, or contributing to actions agreed upon during the meetings. The actual time commitment may vary depending on the agenda and the level of engagement requested from members.

ANNEX A: The Role of the PEFA Steering Committee and PEFA Secretariat



PEFA Steering Committee: The PEFA Steering Committee is responsible for: (a) providing overall strategic guidance and direction on the implementation of the Trust Fund activities; (b) deciding on operational strategies and procedures relating to Trust Fund activities; (c) approving annual work plans and budgets proposed by the PEFA Secretariat; (d) reviewing the progress in the implementation of Trust Fund activities; and (e) establishing working groups or subcommittees to assist in the technical and specific non-technical aspects of developing and maintaining the PEFA program.

PEFA Secretariat: The PEFA Secretariat is responsible for the management, administration, and implementation of the PEFA program activities including, but not limited to, providing support to the SC; proposing PEFA annual work plans and budgets to the SC for approval; ensuring implementation of such work plans; and reporting to the SC on the progress in implementing the annual work plans and budgets. The World Bank will assign staff to the PEFA Secretariat in line with the program document approved by the PEFA SC, updated from time to time.