



***AgilePEFA: An approach for
streamlining PEFA assessments***
Guidance for assessors

Consultation draft

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List of Abbreviations and Acronyms

AM	assessment manager
AT	assessment team
CG	central government
CN	concept note
DeMPA	debt management performance assessment
FTE	Fiscal Transparency Evaluation
LO	liaison officer
MAPS	methodology for assessing procurement systems
M&E	monitoring and evaluation
OT	oversight team
PEFA	public expenditure and financial accountability
PIMA	public investment management assessment
PFM	public financial management
QA	quality assurance
SAI PMF	supreme audit institution performance management framework
SNG	subnational government
TADAT	tax administration diagnostic assessment tool
TL	team leader
ToR	terms of reference
TT	technical team

INTRODUCTION

About PEFA

The Public Expenditure and Financial Accountability (PEFA) program provides a framework, based on international standards and good practices, for assessing and reporting on the strengths and weaknesses of public financial management (PFM). A PEFA assessment incorporates a PFM performance report for the government at a given point in time. The PEFA report includes an overview of the PFM system and evidence-based measurement of performance 31 performance indicators, further disaggregated into 94 dimensions, and allocated across seven pillars of PFM performance. The report also includes an analysis of the findings with respect to the overall system performance and for the desirable budgetary and fiscal outcomes – aggregate fiscal discipline, strategic allocation of resources and efficient delivery of public services.

The PEFA program was established in 2001 is currently managed by a steering committee of nine¹ development partners who are supported by the PEFA Secretariat based in Washington, DC. The first version of the PEFA framework was published in 2005. The most recent upgrade to the PEFA framework was launched in 2016. More information about the PEFA program can be found at pefa.org.

The purpose of the *Agile*PEFA approach

In 2019, the PEFA Secretariat undertook a review of the existing PEFA processes, reporting and guidance to identify potential efficiencies in the time and resources required to undertake an assessment and prepare a PEFA report, while applying and maintaining the integrity of the current PEFA methodology, including indicator set, calibration and scoring. Following that review, PEFA Secretariat developed a streamlined approach to the PEFA process and PEFA report format known as *Agile*PEFA.

*Agile*PEFA includes a revised timeframe for PEFA assessments, a simplified Concept Note, a revised data collection template (and collation of key data prior to the field work) and a simplified, evidence based, PEFA report template. The development of a more agile PEFA does not involve changes to the current PEFA 2016 framework, methodology, indicators, calibration and scoring but rather on streamlining planning and preparation, data collection, report writing and approval.

At this stage, *Agile*PEFA is not intended to fully replace the standard PEFA approach, but rather to be used as an alternative, lower cost option for countries in certain circumstances. The PEFA Secretariat is conducting pilot tests of the *Agile*PEFA approach to identify its suitability for wider application. Lessons learned from pilot testing will be used to update the process and guidance.

About the *Agile*PEFA approach

*Agile*PEFA focuses on two components of the PEFA Secretariat's guidance – the timeframe in the 'ten steps' PEFA assessment cycle and the PEFA report format or template.

¹ European Union, World Bank, IMF, Government of France, Luxemburg, Norway, Switzerland, Slovakia and UK.

Timelines in PEFA 'Ten Steps' Assessment Cycle

A key objective of *AgilePEFA* is to eliminate process bottlenecks and streamline the timelines set out in the current 'ten steps' PEFA cycle. In doing so, the Secretariat developed a simplified format for the concept note, while maintaining the key information requirements to inform decision-making to carry out a PEFA assessment – purpose, coverage, methodology, resources, deliverables and timeframe. With both the concept note and report formats streamlined, the recommended time for reviewing these critical documents has been reduced accordingly.

The Secretariat has also developed a revised and simplified initial data checklist to improve the timeliness of data collection, in particular for data that can be captured and analyzed before the field work mission, thus allowing the field work to focus mainly on any data gaps and corroboration. A revised list of data has therefore been prepared for country officials to provide to the assessment team, at least two-three weeks prior to the in-country field work.

Simplified PFM performance assessment report template

Building on the improvements to the recent revised report format and updated Volume III, the agile approach involves further changes to the report format including:

- merging and reducing the scope of background information included in the current chapters one and two; integrating the pillar assessments of the current chapter four within the chapter of the indicator assessments, and
- presenting a single 'summary of findings' to replace the outcomes assessment under current chapter four and existing executive summary.

These changes have resulted in a shorter and more user-friendly report format with the objective of enabling assessment teams to complete their assessment and prepare and present a draft report to country authorities (and peer review) at the conclusion of the in-country fieldwork mission, thereby reducing overall assessment costs and duration.

For the individual indicator/dimension assessments, the format has been modified to integrate the scores for dimensions and indicators, the summaries/justifications of the scores and the narrative assessment in a single table. This format aims to provide assessors with clearer guidance to support their scores and analysis, but it also requires assessors to provide more precise supporting evidence for the requirements of each score.

The result of the above revisions to both the 'ten steps' PEFA cycle and report format is a recommended agile timeframe of 5 months from planning to the final report as opposed to more than 9 months for a standard PEFA assessment.

AgilePEFA guidance is not meant to substitute any part of the 2016 PEFA Framework or PEFA Handbook Volumes II (PEFA assessment fieldguide), and Volume IV (Using PEFA to support PFM Improvement) Handbook. Due to the changed format, users should use both the *AgilePEFA* ten step timeframe (rather than that set out in PEFA Handbook Volume I) and the specific *AgilePEFA* report template and not the standard Volume III template. All PEFA guidance is available in the PEFA website at [pefa.org](https://www.pefa.org) (<https://www.pefa.org>).

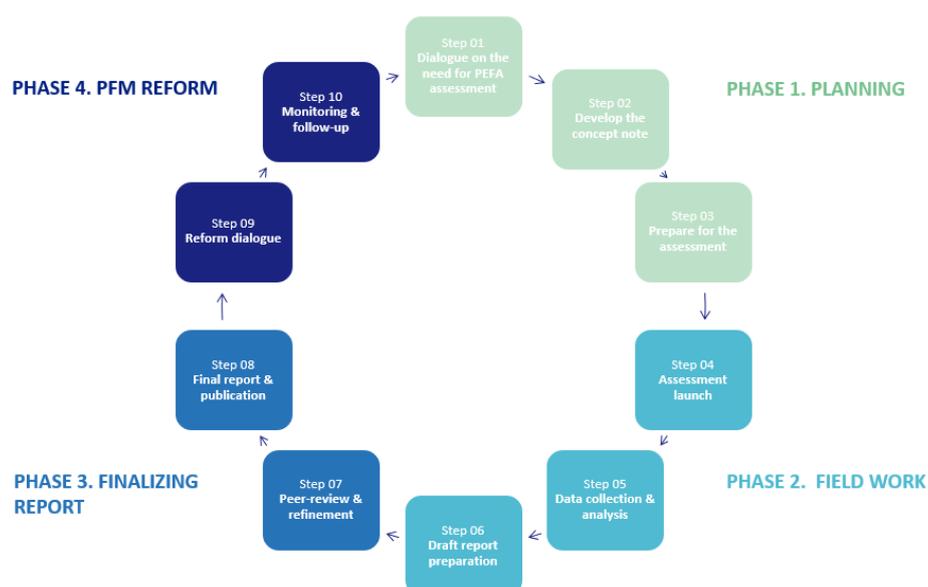
In case of sub-national assessments, *AgilePEFA* approach can be applied equally well using the standard 2016 Framework or the updated 2020 SNG PEFA framework guidance, also available at the PEFA website at [pefa.org](https://www.pefa.org).

PART 1: THE *Agile*PEFA PROCESS – PLANNING, MANAGING AND USING PEFA

Experience gained from around 650 PEFA assessments has demonstrated that a well-structured and systematic process is essential for efficient and timely completion of a comprehensive, evidence based PEFA.

*Agile*PEFA largely follows the same four phase and ten-step approach of the standard PEFA process of planning, managing and using the assessment. The key difference with *Agile*PEFA, is that actions have been streamlined and timelines reduced to ensure that the assessment is completed in the shortest time possible. It also involves preparing the draft PEFA report as part of the Field work in Phase 2.

Figure 1: *Agile*PEFA ten-step assessment cycle



A summary table setting out the four phases, ten steps, key actions and suggested timelines for each of the steps under *Agile*PEFA is presented in Annex 1.

PHASE ONE: Planning the PEFA Assessment

Phase one describes the key steps for planning and preparing the PEFA assessment. Careful planning and preparation are critical to the success of the PEFA assessment. Phase one establishes the basis for the government’s engagement in, and ownership of, the assessment process which is fundamental to the success of the PEFA assessment and subsequent dialogue on the need for PFM improvement. Phase 1 also defines the objectives, scope, coverage and resources required for the PEFA assessment.

Step 1: Dialogue on the need for a PEFA assessment

Step 1 examines the need for a PEFA assessment, usually through dialogue between senior government officials and other stakeholders, including development partners. The dialogue may be initiated by government’s themselves or as part of development support strategic discussions between the government and development partners. Once in principle agreement is reached, an

oversight team of senior government officials and other key stakeholders should be established. The oversight team will define the purpose, scope and coverage of the assessment, and appoint the assessment manager.

Step 2: Develop the Concept Note or Terms of Reference

The next step in the PEFA process involves developing the concept note (CN) or Terms of Reference (ToR). The primary role of the CN/ToR is to set out the agreed purpose, objectives, scope and coverage (including level of government to be assessed, indicators to be applied), timing and resources for the assessment. It details the assessment's methodology, work schedule, staffing requirements, desired outputs and outcomes and quality assurance arrangements. Once completed, the CN/ToR serve as the basis for formally obtaining the support of government and non-government stakeholders and confirming the sources of funding.

A CN/ToR template is presented in Annex 2 and available in the PEFA website at pefa.org. As precise resource requirements vary from country to country, it is not possible to define a standardized budget for a PEFA assessment. Resources required depend on many factors, including the scope, ease of access to information, travel and language. The CN template includes a table itemizing the planned costs of the assessment.

As part of PEFA Check quality assurance (QA) arrangements, the draft CN should be submitted for peer review well in advance of the launch of the assessment, i.e. before the in-country field work starts. The PEFA Check requires both the concept note and draft report to be reviewed by at least four peer-reviewers representing four independent institutions. One of these institutions should be the government assessed and one should be the PEFA Secretariat. Other peer reviewers should have a good understanding of the country's PFM.

Under *AgilePEFA*, the peer review of the CN/ToR is expected to be completed in **five** business days.

Step 3: Preparing for the assessment

Step 3 of the PEFA assessment process involves preparing for the assessment – establishing and mobilizing the assessment team, planning field work and interviews and identifying data requirements and sources and collecting data.

The assessment manager will identify, assemble and mobilize the assessment team. The assessment team members should be experienced PFM practitioners and include members with direct local knowledge of the country being assessed. Collecting as much information and data as possible in advance of field work and meetings allows more time for clarification, detailed discussion and collection of missing or supplementary information.

The field work will be coordinated through the assessment manager and/or oversight team. A schedule setting out the timetable for meetings, names and positions of stakeholders to be interviewed, topics, key issues and questions to be addressed, and requests for supplementary data, should be agreed with the host country before the start of field work.

PHASE TWO: Field Work

Under *AgilePEFA*, Phase two involves the official in-country launch of the assessment, further data collection and corroboration, and presentation of the initial draft report with findings to the government. Under the agile approach field work is expected to require two to three weeks.

Step 4: Assessment launch

The assessment launch aims to broaden country-level support through awareness and understanding of the PEFA framework and assessment process, key challenges and risks, as well as the information needs of and expected benefits from the activity. It is also intended to manage expectations about the results and the use of the findings; in particular, that the PEFA assessment is not evaluating the performance of individual officials. The launch process usually involves a workshop for managers and key staff of government institutions. In some countries, separate briefings of ministers and/or high-level government officials may be delivered.

Step 5: Data collection and analysis

The field work helps to identify and fill in any gaps in the information provided in the initial data collection, corroborate findings with other stakeholders (including development partners and the non-governmental sector) and to prepare the draft report content, including recommended tables and narrative content (see step 6).

Assessors will need to ensure that there is sufficient data to address all aspects of the scoring requirements and content of the report. To facilitate the assessment, the *AgilePEFA* report format includes data tables that reflect the scoring requirements and calibration of each dimension, including the relevant time period i.e., last completed fiscal year, last three completed fiscal year and cut-off date for the time of the assessment. It is recommended that assessors meet with government officials several days before the completion of the mission to test initial findings and advise of any remaining data gaps.

The assessment team should seek information on the causes of the good and poor performance identified in the analysis of the indicators and dimensions. Where it is not possible to do so, or the analysis of reasons for the poor performance are beyond the scope or resources of the assessment, the assessment team should highlight questions relevant for interpretation of the scores and identify further analytical work needed. It may also be possible to corroborate assessment findings through recently completed or concurrent analyses of the PFM system by development partners, government or independent institutions (e.g. fiscal councils, supreme audit institutions, and the like).

Detailed methodological guidance on measuring and scoring of the indicators and dimensions is provided in *Volume II: PEFA Assessment Fieldguide*.

Step 6: Draft PEFA report

The PEFA report should provide a detailed and integrated assessment of a country's PFM performance. In successive assessments, it should also assess the extent to which PFM performance has changed since any earlier assessment.

A **template setting out the format of an *AgilePEFA* report** can be found at the end of this guidance. In addition, **excel spreadsheets for calculation of PI-1, 2 and 3** are available on pefa.org

<https://www.pefa.org>). Responses to frequently asked questions about the application of the PEFA framework can also be found on the PEFA website at [pefa.org](https://www.pefa.org).

Under the *AgilePEFA* approach, the assessment team makes a presentation to the oversight team and senior government officials on the findings of the field work and data analysis and submits the draft report at the conclusion of the field work. This helps to ensure that findings are presented in a timely manner and helps create the momentum for establishing a dialogue on the need for PFM improvement.

PHASE THREE: Finalizing the PEFA Report

The primary audience for the PEFA report consists of government policy makers, senior officials, heads of key agencies and main ministries, civil society organizations, development partners, etc. To be effective, the PEFA report should be owned by the government and is expected to be a primary input in supporting PFM improvement. For a PEFA assessment to be effective, it is crucial that government be engaged in all phases of the assessment, provide input and comments throughout the process and understand the rationale behind the report content, including scores.

Under *AgilePEFA*, the planning, field work and reporting phase (Steps 1 – 8) are expected to take up to **5 months**.

Step 7: Peer review and refinement of the draft report

Peer review of a PEFA report is a quality assurance (QA) process that is intended to provide an independent validation of the report content and correct application of the PEFA methodology. It is most effective where the reviewers, either individually or collectively, have a sound knowledge of the PEFA framework and the central or sub national government being assessed. The process of peer review is monitored by the PEFA Secretariat as part of the following six-point PEFA Check QA process:

1. The draft CN is submitted for peer review before the in-country assessment field work starts.
2. A final version of the concept note is shared with all peer reviewers
3. The complete draft PEFA report is submitted to at least four peer reviewers for review.
4. A revised draft PEFA report is prepared by the assessment team attaching a matrix with peer reviewers' comments and assessment team responses. The PEFA Secretariat carries out a follow-up review which evaluates whether its comments have been addressed.
5. The final report is reviewed by the PEFA secretariat to ensure that the compliance indices for dimensions and indicators (i.e. the percentage of indicators and dimensions that are considered to provide sufficient evidence to justify their score) and the report coverage index (i.e. the extent to which the report reflects the recommend format and content) are both higher than 85 percent.
6. The assessment management and quality assurance arrangements are described in the PEFA report.

<https://www.pefa.org/resources/pefa-check-quality-endorsement-pefa-assessments-january-2018>

The PEFA Check ensures that the oversight and assessment teams can have more confidence that they have produced a high-quality report, and funding agencies and users of the report can be confident that it has been subject to informed external scrutiny and refinement.

The four independent reviewers must include:

- a representative of the government, to verify that data and evidence is correct and complete and assess whether conclusions and scoring reflect reality as experienced by government;
- the PEFA Secretariat, to ensure that the PEFA Framework has been applied correctly, including that scoring is adequately evidenced and that the report structure and content follows the guidance provided; and
- two other reviewers from two independent institutions with a good knowledge of PFM in the country (such as development partners or academic organizations).

Under *Agile*PEFA, the peer review of the draft report is expected to be completed in **ten business days** and the peer-review of the final report (follow-up review) in **five business days**.

The final report should include a summary of the management and quality assurance arrangements as presented in Box 1. Below.

Box 1: Assessment management and quality assurance arrangements

PEFA assessment management organization

- OT – chair and members: [name and organization of each]
- AM: [name and organization]
- Assessment TL and team members: [name and organization of each]

Review of CN and/or ToR

- Date of reviewed draft CN and/or ToR:
- Invited reviewers: [name and organization of each, or identity of the group, e.g., the oversight team]
- Reviewers who provided comments: [name and organization of each, in particular the PEFA Secretariat and date(s) of its review(s), or identity of group, e.g., the OT]
- Date(s) of final CN and/or ToR:

Review of the assessment report

- Date(s) of reviewed draft report(s):
- Invited reviewers: [name and organization of each, in particular the PEFA Secretariat and date(s) of its review(s), or identity of group, e.g., the OT]; and reviewers who provided comments: [name and organization of each]

The government or assessment manager initiates request for the PEFA Check endorsement as part of a formal quality assurance process, managed by the PEFA Secretariat. Awarding of the PEFA Check is subject to meeting the criteria and process set out in step 7. The PEFA Check endorsement is issued by the PEFA Secretariat.

Step 8: Final PEFA report and publication

After follow-up review validation and resulting refinements, the PEFA report will be presented as a final report to the government for approval. Governments are expected to publish their reports in the interests of transparency and to encourage dialogue on development and implementation of further reforms.

Following government approval, a final workshop is usually held to disseminate the report to all interested stakeholders (e.g. government, civil society organizations and development partners, etc.). Although the PEFA report does not include recommendations, such a workshop can provide a useful transition for using the assessment as input into further work on PFM reform.

Governments are strongly encouraged to publish the final PEFA report. The PEFA Secretariat maintains a database of all PEFA assessment reports submitted since the program commenced. All reports published by governments are also available to the public on the PEFA website at [pefa.org](https://www.pefa.org) (<https://www.pefa.org>).

PHASE FOUR: PFM reform action

While the end-to-end PEFA assessment process should be organized to ensure ownership and build capacity and facilitate consensus among stakeholders, the emphasis of phase IV is on the process after the PEFA report is completed. Assessment funding agencies are encouraged to consider the timing of Phase 4 in the PEFA process (i.e., after the assessment report has been finalized) and note that it may require additional resource to be undertaken.

As previously mentioned, a PEFA assessment is expected to be a primary input in supporting PFM improvement. In this context good PFM performance is determined by the ability of the PFM systems to support the effective and efficient achievement of political objectives while maintaining macro-fiscal control as measured by the three-main fiscal and budgetary outcomes – aggregate fiscal discipline, strategic allocation of resources and efficient service delivery.

Step 9: Reform dialogue

Following completion of the PEFA report, the government should continue the dialogue among stakeholders on the implications of the assessment findings for PFM. The PEFA report can be an important catalyst for change. However, the report alone is not sufficient to develop a comprehensive PFM reform or improvement plan. While the PEFA report can provide clear, evidence-based conclusions on the strengths and weaknesses of PFM, reform initiatives need to take account of non-technical factors that impact on PFM including government policy, country capacity, political commitment and the country's economic development strategy. Policy makers and reformers should therefore examine overall PFM performance and prioritize improvement of weaknesses in the context of specific country circumstances and priorities.

Additional guidance on developing and prioritizing PFM reforms following a PEFA assessment is provided in *Volume IV of the PEFA Handbook: Using PEFA to support PFM improvement* which recommends a seven-stage process for designing and implementing reform initiatives. Although the

stages are intended to guide the dialogue, it is important to be aware that this will not always be a linear process. The recommended stages are summarized below:

- Stage 1: Identify PFM strengths and weaknesses
- Stage 2: Determine the underlying causes of strengths and weaknesses
- Stage 3: Agree the desired PFM outcomes
- Stage 4: Develop and prioritize PFM reform options
- Stage 5: Identify potential constraints to reform
- Stage 6: Implement reforms/Action plans
- Stage 7: Monitor and evaluate reform implementation (covered in Step 10 of the PEFA process)

Depending on the context, it may make more sense to develop a comprehensive program of reform initiatives which is formalized into a new (or revised) PFM improvement strategy or action plan. More comprehensive reform strategies or action plans (or updates of the existing ones) are most appropriate in circumstances where the government has had previous experience successfully developing and implementing reforms, where existing capacities are good, and/or where the government has established an agreed PFM capacity development program with development partners.

Sometimes, a more open-ended, less structured and iterative reform approach focused on specific high priority problems may be more appropriate. This might be the case where previous reform action plans have been developed without any impact, where commitment to reform has been variable over time and where the causes of unsatisfactory performance and progress are not well understood. In these cases, smaller, less ambitious iterative reform initiatives with a focus on continuous feedback and learning may be more effective.

It is crucial that prioritization and implementation be driven from the top within government: either the president's or prime minister's office or a senior fiscal and/or budget minister, such as the minister of finance. There must be clear accountability and responsibility for achievement of the specific, measurable goals in the plan that are linked to the overall reform objectives, within an explicit and manageable timeframe.

Step 10: Monitoring and follow-up

Monitoring and follow-up measures ensure that actions identified are implemented as intended and have the desired impact. A process for making changes to the reform plan is required if there are deviations from original objectives or when the results do not reflect those intended.

Whether reforms are implemented through a structured, iterative or unstructured approach, it is important to track the actions undertaken, deliverables achieved and hold accountable those responsible for carrying out the tasks. It will often be the Ministry of Finance (MoF) that will take the lead in developing and sequencing reform activities but also for monitoring implementation. Independent stakeholders in the PFM system, such as SAIs and parliamentary budget offices and/or public accounts committees, may pursue improvements independently or in coordination with the MoF.

PEFA framework requirements can be incorporated into the government's monitoring and evaluation (M&E) system, both in case of a comprehensive reform program or a one-off initiative. Complete PEFA assessments are recommended in intervals of three or more years, guided by cost and complexity

considerations and the fact that some reforms require multiple steps over several years to implement (i.e. where significant short-term changes are unlikely). With a view to ensure monitoring of progress with individual tasks in shorter intervals, government may integrate individual PEFA framework scoring requirements as key performance indicators in its PFM reform M&E system. Depending on the structure of the PFM improvement blueprint, progress can be monitored against the implementation of actions/measures, the outcomes and deadlines achieved as covered by specific PEFA performance indicators and/or dimensions.

PFM improvement is an iterative process and rarely linear in its application. Reforms can encounter roadblocks and constraints and progress can be variable. At times, previously sound performance may deteriorate for different reasons. Governments and development partners may need to respond to those constraints and continually adjust their reform plans. It is important therefore, that those tasked with implementing reforms provide regular progress reports to those responsible for monitoring progress, such as the PFM reform M&E unit (or a similar body). The M&E or other relevant unit should prepare regular updates for the government to ensure transparency, accountability and ownership over the PFM reform process.

Annex 1: AG/LEPEFA – TEN STEP PROCESS: SUGGESTED TIMELINE

Step	Main task	Timing	Responsibility	Additional guidance
Phase 1: Planning and preparation				
1. Establish a dialogue on PEFA	Initiate meeting of key government stakeholders	Pre-CN discussions	Prime Minister, Minister of Finance, etc.	Government establishes a dialogue on PEFA
	Establish an oversight team to manage and oversee the PEFA assessment		Minister of Finance	Include development partners as appropriate
	Agree assessment purpose, objective, scope and coverage		Oversight team (OT)	
	Select assessment team		OT	Consider any specific arrangements in case of joint assessment
	Appoint a government focal point.		Minister of Finance	Government focal point responsible for facilitating data collection and arranging meetings
2. Concept Note	Draft concept note prepared	Week 1	Ministry of Finance	Use the simplified CN template
	Concept note peer reviewed	Week 2	Chair of OT coordinates input	Peer review in five business days.
	Final concept note issued	Week 4	Chair of OT	
3. Mobilize assessment team	Initiate data request	Week 4	Chair of OT	Use simplified data collection check list. Submit to government focal point.
	Prepare mission meeting schedule and agenda	Week 5	Chair of oversight team	Submit to government focal point.
	Data submitted to assessment team	Week 6	Government focal point	
Phase 2: Field work				
4. Assessment launch	Introductory meeting with senior government officials	Week 8	Assessment team	Secure and confirm high level government commitment
	PEFA training workshop	Week 8	Assessment team	Inform oversight team, participants, and other stakeholders
5. Field work	Collect and corroborate data	Week 8-9	Assessment team	Ensure evidence is cited. Corroborate with others as required

Step	Main task	Timing	Responsibility	Additional guidance
	Commence data analysis and scoring	Week 8-9	Assessment team	Use PEFA Fieldguide, Volume II
	Present and validate initial findings	Week 9	Assessment team; OT	Presentation to government and members of OT
6. Draft report preparation	Draft narrative and scores and analysis of pillar performance	Week 10	Assessment team	Initial draft should be prepared during field work mission and submitted to the Government at the end of field mission
Phase 3: Finalizing the report				
7. Peer review and refinement	Quality assurance/Peer review	Week 11-12	Government; PEFA Secretariat; Plus, two other reviewers	Peer-review: 10 business days
	Revised draft submitted for follow-up review	Week 14	PEFA Secretariat	Five business days
	PEFA Check issued	Week 16	PEFA Secretariat	
8. Final report	Final report approved by government	Week 18	Government	Turnaround time with government I be the biggest challenge
	Final report published	Week 20	Government	Uploaded to PEFA website following approval.
	Presentation/ launch of the report to public and stakeholders	Week 20	Government	Government report, summary of findings and proposed next steps
Phase 4: PFM reform action				
9. PFM reform dialogue	PFM improvement dialogue established	Post-PEFA dialogue	Government	Establish/coordinate with existing PFM reform improvement team
	PFM action plan or strategy developed		Government	Support may be provided by development partners
10. Monitoring	Monitor reform initiatives	Ongoing	Government	
	Monitor the impact of reform initiatives on service deliver	Ongoing	Government	

Annex 2: AgilePEFA ASSESSMENT CONCEPT NOTE

Purpose

Briefly state the purpose of the assessment. Describe how results will be used to inform dialogue on PFM, and the development and implementation of PFM improvement initiatives going forward. Note any previous PEFA assessment and any other recent PFM diagnostics.

Scope and coverage

Specify time period and which part of the public sector will be covered by the assessment. Typically, this will be the central or subnational government with its institutional units (eg budgetary and extra-budgetary units), except where PEFA indicators specifically refer to a smaller or wider range, such as the budgetary units of the central government or government at all levels.

Table 1 presents the structure of the overall public sector and the central government respectively, in terms of the number of institutions involved. A complete list of budgetary units, as well as the specific extrabudgetary units and public corporations to be used for sampling purposes is presented at Attachment 1 of the PEFA Handbook Volume 1 (pefa.org)

Table 1: Structure of the public sector (No. of institutions)

Budgetary units	Extrabudgetary units	Public corporations

Time period

Table 2: Time periods used for assessment

Country fiscal year:	
Last three fiscal years covered:	
Time of assessment (planned cut-off):	

Management, oversight and quality assurance

Table 3: Lead agencies

Agency leading assessment:	
Funding agency(ies):	

Table 4. Oversight team

Name	Position/ organization	Role
		Chairperson
		Oversight team member
		Oversight team member
		Oversight team member

Table 5. Peer reviewers (for both CN, Draft and Final Report) – Name of organization

Government
PEFA Secretariat
Organization 1
Organization 2

Resources

Table 6. Staffing

Assessment Team	Name (if available)	Organization	Area of expertise	Preparatory work (days)	Field work (days)	Post-field work (days)
Team leader:						
Expert 1:						
Expert 2:						
Expert 3:						
Total input days						

Table 7: Financial resources			
Type of expenditure	Days/Unit	Days/Unit cost	Amount
Salaries			
Consultant fees			
Travel costs			
Other costs			
Total costs			

Methodology

Table 8: Indicators		
No. of indicators used	No. of dimensions	Reasons for any variation

PEFA assessment implementation schedule

Briefly describe how the PEFA report will be used to support PFM improvement. Indicate whether the government intends to follow the guidance presented in Volume IV of the PEFA Handbook.

Table 9. PEFA assessment implementation schedule		
Task	Deliverable	Date(s)
Preparatory work		
• Finalization of the concept note/terms of reference	Concept note	
• Initial data request	Data request issued to responsible units	
Field work		
• PEFA methodology workshop	Workshop delivery	
• Data collection and interviews	All necessary data obtained	
• Presentation of draft report and initial findings to authorities	Presentation initial findings	
Post-field work		
• Peer review	Comments recorded and considered, draft revised	
• Follow-up review	Assessment of response to comments	
• Presentation of final report to authorities	Final report	
• Publication of final report	Publication	
Planned post-PEFA assessment activity		
• PFM reform dialogue based on PEFA assessment findings	Briefing by oversight team on the key PFM strengths and weaknesses identified in the PEFA report.	
	Discussion on main priorities to be addressed. (Indicate whether Volume IV of the PEFA Handbook will be used.)	
• Development of a PFM action plan or reform program	PFM action plan	

Annex 3: PEFA PRE-MISSION DOCUMENT CHECKLIST

INITIAL LIST OF DOCUMENTS TO BE REQUESTED			
Document	Time period	Relevant PIs	Checklist Received (Y/N)
1. Annual budget law/documentation/estimates approved by the legislature (including any supplementary documents)	Last three completed fiscal years	1, 2, 3, 4, 5, 6, 11, 14, 15, 16, 17, 18	
	Last budget submitted to the legislature	5, 8, 16, 17	
	Most recent budget submitted to the legislature	5, 9	
2. List of budget information published and or relevant website and dates of publication including: <ul style="list-style-type: none"> • Basic elements <ul style="list-style-type: none"> (i) Annual executive budget proposal documentation. (ii) Enacted budget. (iii) In-year budget execution reports. (iv) Annual budget execution report. (v) Audited annual financial report, incorporating or accompanied by the external auditor's report. • Additional elements <ul style="list-style-type: none"> (vi) Prebudget statement. (vii) Other external audit reports. (viii) Summary of the budget proposal. (ix) Macroeconomic forecasts. 	Last completed fiscal year	9	
1. Annual financial statements (AFS) – BCG and Extrabudgetary units	Last three fiscal years	1, 2, 3, 6, 12, 29	
2. Annual budget execution report (if AFS not available) – BCG and ten largest extrabudgetary units	Last completed fiscal years if AFS are not available	1, 2, 3, 6	
3. Budget classification manual	Most recent	4	
4. Copy of chart of accounts	Used for the last completed fiscal year	4	
5. Legislation or rules governing transfers from CG to SNG	Last completed fiscal year	7	
6. Budget calendar	For the last budget submitted to legislature	7, 17	
7. Budget circular	Last budget submitted to legislature	7, 14, 16, 17	
8. Ministry budget statements or performance plans	Planned outputs and outcomes for next fiscal year	8	
9. Ministry reports on actual performance	Actual outputs, outcomes or activities of last completed fiscal year	8	
10. Performance audits or evaluations completed	Last three completed fiscal years	8	
11. Audited financial statements of SNGs	Last completed fiscal year	9	
12. Audited financial reports of the five largest public corporations	Last completed fiscal year	10	

13. Debt management strategy	At the time of the assessment (with reference to the last three fiscal years)	13	
14. Fiscal strategy statement submitted to the legislature (if not part of the annual budget documentation)	Last completed fiscal year	15	
15. Strategic plans of five largest ministries	Last budget submitted to legislature	16	
16. Tax code and legislation	At the time of the assessment	19	
17. Stock of expenditure arrears	Last three completed fiscal years	22	
18. Payroll audits	Last three completed fiscal years	23	
19. Procurement website – list type of information	Last completed fiscal year	24	
20. Legislation, rules and procedures on internal audit	At the time of the assessment	26	
21. Internal audit plan	Last completed fiscal year	26	
22. In-year budget reports	Last completed fiscal year	28	
23. External audit reports	Last three completed fiscal years	30	

SECONDARY LIST OF DOCUMENTS (after first list documents has been provided)			
24. Consolidated report on financial performance of public corporations	Last completed fiscal year	10	
25. Audited financial statements of all SNGs	Last completed fiscal year	10	
26. Consolidated report on financial performance of SNGs	Last completed fiscal year	10	
27. Report on CG contingent liabilities and fiscal risk	Last completed fiscal year	10	
28. Available information on the five largest major investment projects (ie where major project is defined as 1 percent or more of BCG expenditure) including total, capital, recurrent, budget year and forward year cost estimates.	Last completed fiscal year	11	
29. Records of financial assets (if not included in annual financial statements)	Last completed fiscal year	12	
30. Register of fixed assets, land and subsoil assets (including age and usage)	Last completed fiscal year	12	
31. Procedures and rules for the disposal of assets, including information submitted to the legislature	Last completed fiscal year	12	
32. Primary and secondary legislation on authorization to borrow, issue new debt and issue loan guarantees.	Last completed fiscal year	13	
33. Parliamentary procedures for budget review	Last completed fiscal year	18	
34. Rules for budget adjustments by the executive	Last completed fiscal year	18	
35. Public information on revenue rights and obligations (including website)	At the time of the assessment	19	
36. Revenue compliance audit plan	Last completed fiscal year	19	
37. Budget units cash forecasts	Last completed fiscal year	21	
38. Commitment ceilings issued by MoF	Last completed fiscal year	21	
39. Value and frequency of in-year budget adjustments	Last completed fiscal year	21	
40. Data on age, composition and timeliness of information on arrears	At the time of the assessment	22	
41. Rules and procedures governing personnel and payroll	At the time of the assessment	23	
42. Procurement database	Last completed fiscal year	24	

43. Legislation, rules and procedures on procurements	Last completed fiscal year	24	
44. Rules on internal controls for non-salary expenditure (including commitment controls)	At the time of the assessment	25	
45. Accounting standards	Last completed fiscal year	29	
46. Audit standards used for auditing annual financial reports	Last three completed fiscal years	30	
47. Legislation and regulations governing SAI	At time of assessment	30	
48. Evidence of legislative scrutiny of audit reports, hearings and recommendations	Last three completed fiscal years	31	
49. Evidence of publication of legislative committee reports	Last three completed fiscal years	31	



Below is the complete template for the *Agile*PEFA report preparation.

Guidance to help assessors in preparing the report is provided in red italic font. It is not part of the final report structure

(Insert name of country/SNG)

**PUBLIC EXPENDITURE AND FINANCIAL
ACCOUNTABILITY (PEFA) PERFORMANCE
ASSESSMENT REPORT (Insert year)**

Draft Report

(Insert Date)

PEFA Check endorsement

If the report is eligible, the PEFA Check endorsement as provided by the PEFA Secretariat will be inserted as a full-page certification here before the section on Assessment Management and Quality Assurance.

Assessment management and quality assurance

Oversight and management

Provide a brief description of the composition of the oversight team managing the assessment, the assessment team undertaking the assessment, and QA peer review organizations. State whether PEFA Secretariat QA guidance has been followed.

Further details on the assessment management and quality assurance arrangements should be presented in Annex 1.

Methodology

Type of assessment:

Describe the methodology in accordance with the PEFA 2016 methodology using the 'AgilePEFA' approach. Make sure to state any other modules that may be used (i.e. gender, service delivery, climate).

Number of indicators used:

Indicate the number of indicators and dimensions included in the assessment. Explain reason for non-application of any indicators or dimensions.

Scope and coverage:

Describe the scope of the assessment – CG or SNG and coverage eg budgetary units, extrabudgetary units and public corporations (to the extent that they present a fiscal risk). Explain any unique aspects. The list of public sector agencies covered by the assessment is presented at Annex 2.

Timelines:

Specify the following timelines:

In-country field work:	
Country fiscal year:	
Last three fiscal years covered:	
Latest budget submitted to legislature:	
Time of assessment (planned cut-off):	

Sources of information:

Briefly describe the sources of information.

A consolidated list of documents used for this assessment, including by indicator, should be presented in Annex 3. The names of all persons interviewed should be listed in Annex 4.

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Abbreviations and Acronyms

AFS	Annual Financial Statements
AGD	Accountant General Department
COFOG	Classification of Functions of Government
DMS	Debt Management Strategy
DSA	Debt Sustainability Analysis
EBU	Extra-Budgetary Unit
FY	Fiscal Year
GDP	Gross Domestic Product
GFSM	Government Financial Statistics Manual
GRB	Gender Responsive Budgeting
INTOSAI	International Organisation of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
KPI	Key performance indicator
MoF	Ministry of Finance
NIIP	National Infrastructure Investment Plan
PAC	Public Accounts Committee
PC	Public Corporation
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PMU	Project Management Unit
PPP	Public Private Partnership
PS	Permanent Secretary
PSC	Public Service Commission
PSIP	Public Sector Investment Program
SDG	Sustainable Development Goals
SNG	Sub-National Government
VAT	Value Added Tax

1. INTRODUCTION

Introduce the PEFA assessment and summarize purpose, objectives and planned use in supporting PFM improvement.

Economic context

Provide a brief overview of the economic context including the summary of selected key economic indicators

Table 1: Selected key economic indicators

	FY T-2	FY T-1	FY-T
GDP			
GDP per capita (currency units) Real			
GDP growth (%)			
CPI (annual average change) (%)			
Gross government debt (% of GDP)			
External terms of trade (annual percentage change)			
Current account balance (% of GDP)			

Fiscal trends

Summarize the current fiscal trends including size of deficit and net debt for the budget year and two following fiscal years. Complete the following table:

Element	FY T-1	FY T
Total revenue		
• Own revenue		
• Grants		
Total expenditure		
• Noninterest expenditure		
• Interest expenditure		
Aggregate deficit (incl. grants)		
Primary deficit		
Net financing		

PFM legal framework

Provide a brief description of the legal framework – underlying legislation and regulations that determine the structure and guide the operation of the PFM system. This subsection should also briefly explain any legal provisions and institutional structures for public participation in budget planning. A brief description of recent changes made to the legal framework should be included, if relevant.

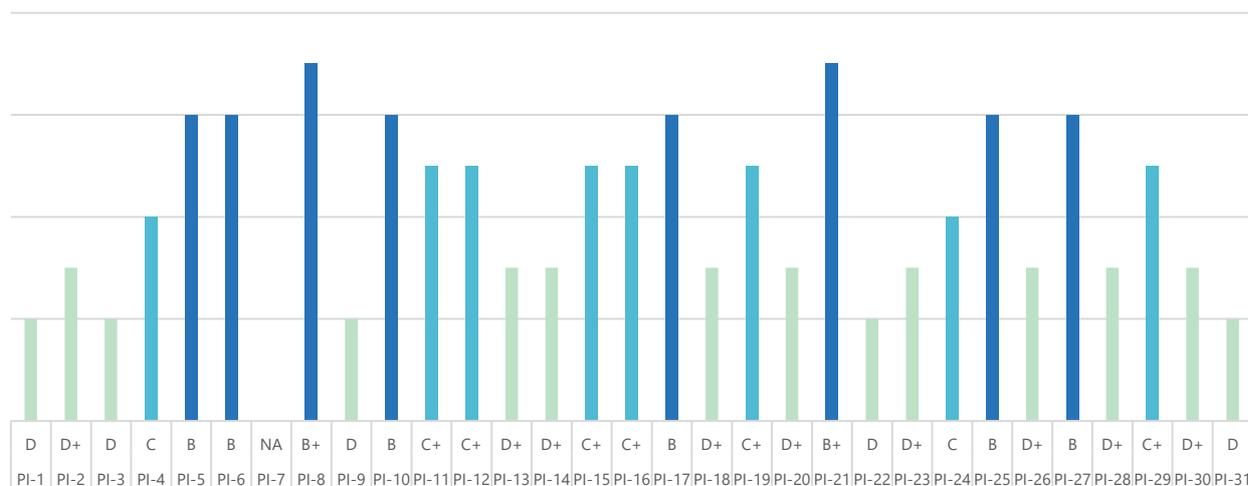
2. SUMMARY OF FINDINGS

2.1 PFM strengths and weaknesses

Include a summary of the main findings of the report, as captured by the pillars, the indicators and the dimensions of the PEFA Framework, under the following headings.

Present a graph of a summary of PEFA scores by indicators as follows. Guidance is available at pefa.org (include a link).

Figure 2.1: Summary of PEFA scores by indicators – PEFA 2016 framework (example only)



Include reference to summary of observations on internal control in Annex 5.

Include reference to summary table of the scores of all indicators and dimensions in Annex 6.

2.2 Impact of PFM performance on three main fiscal and budgetary outcomes

The main objective of PEFA and PFM reform is to support sustainable development and better and more effective service delivery outcomes that meet the citizens' needs and priorities. Progress is measured through the contribution of PFM systems and processes to the following three main fiscal and budgetary outcomes.

1. Aggregate fiscal discipline

Describe the impact of PFM systems on fiscal discipline the country based on PEFA findings.

2. Strategic allocation of resources

Describe the impact of PFM systems on the effectiveness of resource allocation the country based on PEFA findings.

3. Efficient use of resources for service delivery

Describe the impact of PFM systems on the efficiency of the delivery of public services the country based on PEFA findings.

2.3 Performance change since previous assessment

If applicable, highlight performance changes since the previous assessment. Present the graph in Figure 2.3. Based on the graphs discuss some of the highlights of the changes in performance. Note a direct comparison is only applicable only for successive assessments that use the same framework as the previous assessment.

Separate guidance is provided for previous assessments that used a different version of PEFA (see the Guidance on reporting performance changes in PEFA 2016 from previous assessments that applied PEFA 2005 or PEFA 2011 on pefa.org). For comparisons with previous assessments that used a different version of PEFA a supplementary annex using indicators of the previous version is required as set out in the separate guidelines. Present the graph summary of score changes in Figure 2.2. Based on the graphs discuss some of the highlights of the changes in performance.

Figure 2.2: Comparison of the distribution of indicator scores between the assessment in [insert year] and the assessment in [insert year] using the [insert year] framework (example only)

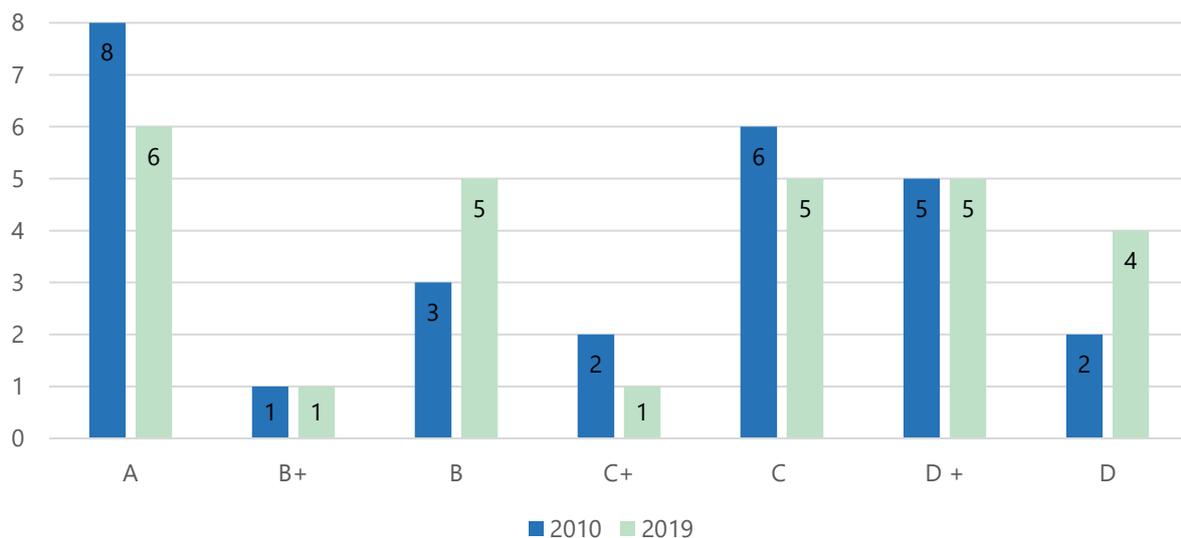
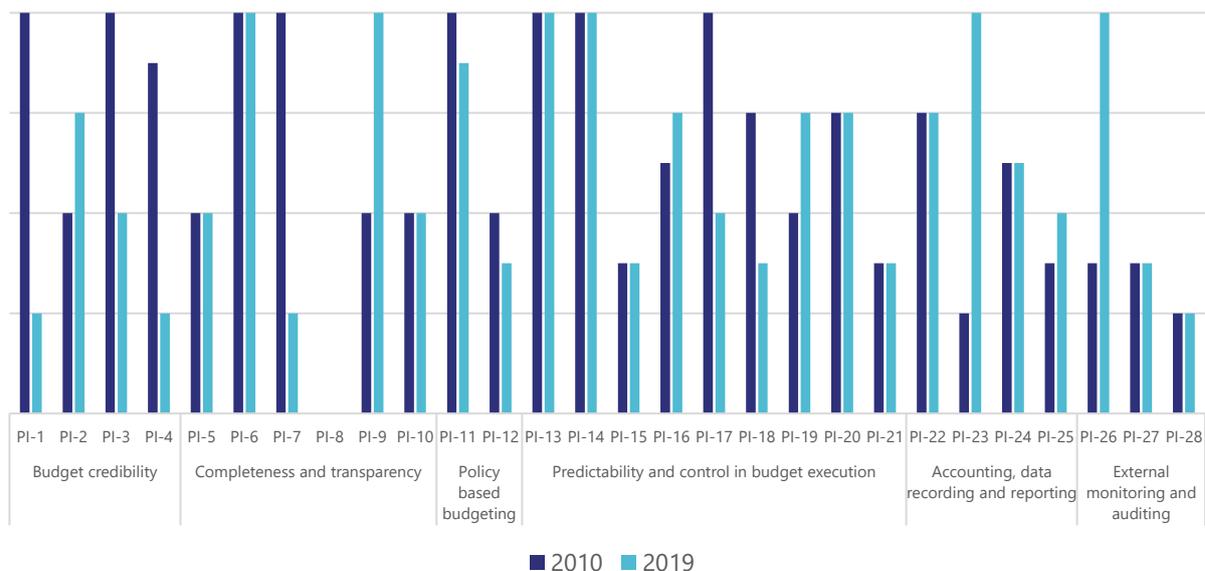


Figure 2.3: Comparison with the previous assessment in [insert year] using the 2016 framework (example only)



2.4 Progress in Government PFM reform program

Describe the government's approach to PFM reform and highlight key initiatives and progress.

2.5 Summary of performance indicators

Include the following summary table and heat map as presented in the example below and based on the color code of the scoring table on page 11.

Table 2.1: Summary of performance indicators (example only)

PFM PERFORMANCE INDICATOR		SCORING METHOD	DIMENSION RATINGS				OVERALL RATING
			i	ii	iii	iv	
Pillar One: Budget reliability							
PI-1	Aggregate expenditure outturn	M1	D				D
PI-2	Expenditure composition outturn	M1	D	C	A		D+
PI-3	Revenue outturn	M2	D	D			D
Pillar Two: Transparency of public finances							
PI-4	Budget classification	M1	C				C
PI-5	Budget documentation	M1	B				B
PI-6	Central government operations outside financial reports	M2	B	B	B		B
PI-7	Transfers to subnational governments	M2	D	D			D
PI-8	Performance information for service delivery	M2	A	C	A	B	B+
PI-9	Public access to fiscal information	M1	D				D
Pillar Three: Management of Assets and Liabilities							
PI-10	Fiscal risk reporting	M2	B	NA	B		B
PI-11	Public investment management	M2	C	A	D	B	C+
PI-12	Public asset management	M2	C	C	B		C+
PI-13	Debt management	M2	B	D	D		D+
Pillar Four: Policy-based fiscal strategy and budgeting							
PI-14	Macroeconomic and fiscal forecasting	M2	D	B	D		D+
PI-15	Fiscal strategy	M2	D	A	C		C+
PI-16	Medium-term perspective in expenditure budgeting	M2	B	A	C	D	C+
PI-17	Budget preparation process	M2	C	A	A		B
PI-18	Parliamentary scrutiny of budgets	M1	B	D	A	A	D+
Pillar Five: Predictability and control in budget execution							
PI-19	Revenue administration	M2	A	B	C	D	C+
PI-20	Accounting for revenue	M1	A	A	D		D+
PI-21	Predictability of in-year resource allocation	M2	D	A	A	A	B+
PI-22	Expenditure arrears	M1	D*	D			D
PI-23	Payroll controls	M1	D	A	A	D	D+
PI-24	Procurement management	M2	D	D	C	A	C
PI-25	Internal controls on non-salary expenditure	M2	C	C	A		B
PI-26	Internal audit	M1	D	C	D	C	D+
Pillar Six: Accounting and reporting							
PI-27	Financial data integrity	M2	D	A	A	B	B
PI-28	In-year budget reports	M1	D	A	C		D+
PI-29	Annual financial reports	M1	B	A	C		C+
Pillar Seven: External scrutiny and audit							
PI-30	External audit	M1	D	B	C	B	D+
PI-31	Parliamentary scrutiny of audit reports	M2	D	D	D	D	D

3. ANALYSIS OF PFM PERFORMANCE – Pillars, indicators, and dimensions

This section provides an assessment of each of the 31 indicators and 94 dimensions that make up the PEFA framework. Each dimension score is calibrated to reflect a level of PFM practice as set out in the table below. Dimension scores are aggregated using PEFA Framework guidance to arrive at indicator-level scores.

SCORE	LEVEL OF PFM PRACTICE
A	High level of performance that meets good international practices.
B	Sound performance in line with many elements of good international practices.
C	Basic level of performance.
D	Either less than the basic level of performance or insufficient information to score (D*).

For all graphs, summary tables and heat maps, it is recommended that Assessors use the same color-code from the scoring table above to highlight performance.

Assessors are also strongly recommended to use the PEFA Handbook Volume II: PEFA Assessment Fieldguide for more detailed measurement guidance. An example report for a PEFA assessment of the fictitious country 'Pefalia' accompanies this template.

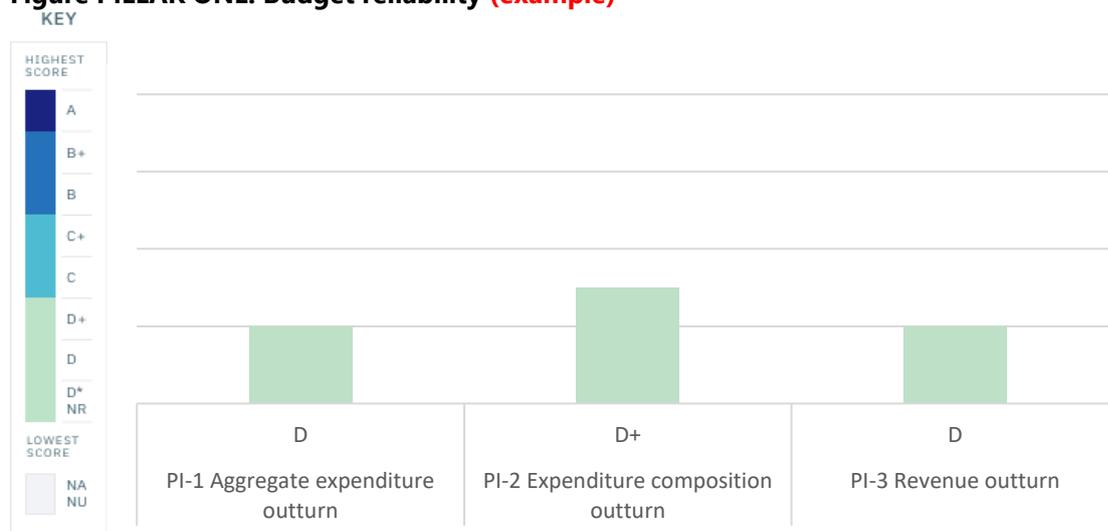
PILLAR ONE: Budget Reliability

Pillar one measures whether the government budget is realistic and is implemented as intended. This is measured by comparing actual revenues and expenditures (the immediate results of the PFM system) with the original approved budget.

Overall performance

Describe overall performance of the three indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance as per example below.

Figure PILLAR ONE: Budget reliability (example)



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate, highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-1 Aggregate expenditure outturn²

This indicator measures the extent to which aggregate budget expenditure outturn reflects the amount originally approved, as defined in government budget documentation and fiscal reports. There is one dimension for this indicator.

In case of successive PEFA assessments applying PEFA 2016 Framework, the table below, for all indicators, should contain an additional column on the right-hand side to document previous PEFA assessment score on the indicator and dimension level.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-1: Aggregate expenditure outturn (M1)		
PI 1.1 Aggregate expenditure outturn	<i>Provide narrative explanation of actual performance against the requirements of each dimension/score.</i>	

Evidence for score

Provide evidence of scoring requirements met/not met. Annex 7 should present the complete PEFA guidance spreadsheets showing the original budgets approved by the legislative compared with the actual outturns. The excel template for the spreadsheets can be found on the PEFA website at <https://www.pefa.org/resources/calculation-sheets-pefa-performance-indicators-pi-1-pi-2-and-pi-23-november-2018>

Table 1-1: Aggregate expenditure outturn

Aggregate expenditure (\$m)	FY-2	FY-1	FY-0
Approved budget			
Outturn			
Outturn as a percentage of budget			

Data source: Specify details of source/documents. Insert website address where relevant.

PI-2. Expenditure composition outturn

This indicator measures the extent to which reallocations between the main budget categories during execution have contributed to variance in expenditure composition.

Indicator and dimension scores and analysis

² The calculations for PI-1, PI-2 and PI-3 include development partners' contributions to budget resources (ie general budget support and development funds) and expenditures of these funds. However, it excludes 'in-kind' resources paid for by development partners which is included in the budget estimates document but not the annual financial statements or unaudited budget execution reports provided to the assessment team.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-2. Expenditure composition outturn (M1)		
PI 2.1 Expenditure composition outturn by function	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
2.2 Expenditure composition outturn by economic type		
2.3 Expenditure from contingency reserves		

Evidence for score

Provide evidence of scoring requirements met/not met. Note Annex 7 should present the PEFA guidance spreadsheets showing the original budgets approved by the legislative compared with the actual outturns. The spreadsheets also show the composition variations by administrative and economic classification.

Table 2-1: Aggregate expenditure outturn variance compared to approved budget

Variance	FY-2	FY-1	FY-0
Administrative classification			
Economic classification			

Data source: Specify details of source/documents. Insert website address where relevant.

PI-3. Revenue outturn

This indicator measures the change in revenue between the original approved budget and end-of-year outturn.

Indicator and dimension scores and analysis

Indicators/ Dimensions	Assessment of performance	Score
PI-3. Revenue outturn (M1)		
3.1 Aggregate revenue outturn	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
3.2 Revenue composition outturn		

Evidence for score

Provide evidence of scoring requirements met/not met. Note Annex 7 should present the PEFA guidance spreadsheets showing the original revenue estimates approved by the legislative compared with the actual outturns. The spreadsheets also show the composition variations.

Table 3-1: Aggregate revenue outturn

Total revenue (\$m)	FY-2	FY-1	FY-0
Approved budget			
Outturn			
Variance (as a % of original budget)			
Composition Variance			

Data source: Specify details of source/documents. Insert website address where relevant.

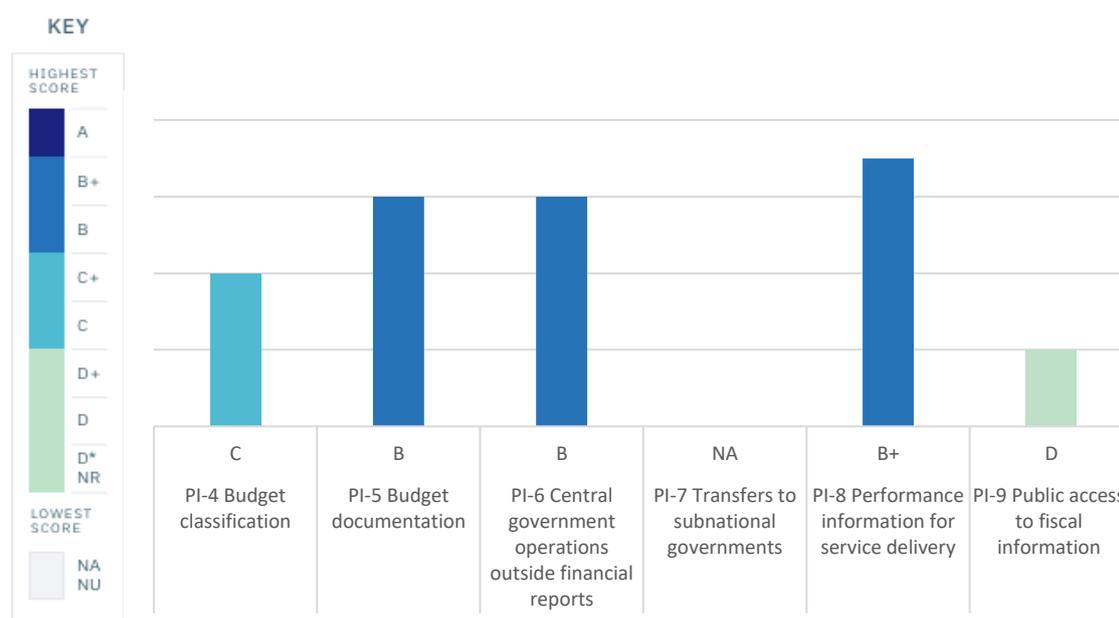
PILLAR TWO: Transparency of Public Finances

Pillar two assesses whether information on public financial management is comprehensive, consistent, and accessible to users. This is achieved through comprehensive budget classification, transparency of all government revenue and expenditure including intergovernmental transfers, published information on service delivery performance and ready access to fiscal and budget documentation.

Overall performance

Describe overall performance of the six indicators for this pillar. Highlight main strengths and weaknesses. Include the graph summarizing performance as per example below.

Figure PILLAR TWO: Transparency of Public Finances



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate, highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-4. Budget classification

This indicator assesses the extent to which the government budget and accounts classification is consistent with international standards. There is one dimension for this indicator.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE

4.1 Budget classification	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
----------------------------------	---	--

Evidence for score

Evidence should be provided in the following table, specifying the elements covered in the chart of accounts structure.

Table 4-1. Budget classification and chart of accounts

Element	Classification structure						
	Administrative (Y/N)	Economic: No. of digits and GFS compliance (Y/N)			Function (Y/N)	Subfunction/Program (S/P/N)*	COFOG Compliant (Y/N)
		Revenue	Recurrent	Capital			
Chart of accounts							
Budget formulation							
Budget execution and reporting							

* Note: S = Subfunction; P = Program; Y=Yes and N = No

Data source: *Specify details of source/documents. Insert website address where relevant.*

PI-5. Budget documentation

This indicator assesses the comprehensiveness of the information provided in the annual budget documentation, as measured against a specified list of four basic and eight additional elements.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	2019 SCORE
PI-5. Budget documentation		
5.1 Budget documentation	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	

Evidence for score

Complete the following table and assess against the elements required for each score.

Table 5-1 Budget documentation

Item	Included (Y/N)	Source of evidence and comments
Basic elements		
1		Forecast of the fiscal deficit or surplus or accrual operating result.
2		Previous year's budget outturn, presented in the same format as the budget proposal.
3		Current fiscal year's budget presented in the same format as the budget proposal. This can be either the revised budget or the estimated outturn.

4	Aggregated budget data for both revenue and expenditure according to the main heads of the classifications used, including data for the current and previous year with a detailed breakdown of revenue and expenditure estimates.		
Additional elements			
5	Deficit financing, describing its anticipated composition.		
6	Macroeconomic assumptions, including at least estimates of GDP growth, inflation, interest rates, and the exchange rate.		
7	Debt stock, including details at least for the beginning of the current fiscal year presented in accordance with GFS or other comparable standard.		
8	Financial assets, including details at least for the beginning of the current fiscal year presented in accordance with GFS or other comparable standard.		
9	Summary information of fiscal risks, including contingent liabilities such as guarantees, and contingent obligations embedded in structure financing instruments such as public-private partnership (PPP) contracts, and so on.		
10	Explanation of budget implications of new policy initiatives and major new public investments, with estimates of the budgetary impact of all major revenue policy changes and/or major changes to expenditure programs.		
11	Documentation on the medium-term fiscal forecasts.		
12	Quantification of tax expenditures.		

PI-6. Central government operations outside financial reports

This indicator measures the extent to which government revenue and expenditure are reported outside central government financial reports.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-6. Central government operations outside financial reports (M2)		

6.1 Expenditure outside financial reports	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
6.1 Revenue outside financial reports		
6.3 Financial Reports of Extrabudgetary Units		

Evidence for score

Completing table 6-1 will assist assessors identify extrabudgetary operations and those entities and institutions reporting outside government financial reports. Please indicate whether each element is met Y=Yes, N=No, P=Partially met; and NA=Not applicable.

Table 6-1: Identification of Extrabudgetary Operations

Existence of Extrabudgetary Operations	Under control of Government	Budget	Within Whole of Government Annual Financial Statement	Financial Reporting to Government	Any additional off-budget elements
Budgetary Units					
Extrabudgetary Entities					
Development Partners and Donors:					
• Budget support					
• In-kind					
• Project funds managed through host country systems					
• Project funds managed by project implementation units outside country systems					

Data source: Specify details of source/documents. Insert website address where relevant.

Table 6-2: Expenditure and revenue outside financial reports

Entity	Type of revenue outside government financial reports	Estimated amount of revenue reported outside government financial reports	Type of expenditure reported outside government financial reports	Estimated amount of expenditure reported outside government financial reports	Evidence and reporting
Extrabudgetary units					
1.					
2.					
3.					
Etc.					
Budgetary units					
1.					
2.					
3.					
Etc.					

Development partner contributions					
1.					
2.					
3.					
Etc.					

Data source: Specify details of source/documents. Insert website address where relevant.

Table 6-3: Financial reports of extrabudgetary operations of development funds

Name of extrabudgetary unit	Date annual report received by CG	Content of annual financial report (Y/N):			Expenditure as a percentage of total extrabudgetary unit expenditure (estimated)
		Expenditures and revenues by economic classification	Financial and non-financial assets and liabilities	Guarantees and long-term obligations	
1.					
2.					
3.					
4.					
5.					

Data source: Specify details of source/documents. Insert website address where relevant.

PI-7. Transfers to subnational governments

This indicator assesses the transparency and timeliness of transfers from central government to subnational governments with direct financial relationships to it. It considers the basis for transfers from the assessed government and whether subnational governments receive information on their allocations in time to facilitate budget planning.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-7. Transfers to subnational governments (M2)		
7.1 System for allocating transfers	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
7.2. Timeliness of information on transfers		

Evidence for score

Provide evidence and details of any formulae for the transfers from central government to SNGs (including relevant legislation or determinations) together with evidence of the timing of transfers (such letters of advice from central government to SNGs).

Table 7-1: System for allocating transfers

Name of SNG	Percentage of transfers that are based transparent, rulebased system	Source of rules (eg legislation, regulation etc)	Date of advice on transfers	Source of date of transfers	Date of budget submission to SNG legislature

Data source: Specify details of source/documents. Insert website address where relevant.

PI-8. Performance information for service delivery

This indicator examines the service delivery performance information in the executive's budget proposal or its supporting documentation and in year-end reports. It determines whether performance audits or evaluations are carried out. It also assesses the extent to which information on resources received by service delivery units is collected and recorded.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-8. Performance information for service delivery (M2)		
8.1. Performance plans for service delivery	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
8.2. Performance achieved for service delivery		
8.3. Resources received by service delivery units		
8.4. Performance evaluation for service delivery		

Evidence for score

The evidence for score should cover budgetary and extrabudgetary units that provide, in aggregate, at least 60% of expenditure on service delivery programs and include the relevant Health and Education ministries.

Table 8-1 and 8-2: Performance information for the largest service delivery agencies

Name of service delivery agency	Percentage of service delivery ministries	Program objectives specified (Y/N)	Key performance indicators (Y/N)	PI-8.1 Planned performance		PI-8.2 Actual performance		
				Planned outputs (Y/N)	Planned outcomes (Y/N)	Data on actual outputs produced (Y/N)	Data on actual outcomes achieved (Y/N)	Information on activities undertaken (if no outputs or outcomes) (Y/N)
Total								

Data source: Specify details of source/documents. Insert website address where relevant.

Table 8-4: Information on program evaluation

Ministry	Percentage of service delivery ministries	Program or service evaluated	Date of evaluation	Type of evaluation	Report author	Efficiency assessed (Y/N)	Effectiveness assessed (Y/N)

Total							
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Data source: Specify details of source/documents. Insert website address where relevant.

PI-9. Public access to fiscal information

This indicator assesses the comprehensiveness of fiscal information available to the public based on nine specified elements (five basic and four additional elements) of information to which public access is considered critical.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-9. Public access to fiscal information		
9.1 Public access to fiscal information		

Evidence for score

Table 9-1 Budget documentation

Item	Criteria met within timeframe (Y/N)	Explanation	Source of evidence
Basic elements			
1	Annual executive budget proposal documentation. A complete set of executive budget proposal documents (as presented by the country in PI-5) is available to the public within one week of the executive's submission of them to the legislature.		
2	Enacted budget. The annual budget law approved by the legislature is publicized within two weeks of passage of the law.		
3	In-year budget execution reports. The reports are routinely made available to the public within one month of their issuance, as assessed in PI-27.		
4	Annual budget execution report. The report is made available to the public within six months of the fiscal year's end.		
5	Audited annual financial report, incorporating or accompanied by the external auditor's report, as assessed in PI-29 and PI-30. The reports are made available to the		

	public within twelve months of the fiscal year's end.			
Additional elements				
6	Prebudget statement. The broad parameters for the executive budget proposal regarding expenditure, planned revenue, and debt is made available to the public at least four months before the start of the fiscal year.			
7	Other external audit reports. All nonconfidential reports on central government consolidated operations are made available to the public within six months of submission.			
8	Summary of the budget proposal. A clear, simple summary of the executive budget proposal or the enacted budget accessible to the nonbudget experts, often referred to as a "citizens' budget," and where appropriate translated into the most commonly spoken local language, is publicly available within two weeks of the executive budget proposal's submission to the legislature and within one month of the budget's approval.			
9	Macroeconomic forecasts. The forecasts, as assessed in PI-14.1, are available within one week of their endorsement.			

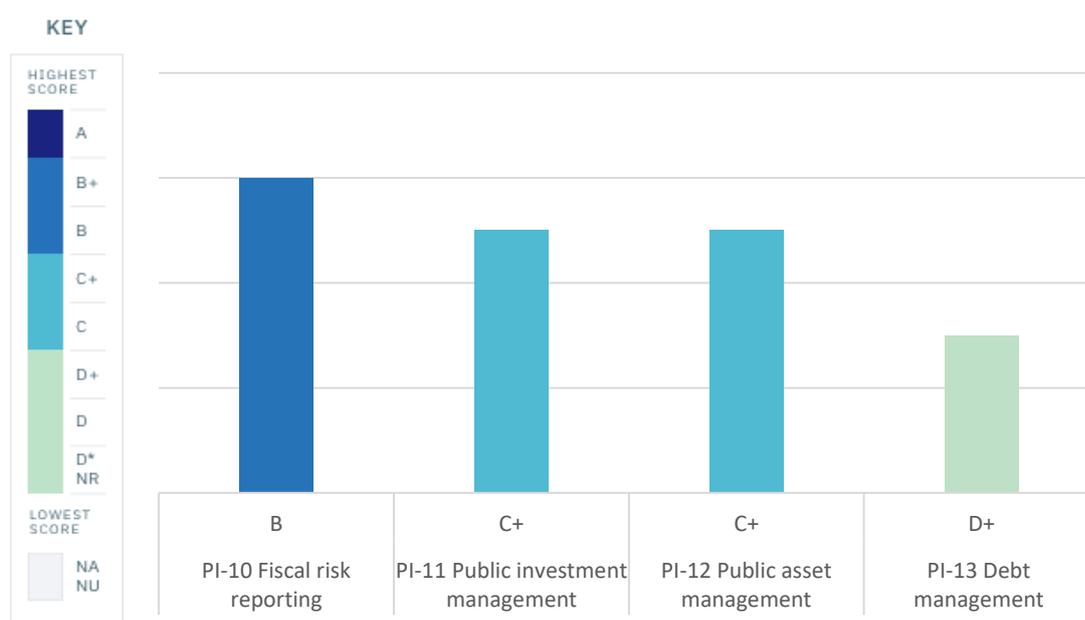
PILLAR THREE: Management of Assets and Liabilities

Pillar three measures the effectiveness of the government’s management of assets and liabilities and the extent to which this ensures that public investments provide value for money, assets are recorded, and managed, fiscal risks are identified, and debts and guarantees are prudently planned, approved, and monitored.

Overall performance

Describe overall performance of the four indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance.

Figure PILLAR THREE: Management of Assets and Liabilities



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-10: Fiscal risk reporting

This indicator measures the extent to which fiscal risks to central government are reported

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-10: Fiscal risk reporting (M2)		
10.1. Monitoring of public corporations	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	

10.2. Monitoring of subnational governments		
10.3. Contingent liabilities and other fiscal risks		

Evidence for score

Table 10-1: Monitoring of public corporations

Five largest public corporations	Financial turnover (\$m)	Percentage of five largest public corporations	Date of publication of audited financial statement	Date financial statement submitted to govt.	Are contingent liabilities disclosed in financial statement	Consolidated Report Prepared (Y/N)
1.						
2.						
3.						
4.						
5.						

Data source: Specify details of source/documents. Insert website address where relevant.

Table 10-3: Contingent liabilities and fiscal risk

Coverage	Data quantified (Y/N)			Included in financial statement (Y/N)	Date published	Consolidated report (Y/N)
	Loan guarantees (Central Government)	State insurance scheme	PPPs			
Budgetary Units						
Extrabudgetary Units						

Data source: Specify details of source/documents. Insert website address where relevant

Include any relevant remarks on the extent of any qualitative assessment of implicit contingent liabilities.

PI-11 Public investment management

This indicator assesses the economic appraisal, selection, costing, and monitoring of public investment projects by the government. It also assesses the extent to which the government publishes information on the progress of the project, with an emphasis on the largest and most significant projects.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-11 Public investment management (M2)		
11.1 Economic analysis of investment proposals	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
11.2 Investment project selection		
11.3 Investment project costing		
11.4 Investment project monitoring		

Evidence for score

The evidence for score should cover the five largest major investment projects. For definition of "major" investment projects, please see the PEFA Handbook Volume II: PEFA Assessment Fieldguide.

Table 11-1 and 11-2: Economic analysis and project selection of five largest major investment projects approved in last completed fiscal year

Five largest major investment projects (>1% of BCG expenditure)	Total investment cost of project	As a % of 5 approved major projects	Data for PI-11.1 Economic analyses				Data for PI-11.2 Project selection	
			Completed (Y/N)?	Consistent with national guidelines (Y/N)	Published (Y/N)	Reviewing entity	Prioritized by central entity (Y/N)	Consistent with standard selection criteria (Y/N)
Total/Coverage								

Data source: Specify details of source/documents. Insert website address where relevant.

Note: Major investment project is any project where the total investment cost is greater than 1% of total annual BCG expenditure

Table 11-3 and 11-4: Investment project costing and monitoring of five largest major investment projects in last completed fiscal year

Name of capital project	Data for PI-11.3 Investment project costing included in budget documents				Data for PI-11.4 Investment project monitoring				
	Life cycle cost documents (Y/N)	Capital cost breakdown		Recurrent costs included in budget documents Budget year only/ Medium term (Three-years) (Y/N)	Monitoring				
		- Budget year only (Y/N)	Medium term (budget + two years) (Y/N)		Total cost (Y/N)	Physical progress (Y/N)	Standard rules and procedures exist (Y/N)	High level of compliance with procedures (Y/N)	Information on total cost and physical progress published annually (Y/N)
Coverage									

Data source: Specify details of source/documents. Insert website address where relevant.

PI-12. Public asset management

This indicator assesses the management and monitoring of government assets and the transparency of asset disposal.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-12. Public asset management (M2)		
12.1. Financial asset monitoring	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
12.2. Nonfinancial asset monitoring		

12.3. Transparency of asset disposal		
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Evidence for score

Table 12-1: Financial asset monitoring – check list of record of holdings

Asset Type	Holdings of financial assets maintained (Y/N)	Acquisition cost recorded (Y/N)	Fair value recognized (Y/N)	In line with international accounting standards (Y/N)	Information on performance published annually. (Y/N)	Source of information

Data source: Specify details of source/documents. Insert website address where relevant.

Table 12-2: Non-financial asset monitoring – check list of record of holdings

Register of fixed assets (Y/N)	Information on usage and age (Y/N)	Register of land assets (Y/N)	Register of subsoil assets (if applicable) (Y/N/NA)	Information on performance published annually. (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

Table 12-3: Transparency of asset disposal

Procedures for non-financial asset transfer or disposal established (Y/N)	Procedures for financial asset transfer or disposal established (Y/N)	Information included in budget documents, financial reports or other reports (Full/Partial)	Register of subsoil assets (if applicable) (Y/N/NA)	Information on asset transfer and disposal submitted to legislature (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

PI-13. Debt management

This indicator assesses the management of domestic and foreign debt and guarantees. It seeks to identify whether satisfactory management practices, records, and controls are in place to ensure efficient and effective arrangements.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-13. Debt management (M2)		
13.1. Recording and reporting of debt and guarantees	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
13.2. Approval of debt and guarantees		
13.3. Debt management strategy		

Evidence for score:

Evidence for score

The following tables assess the materiality requirements for these dimensions.

Table 13-1: Recording and reporting of debt and guarantees

Domestic and foreign debt and guarantee records maintained (Y/N)	Frequency of update of records (M/Q/A)	Records are complete and accurate (Y/N)	Frequency of reconciliation M=Monthly Q=Quarterly A=Annually N=Not done (Add whether All; Most; Some; Few)	Statistical reports (covering debt service, stock and operations prepared) M/Q/A/N	Additional information from reconciliation reported (if no statistical report) Y/N	Data source

Data source: Specify details of source/documents. Insert website address where relevant.

Table 13-2: Approval of debt and guarantees

Primary legislation exists (Y/N; Name of Act)	Documented policies and guidance (Y/N, Name of regulation/policy)		Debt management responsibility (Y/N; Name and location of unit)		Annual borrowing approved by government or legislature (Y/N, specify last date of approval)	Data source
	Guidance to single debt management entity	Guidance to multiple entities	Authorization of debt granted to single responsible entity	Transactions reported to and monitored only by single responsible entity		

Data source: Specify details of source/documents. Insert website address where relevant.

Table 13-3: Debt management strategy

Debt management strategy has been prepared (Y/N)	Date of most recent update	Time horizon (No. of years)	Targets included in debt strategy				Annual report on debt strategy submitted to legislature (Y/N, Date)	Data source
			Interest rates (Y/N)	Refinancing (Y/N)	Foreign currency risk (Y/N)	Evolution of risk indicators only (Y/N)		

Data source: Specify details of source/documents. Insert website address where relevant.

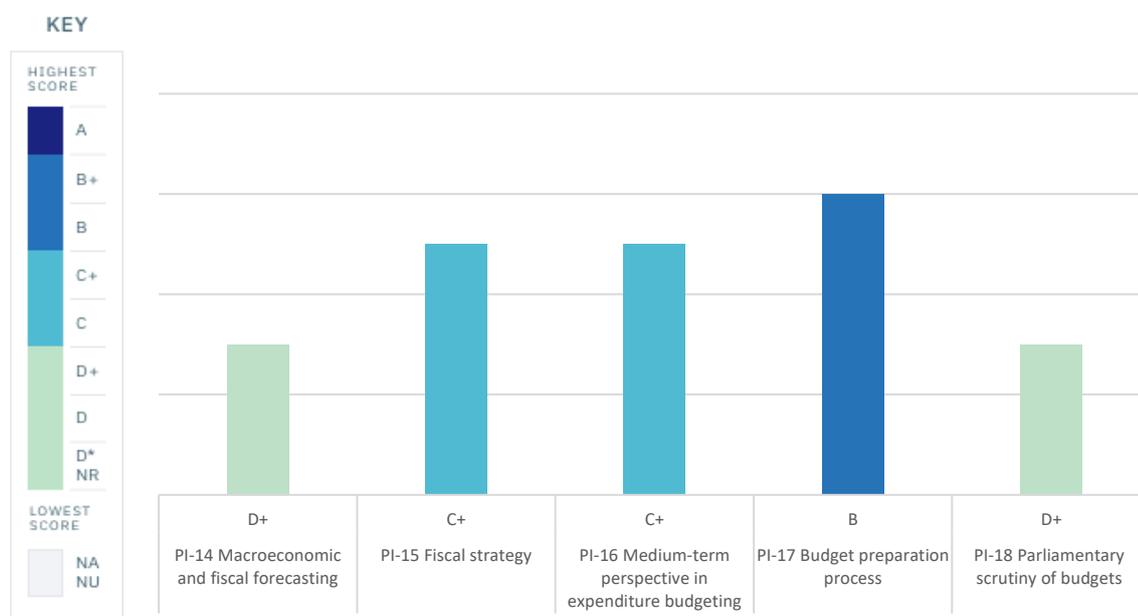
PILLAR FOUR: Policy Based Fiscal Strategy and Budgeting

This pillar assesses whether the government’s fiscal strategy and the budget are prepared with due regard to government fiscal policies, strategic plans, and adequate macroeconomic and fiscal projections.

Overall performance

Describe overall performance of the five indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance.

Figure PILLAR FOUR: Policy Based Fiscal Strategy and Budgeting



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-14. Macroeconomic and fiscal forecasting

This indicator measures the ability of a country to develop robust macroeconomic and fiscal forecasts, which are crucial to developing a sustainable fiscal strategy and ensuring greater predictability of budget allocations. It also assesses the government’s capacity to estimate the fiscal impact of potential changes in economic circumstances.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-14. Macroeconomic and fiscal forecasting (M2)		
14.1. Macroeconomic forecasts	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
14.2. Fiscal forecasts		
14.3. Macro-fiscal sensitivity analysis		

Evidence for score

Table 14-1. Macroeconomic and fiscal forecasting

Indicator	Budget document year	Years covered by forecasts			Underlying assumptions provided (Y/N)	Frequency of update 1= once a year 2=more than once a year N=Not updated	Submitted to legislature 1=budget year only 3= budget year plus two following fiscal years N= Not published	Alternative fiscal scenarios prepared (Y/N)	Alternative scenarios published (specify relevant document)
		Budget	Forward year 1	Forward year 2					
Key macroeconomic indicators									
GDP growth	FY-0 FY-1 FY-2								
Inflation	FY-0 FY-1 FY-2								
Interest rates	FY-0 FY-1 FY-2								
Exchange rate	FY-0 FY-1 FY-2								
Fiscal forecasts									
Aggregate expenditure	FY-0 FY-1 FY-2								
Fiscal balance	FY-0 FY-1 FY-2								
Aggregate revenue	FY-0 FY-1 FY-2								
Revenue by type	FY-0 FY-1 FY-2								

Data source: *Specify details of source/documents. Insert website address where relevant.*

PI-15. Fiscal strategy

This indicator provides an analysis of the capacity to develop and implement a clear fiscal strategy. It also measures the ability to develop and assess the fiscal impact of revenue and expenditure policy proposals that support the achievement of the government's fiscal goals.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
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PI-15. Fiscal strategy (M2)		
15.1. Fiscal impact of policy proposals	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
15.2. Fiscal strategy adoption		
15.3. Reporting on fiscal outcomes		

Evidence for score

Table 15-1 Fiscal impact of policy proposals

Estimates of fiscal impact of ALL proposed changes prepared			Data source
Budget year	Two following fiscal years	Submitted to legislature	

Data source: Specify details of source/documents. Insert website address where relevant.

Table 15-2 Fiscal strategy adoption

Fiscal prepared (Y/N)	Submitted to legislature (Y/N, Date)	Published (Y/N, Date)	Internal use only (Y/N)	Includes quantitative information		Includes qualitative objectives (Y/N)	
				Time based goals and targets	Or objectives only		
					Budget		Forward Years

Data source: Specify details of source/documents. Insert website address where relevant.

Table 15-3 Reporting on fiscal outcomes

Progress report completed (Y/N)	Last fiscal year covered	Submitted to legislature (Y/N, Date)	Published with budget (Y/N, Date)	Includes explanation of deviation from target (Y/N)	Includes actions planned to address deviations

Data source: Specify details of source/documents. Insert website address where relevant.

PI-16. Medium-term perspective in expenditure budgeting

This indicator examines the extent to which expenditure budgets are developed for the medium term within explicit medium-term budget expenditure ceilings. It also examines the extent to which annual budgets are derived from medium-term estimates and the degree of alignment between medium-term budget estimates and strategic plans.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	2019 SCORE
PI-16. Medium-term perspective in expenditure budgeting (M2)		
16.1. Medium-term expenditure estimates	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
16.2. Medium-term expenditure ceilings		
16.3. Alignment of strategic plans and medium-term budgets		

16.4. Consistency of budgets with previous year's estimates		
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Evidence for score

Table 16-1: Medium-term expenditure estimates

Classification	Budget year (Y/N)	Two following fiscal years (Y/N)	Data source
Administrative			
Economic			
Program/Function			

Table 16-2: Medium term expenditure ceilings

Level	Budget year	Two following fiscal years	Date of advice	Data source
Aggregate ceiling				
Ministry Ceiling				

Table 16-3. Alignment of strategic plans and medium-term budgets (five largest ministries)

Ministry	Budget Allocation \$m	Medium term strategic plan prepared	MTSP Costed	Expenditure proposals consistent with MTSP (Most, majority, some, none)	Data source
1.					
2.					
3.					
4.					
5.					
Total/Coverage					

Table 16-4. Consistency of budgets with previous year's estimates

Ministry	Explanation of change to previous year's estimates prepared included in budget documents (Y/N)	Reconciled with medium term budget estimates (Y/N)	Reconciled with first year of new budget estimates (Y/N)	Source of evidence
1.				
2.				
3.				
4.				
5.				
Coverage %				

PI-17. Budget preparation process

This indicator measures the effectiveness of participation by relevant stakeholders in the budget preparation process, including political leadership, and whether that participation is orderly and timely.

Indicator and dimension scores and analysis

Indicators/ Dimensions	Assessment of performance	Score
PI-17. Budget preparation process (M2)		
17.1 Budget calendar	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
17.2 Guidance on budget preparation		
17.3 Budget submission to the legislature		

Evidence for score

Table 17-1: Budget calendar and budget circular

Budget calendar exists (Y/N)	Date of budget circular	Deadline for submission of estimates	Coverage	% of ministries complying with deadline	Date Cabinet approved ceilings	Budget estimates are reviewed and approved by Cabinet after completion (if ceilings not issued) (Y/N)	Data source

Table 17-3: Budget submission to legislature

Budget year	Date of submission of budget proposal	Data source

PI-18. Legislative scrutiny of budgets

This indicator assesses the nature and extent of legislative scrutiny of the annual budget. It considers the extent to which the legislature scrutinizes, debates, and approves the annual budget, including the extent to which the legislature's procedures for scrutiny are well established and adhered to. The indicator also assesses the existence of rules for in-year amendments to the budget without ex ante approval by the legislature.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-18. Legislative scrutiny of budgets (M1)		
18.1. Scope of budget scrutiny	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
18.2. Legislative procedures for budget scrutiny		
18.3. Timing of budget approval		
18.4. Rules for budget adjustments by the executive		

Evidence for score

Table 18-1. Scope of budget scrutiny

Legislature reviews budget (Y/N)	Coverage (specify)				
	Fiscal policies	Medium-term fiscal forecasts	Medium term priorities	Aggregate expenditure and revenue	Details of expenditure and revenue

Data source: Specify details of source/documents. Insert website address where relevant.

Table 18-2: Legislative procedures for budget scrutiny

Legislative procedures exist (Y/N)	Approved in advance of budget hearings (Y/N)	Procedures are adhered to (Y/N)	Procedures include organizational arrangements (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

Table 18-3: Timing of budget approval

Budget for fiscal year	Date of budget approval

Data source: Specify details of source/documents. Insert website address where relevant.

Table 18.4: Rules for budget adjustments

Clear rules exist (Y/N)	Rule include strict limits (extent and value)	Actual amount of reallocations in accordance with rules (% of BCG budget)	Extent of adherence to rules (All, most, some)

Data source: Specify details of source/documents. Insert website address where relevant.

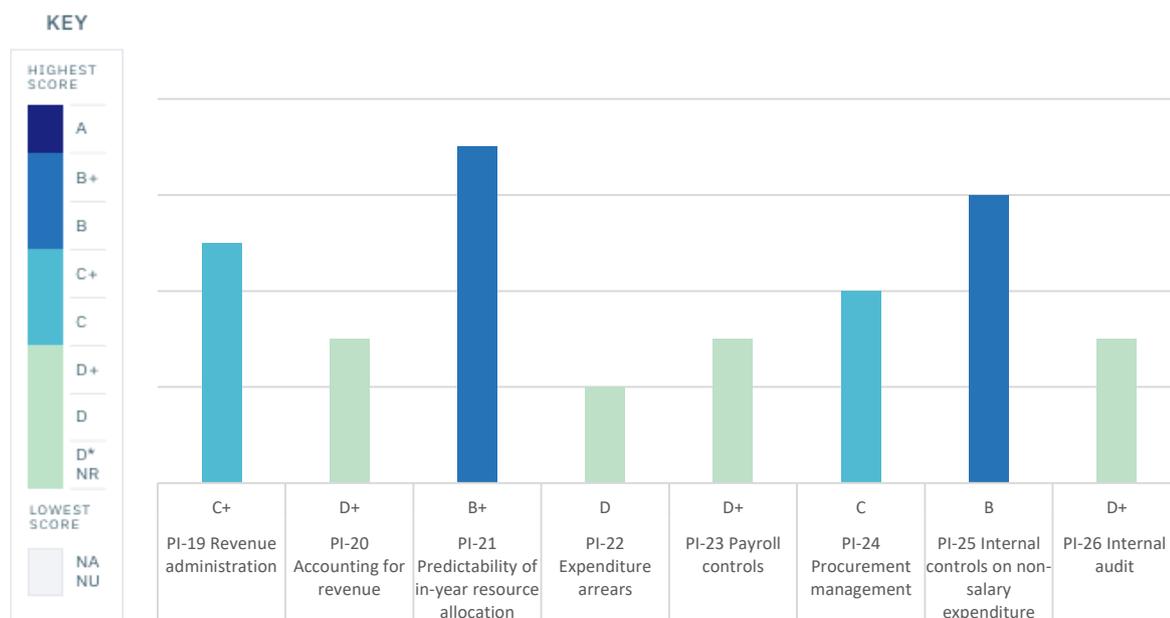
PILLAR FIVE: Predictability and Control in Budget Execution

This pillar assesses whether the budget is implemented within a system of effective standards, processes, and internal controls, ensuring that resources are obtained and used as intended.

Overall performance

Describe overall performance of the eight indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance.

Figure PILLAR FIVE: Predictability and Control in Budget Execution



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

P-19. Rights and obligations for revenue measures

This indicator relates to the entities that administer central government revenues, which may include tax administration, customs administration, and social security contribution administration. It also covers agencies administering revenues from other significant sources such as natural resources extraction. The indicator assesses the procedures used to collect and monitor central government revenues.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	2019 SCORE
PI-19. Revenue administration (M2)		

19.1. Rights and obligations for revenue measures	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
19.2. Revenue risk management		
19.3. Revenue audit and investigation		
19.4. Revenue arrears monitoring		

Evidence for score

Table 19-1 Revenue administration (i) rights, obligations and risk management

Entity	Information available to taxpayers' rights and obligations				Risk management	
	Revenue obligations (Y/N)	Redress (Y/N)	Source of information (Specify)	Is up-to-date (Y/N)	Approach	Coverage

Data source: Specify details of source/documents. Insert website address where relevant

Table 19-2 Revenue administration (ii) audit, fraud investigation and arrears

Entity	Revenues*		Audit and fraud investigations undertaken (Y/N)	In accordance with compliance improvement plan (Y/N)	Compliance improvement plan documented (Y/N)	Stock of arrears	
	\$	% of all revenue				\$	% of annual collection

Data source: Specify details of source/documents. Insert website address where relevant.

Table 19-3: Size of revenue collecting agencies

Entity	Receipts	%
Total		

Data source: Specify details of source/documents. Insert website address where relevant.

Table 19-4: Execution of Compliance/Audit Plan

	Plan	Actual	%
Audits of tax returns			
Complex audits			

Data source: Specify details of source/documents. Insert website address where relevant.

PI-20. Accounting for revenue

This indicator assesses procedures for recording and reporting revenue collections, consolidating revenues collected, and reconciling tax revenue accounts. It covers both tax and nontax revenues collected by the central government.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-20. Accounting for revenue (M1)		
20.1. Information on revenue collections	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	

20.2. Transfer of revenue collections		
20.3. Revenue accounts reconciliation		

Evidence for score

Table 20.1 – Accounting for revenue

Entity	Revenue and % of Total CG Revenue	Data collected by Ministry of Finance			Revenue collections deposited:		Reconciliation	
		At least monthly (Y/N) -	Revenue type (Y/N)	Consolidated report (Y/N) -	Frequency	To Treasury of MoF Account	Frequency	Within
Revenue collected by budgetary units								
Sub-total								
Revenues collected by Extrabudgetary Units								
Sub-total								
TOTAL								

Data source: Specify details of source/documents. Insert website address where relevant.

PI-21. Predictability of in-year resource allocation

This indicator assesses the extent to which the central Ministry of Finance is able to forecast cash commitments and requirements and to provide reliable information on the availability of funds to budgetary units for service delivery.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-21. Predictability of in-year resource allocation (M2)		
21.1. Consolidation of cash balances	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
21.2. Cash forecasting and monitoring		
21.3. Information on commitment ceilings		
21.4. Significance of in-year budget adjustments		

Evidence for score

Table 21-1: Consolidation of bank and cash balances

Extent of consolidation (All, Most, < Most)	Frequency of consolidation (D, W, M)	

Note: D= Daily, W=Weekly, M= Monthly

Data source: Specify details of source/documents. Insert website address where relevant.

Table 21-2: Cash flow forecasts, commitment controls and budget adjustments

Cash flow forecast (Y/N)	Frequency of update (M/Q/A)	Update based on cash	Frequency of release of commitment ceilings	Budget adjustments		
				Frequency	% of BCG expenditure	Transparent

		inflows (Y/N)	(M/Q/A)			

Note: M= Monthly, Q= Quarterly; A=Annually

Data source: *Specify details of source/documents. Insert website address where relevant.*

PI-22. Expenditure arrears

This indicator measures the extent to which there is a stock of arrears, and the extent to which a systemic problem in this regard is being addressed and brought under control.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-22. Expenditure arrears (M1)		
22.1. Stock of expenditure arrears	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
22.2. Expenditure arrears monitoring		

Evidence for score

Table 22-1. Stock and monitoring of expenditure arrears

Stock of arrears		Arrears monitoring		Data source
Year	As % of expenditure	Stock age and composition Y/N/NA	Frequency of reports (M/Q/A)	

Data source: *Specify details of source/documents. Insert website address where relevant.*

PI-23. Payroll controls

This indicator is concerned with the payroll for public servants only: how it is managed, how changes are handled, and how consistency with personnel records management is achieved.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-23. Payroll controls (M1)		
23.1. Integration of payroll and personnel records	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
23.2. Management of payroll changes		
23.3. Internal control of payroll		
23.4. Payroll audit		

Evidence for score

Table 23-1. Payroll controls

Function	Y/N	By whom	Frequency (if applicable)
Hiring and Promotion checked against approved staff list			
Reconciliation of payroll and personnel database			

Documentation maintained for payroll changes			
Payroll checked and reviewed for variances from last payroll			
Updates to personnel records and payroll.			
Updates includes validation with approved staff list.			
Audit trail of internal controls			
Payroll audits in last three years. Define coverage.			

. **Data source:** *Specify details of source/documents. Insert website address where relevant.*

PI-24. Procurement

This indicator examines key aspects of procurement management. It focuses on transparency of arrangements, emphasis on open and competitive procedures, monitoring of procurement results, and access to appeal and redress arrangements.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-24. Procurement (M2)		
24.1. Procurement monitoring	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
24.2. Procurement methods		
24.3. Public access to procurement information		
24.4. Procurement complaints management		

Evidence for score

Table 24-1 Procurement

Database of records maintained A=All; M=Most; Ma=Majority	Percentage of procurement awards through competitive methods (%)	Public access to procurement information (Y/N)				
		Legal/regulatory framework	Procurement plans	Bidding opportunities	Data on complaints	Statistics

Data source: *Specify details of source/documents. Insert website address where relevant.*

Table 24-2 Procurement complaints mechanism

Characteristics of procurements complaints body (Y/N):					
Not involved in procurement	Fees charged for lodging complaint	Clearly defined and publicly available complaints process	Has authority to suspend procurement process	Decisions made within timeframe specified in rules/regulations	Issues are binding

Data source: *Specify details of source/documents. Insert website address where relevant.*

PI-25. Internal controls on non-salary expenditure

This indicator measures the effectiveness of general internal controls for nonsalary expenditures.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-25. Internal controls on nonsalary expenditure (M2)		
25.1. Segregation of duties		
25.2. Effectiveness of expenditure commitment controls	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
25.3. Compliance with payment rules and procedures		

Evidence for score

Table 25-1: Segregation of duties and commitment controls

Segregation of duties		Commitment controls		
Prescribed throughout the process (Y/N)	Responsibilities C= Clearly laid down M= Clearly laid down for most key steps N= More precise definition needed	In place (Y/N)	Limited to cash availability A= All expenditure M= Most expenditure P= Partial coverage	Limited to approved budget allocations A= All expenditure M= Most expenditure P= Partial coverage

Data source: Specify details of source/documents. Insert website address where relevant.

PI-26. Internal audit

This indicator assesses the standards and procedures applied in internal audit.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-26. Internal audit (M1)		
26.1. Coverage of internal audit	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
26.2. Nature of audits and standards applied		
26.3. Implementation of internal audits and reporting		
26.4. Response to internal audits		

Evidence for score

In countries with decentralized internal audit function, a sample of the five largest entities in terms of budgeted expenditures and revenues may be agreed with the government.

Table 26.1: Coverage, nature and standards of internal audit:

Internal Audit units	Internal Audit Coverage	Internal audit report prepared (Y/N)	Nature of Audits:	Quality assurance/ standards/ high risk focus (Y/N)	Management Response (Complete response, implementation,

					and review by auditors)
Expenditure					
Revenue					

Data source: Specify details of source/documents. Insert website address where relevant.

Table 26-2: Audits planned

Audit Plan – Audits Planned	Reports issued related to subject area	Comprehensive report prepared consistent with audit plan (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

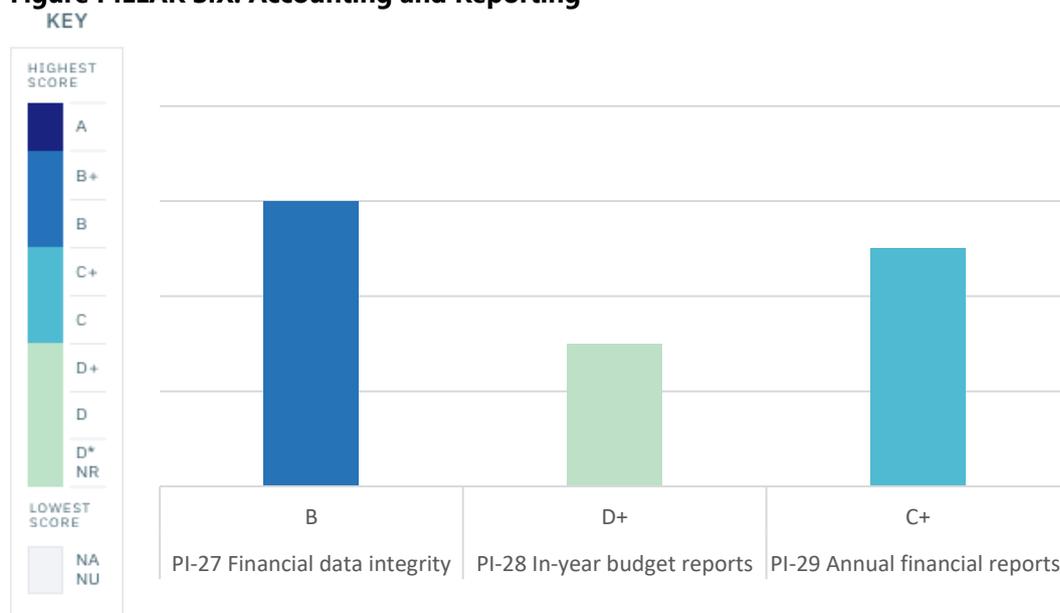
PILLAR SIX: Accounting and Reporting

This pillar measures whether accurate and reliable records are maintained, and information is produced and disseminated at appropriate times to meet decision-making, management, and reporting needs.

Overall performance

Describe overall performance of the three indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance.

Figure PILLAR SIX: Accounting and Reporting



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-27. Financial data integrity

This indicator assesses the extent to which treasury bank accounts, suspense accounts, and advance accounts are regularly reconciled and how the processes in place support the integrity of financial data.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-27. Financial data integrity (M2)		
27.1. Bank account reconciliation	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
27.2. Suspense accounts		

27.3. Advance accounts		
27.4. Financial data integrity processes		

Evidence for score

Table 27-1 Bank account reconciliation

All active accounts (Y/N)	Frequency (W/M/Q)	Within (1/4/8 weeks)	Aggregate and detailed level (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

Table 27-2 Suspense and advance accounts

Suspense accounts reconciliation			Advance accounts reconciliation		
Frequency (M/Q/A)	Within 1 month; 2 months; N = > 2	Timeliness of clearance Y= no later than end of fiscal year (unless justified)/N	Frequency (M/Q/A)	Within: 1 month; 2 months; N = > 2	Accounts cleared timely A= All without delay M= Most without delay F= Frequent with delay N= <F

Data source: Specify details of source/documents. Insert website address where relevant.

Table 27-3 Financial data integrity

Access and changes to records		
Restricted and recorded (Y/N)	Results in audit trail (Y/N)	Financial integrity verified by operational team (Y/N)

Data source: Specify details of source/documents. Insert website address where relevant.

PI-28. In-year budget reports

This indicator assesses the comprehensiveness, accuracy and timeliness of information on budget execution. In-year budget reports must be consistent with budget coverage and classifications to allow monitoring of budget performance and, if necessary, timely use of corrective measures.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-28. In-year budget reports (M1)		
28.1. Coverage and comparability of reports	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
28.2. Timing of in-year budget reports		
28.3. Accuracy of in-year budget reports		

Evidence for score

Table 28-1 In-year budget reports

Coverage and classification			Timeliness		Accuracy		
Allows direct comparison	Level of detail A=All budget items	Includes transfers to de-	Frequency W/M/Q N= >Q	Within: 2/4/8 weeks	Material concerns (Y/N)	H/Y Analysis prepared	Payment info E=Expenditure C=Commitment

to original budget (Y/N)	P= Partial aggregation M= Main administrative headings E=Main economic headings	concentrated units (Y/N)		N= >8weeks		(Y/N)	

Note: W=Weekly; M=Monthly; Q=Quarterly

Data source: Specify details of source/documents. Insert website address where relevant.

PI-29. Annual financial reports

This indicator assesses the extent to which annual financial statements are complete, timely, and consistent with generally accepted accounting principles and standards.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-29. Annual financial reports (M1)		
29.1. Completeness of annual financial reports	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
29.2. Submission of reports for external audit		
29.3. Accounting standards		

Evidence for score

Table 29-1 Annual financial reports

Completeness					Date of submission for external audit	
Prepared annually (Y/N)	Comparable with approved budget (Y/N)	Information F=Full P=Partial B=Basic	Cash flow statement (Y/N)	Balance Sheet C=Cash only FO=Financials only F=Full	Date of submission	Within: (3/6/9 months)

Data source: Specify details of source/documents. Insert website address where relevant.

Table 29-2 Accounting standards

Accounting standards applied to all financial reports				
Type of standard I= International C= Country	Consistency M=Most IS applied Mj= Majority IS applied C=Consistent over time only	Disclosure on standards (Y/N)	Disclosure on variations (Y/N)	Gaps explained (Y/N)

Noted: IS = International standards

Data source: Specify details of source/documents. Insert website address where relevant.

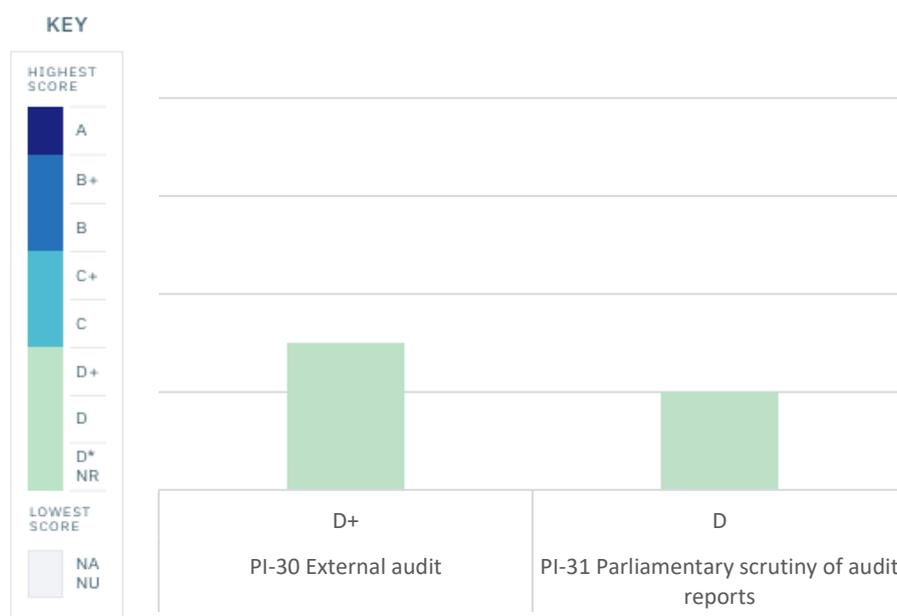
PILLAR SEVEN: External Scrutiny and Audit

This pillar assesses whether public finances are independently reviewed and there is external follow-up on the implementation of recommendations for improvement by the executive.

Overall performance

Describe overall performance of the two indicators for this pillar. Highlight main strengths and weaknesses. Include the following graph summarizing performance.

Figure PILLAR SEVEN: External Scrutiny and Audit



Possible underlying causes of performance

Discuss possible underlying causes of good and poor performance for each of the indicators including possible inter-relationships, other diagnostic reports and analyses and discussions with government officials.

Where appropriate highlight need for further research and analysis required to better understand the underlying causes.

Recent and ongoing reform activity

Summarize recent and ongoing PFM reform activity and its impact on performance and the strengths and weaknesses.

PI-30. External audit

This indicator examines the characteristics of external audit.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-30. External audit (M1)		
30.1. Audit coverage and standards	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	

30.2. Submission of audit reports to the legislature		
30.3. External audit follow-up		
30.4. Supreme Audit Institution (SAI) independence		

Evidence for score

Table 30-1: Audit coverage, standards and submission to legislature

Fiscal Year	Date submitted to external audit	Date submitted to legislature	Standards applied: ISSAI/ National (consistent)/ National (other)	Issues highlighted: M = Material/ Systemic/ Control OR S = Significant	Data source

Table 30-4: SAI Independence – requirements

Independence criteria	Extent to which criteria met and materiality (where relevant)
Appointment and removal of head of SAI	
Planning audit engagements	
Arrangements for publicizing reports	
Approval of budget	
Execution of budget	
Legal basis for independence	
Unrestricted/timely access to records	

Data source: *Specify details of source/documents. Insert website address where relevant.;*

PI-31. Legislative scrutiny of audit reports

This indicator focuses on legislative scrutiny of the audited financial reports of central government, including institutional units, to the extent that either (a) they are required by law to submit audit reports to the legislature or (b) their parent or controlling unit must answer questions and take action on their behalf.

Indicator and dimension scores and analysis

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	SCORE
PI-31. Legislative scrutiny of audit reports (M2)		
31.1. Timing of audit report scrutiny	<i>For each dimension provide a summary description of performance highlighting the extent to which requirements are met based on evidence.</i>	
31.2. Hearings on audit findings		
31.3. Recommendations on audit by the legislature		
31.4. Transparency of legislative scrutiny of audit reports		

Evidence for score

Table 31-1: Timing of legislative scrutiny of audit reports

Audited annual financial statements for fiscal year	Date of receipt of audited financial reports	Date of finalization of legislative scrutiny

Data source: Specify details of source/documents. Insert website address where relevant.

Table 31-2 and 31-3: Hearings on audit findings and issuance of recommendations

Audited annual financial statements for fiscal year	Hearings on audits reports that received a qualified or adverse opinion or disclaimer (Y/N)	Hearings conducted – entities with qualified audit A = All M = Most F = Few N=None	Legislature issues recommendations (Y/N)	Recommendations followed-up S= Follow-up systematically F= Follow-up

Data source: Specify details of source/documents. Insert website address where relevant.

Table 31-4: Transparency of legislative scrutiny of audit reports

Audited annual financial statements for fiscal year	Committee reports			Public hearings conducted A= All except limited circumstances F= Yes, with a few exceptions
	Published (Y/N – Method)	Provided to the full chamber of legislature (Y/N)	Debated in the full chamber of legislature (Y/N)	

Data source: Specify details of source/documents. Insert website address where relevant.

Annex 1: Assessment management and quality assurance arrangements

Oversight Team		
Name	Position/Organization	Role
Assessment Team		
Name	Position/Organization	Role
Quality Assurance		
Reviewers:		
Concept Note		
Date submitted for review:		
Date of final CN:		
PEFA Report		
Date submitted for review:		
Date submitted for follow-up:		
Date of final draft:		
Proposed date of publication:		

Annex 3: Evidence for scoring indicators

Indicators (PEFA 2016 framework)	Evidence
1. Aggregate expenditure out-turn	
2. Expenditure composition out-turn	
3. Revenue out-turn	
4. Budget classification	
5. Budget documentation	
6. Central government operations outside financial reports	
7. Transfers to sub-national governments	
8. Performance information for service delivery	
9. Public access to fiscal information	
10. Fiscal risk reporting	
11. Public investment management	
12. Public asset management	
13. Debt management	
14. Macroeconomic and fiscal forecasting	
15. Fiscal strategy	
16. Medium term perspective in expenditure budgeting	
17. Budget preparation process	
18. Legislative scrutiny of budgets	
19. Revenue administration	
20. Accounting for revenue	
21. Predictability of in-year resource allocation	
22. Expenditure arrears	
23. Payroll controls	
24. Procurement management	
25. Internal controls on non-salary expenditure	
26. Internal audit	

27. Financial data integrity	
28. In-year budget reports	
29. Annual financial reports	
30. External audit	
31. Legislative scrutiny of audit reports	

Annex 4: Sources of data – persons interviewed

Name	Position
Ministry of Finance	
Ministry of Revenue and Customs	
Office of the Auditor General	
Prime Minister's Office	
Line ministries	
Parliament	
Development Partners	
Other institutions (Specify)	

Annex 5: Observations on internal control

Internal control components and elements	Summary of observations
1. Control environment	
1.1 The personal and professional integrity and ethical values of management and staff, including a supportive attitude toward internal control constantly throughout the organisation	
1.2 Commitment to competence	
1.3 The “tone at the top” (i.e. management’s philosophy and operating style)	
1.4 Organisational structure	
1.5 Human resource policies and practices	
2. Risk assessment	
2.1 Risk identification	
2.2 Risk assessment (significance and likelihood)	e.g. Economic Analysis of Investment Proposals in 11.1 is rated X. Debt Management Strategy in 13.3 is rated X. Macroeconomic sensitivity analysis in 14.3 is rated X. Revenue Risk Management in 19.2 is rated X. Cash Flow Forecasting and Monitoring in 21.2 is rated X.
2.3 Risk evaluation	
2.4 Risk appetite assessment	
2.5 Responses to risk (transfer, tolerance, treatment or termination)	
3. Control activities	
3.1 Authorization and approval procedure	
3.2 Segregation of duties (authorizing, processing, recording, reviewing)	e.g. Segregation of duties is rated X in Dimension 25.1
3.3 Controls over access to resources and records	e.g. Compliance with payment rules and procedures is rated X in Dimension 25.3. Financial data integrity processes are rated X in Dimension 27.4.
3.4 Verifications	e.g. Accuracy of in-year budget reports is rated X in Dimension 28.3. Effectiveness of controls over data used to verify payroll calculation in Dimension 23.3 is rated X.
3.5 Reconciliations	e.g. Revenue accounts are regularly reconciled but do not cover tax arrears leading to score X in Dimension 20.3. Bank account reconciliations in Dimension 27.1 are rated X.
3.6 Reviews of operating performance	
3.7 Reviews of operations, processes and activities	
3.8 Supervision (assigning, reviewing and approving, guidance and training)	
4. Information and communication	
	e.g. Integrity of financial data scored X in Dimension

	27.4. The volume of performance information assessed in Dimension 8.2 scored X.
5. Monitoring	
5.1 Ongoing monitoring	e.g. Resources received by service delivery units in Dimension 8.3 is rated X. Monitoring of public corporations in Dimension 10.1 is rated X. Monitoring of SNGs in Dimension 10.2 is rated X. Contingent liabilities and other fiscal risks in Dimension 10.3 is rated X. Investment project monitoring in Dimension 11.4 is rated X. Quality of central government financial asset monitoring in Dimension 12.1 is rated X. Quality of central government non-financial asset monitoring in Dimension 12.2 is rated X. Revenue arrears monitoring in Dimension 19.4 is rated X. Expenditure arrears monitoring in Dimension 22.2 is rated X. Procurement monitoring in Dimension 24.1 is rated X.
5.2 Evaluations	e.g. Performance evaluation for service delivery in Dimension 8.4 is rated X. Evaluation practices by implementing agencies for Investment project selection in Dimension 11.2 are rated X.
5.3 Management responses	e.g. Response to IA recommendations in Dimension 26.4 is rated X. External audit follow-up in Dimension 30.3 is rated X.

Annex 6: Tracking performance since previous PEFA assessment using PEFA 2005/2011 framework

Indicator/Dimension	Previous Assessment Year	Current Assessment Year	Change	Description of requirements met and progress between 20XX and 20XX using 2005/2011 PEFA methodology
A. PFM OUT-TURNS: CREDIBILITY OF THE BUDGET				
PI-1 Aggregate expenditure out-turn compared to original approved budget				
PI-2 Composition of expenditure out-turn compared to original approved budget				
PI-3 Aggregate revenue out-turn compared to original approved budget				
PI-4 Stock and monitoring of expenditure payment arrears				
(i) Stock of expenditure payment arrears and a recent change in the stock.				
(ii) Availability of data for monitoring the stock of expenditure payment arrears.				
B. COMPREHENSIVENESS AND TRANSPARENCY				
PI-5 Classification of the budget				
PI-6 Comprehensiveness of information included in budget documentation				
PI-7 Extent of unreported government operations.				
(i) Level of unreported government operations				
(ii) Income/expenditure information on donor-funded projects				
PI-8 Transparency of inter-governmental fiscal relations.				
(i) Transparency and objectivity in the horizontal allocation amongst Sub national Governments				
(ii) Timeliness and reliable information to SN Governments on their allocations				
(iii) Extent of consolidation of fiscal data for general government according to sectoral categories				
PI-9 Oversight of aggregate fiscal risk from other public sector entities.				
(i) Extent of central government monitoring of autonomous entities and public enterprises				
(ii) Extent of central government monitoring of SN government's fiscal position				
PI-10 Public access to key fiscal information				
C. BUDGET CYCLE				
C (i) Policy-Based Budgeting				
PI-11 Orderliness and participation in the annual budget process				

Indicator/Dimension	Previous Assessment Year	Current Assessment Year	Change	Description of requirements met and progress between 20XX and 20XX using 2005/2011 PEFA methodology
(i) Existence of, and adherence to, a fixed budget calendar				
(ii) Guidance on the preparation of budget submissions				
(iii) Timely budget approval by the legislature				
PI-12 Multi-year perspective in fiscal planning, expenditure policy and budgeting				
(i) Multiyear fiscal forecasts and functional allocations				
(ii) Scope and frequency of debt sustainability analysis				
(iii) Existence of costed sector strategies				
(iv) Linkages between investment budgets and forward expenditure estimates				
C (ii) Predictability and Control in Budget Execution				
PI-13 Transparency of taxpayer obligations and liabilities				
(i) Clarity and comprehensiveness of tax liabilities				
(ii) Taxpayer access to information on tax liabilities and administrative procedures				
(iii) Existence and functioning of a tax appeal mechanism.				
PI-14 Effectiveness of measures for taxpayer registration and tax assessment				
(i) Controls in the taxpayer registration system				
(ii) Effectiveness of penalties for non-compliance with registration and declaration obligations				
(iii) Planning and monitoring of tax audit and fraud investigation programs				
PI-15 Effectiveness in collection of tax payments				
(i) Collection ratio for gross tax arrears				
(ii) Effectiveness of transfer of tax collections to the Treasury by the revenue administration				
(iii) Frequency of complete accounts reconciliation between tax assessments, collections, arrears records, and receipts by the Treasury				
PI-16 Predictability in the availability of funds for commitment of expenditures				
(i) Extent to which cash flows are forecasted and monitored				
(ii) Reliability and horizon of periodic in-year information to MDAs on ceilings for expenditure				
(iii) Frequency and transparency of adjustments to budget allocations above the level of management of MDAs				

Indicator/Dimension	Previous Assessment Year	Current Assessment Year	Change	Description of requirements met and progress between 20XX and 20XX using 2005/2011 PEFA methodology
PI-17 Recording and management of cash balances, debt and guarantees				
(i) Quality of debt data recording and reporting.				
(ii) Extent of consolidation of the government's cash balances.				
(iii) Systems for contracting loans and issuance of guarantees.				
PI-18 Effectiveness of payroll controls				
(i) Degree of integration and reconciliation between personnel records and payroll data.				
(ii) Timeliness of changes to personnel records and the payroll.				
(iii) Internal controls of changes to personnel records and the payroll.				
(iv) Existence of payroll audits to identify control weaknesses and/or ghost workers.				
PI-19 Competition, value for money and controls in procurement				
(i) Evidence on the use of open competition for awards of contracts that exceed the nationally established monetary threshold or small contracts (percentage of the number of contract awards that are above the threshold).				
(ii) Extent of justification for use of less competitive procurement methods.				
(iii) Existence and operation of a procurement complaints mechanism.				
PI-20 Effectiveness of internal controls for non-salary expenditure				
(i) Effectiveness of expenditure commitment controls				
(ii) Comprehensiveness, relevance and understanding of other internal control rules/procedures.				
(iii) Degree of compliance with rules for processing and recording transactions				
PI-21 Effectiveness of internal audit				
(i) Coverage and quality of the internal audit function.				
(ii) Frequency and distribution of reports				
(iii) Extent of management response to internal audit findings.				
C (iii) Accounting, Recording and Reporting				
PI-22 Timeliness and regularity of accounts reconciliation				
(i) Regularity of bank reconciliation				
(ii) Regularity and clearance of suspense accounts and advances				
PI-23 Availability of information on resources received by service delivery units				

Indicator/Dimension	Previous Assessment Year	Current Assessment Year	Change	Description of requirements met and progress between 20XX and 20XX using 2005/2011 PEFA methodology
PI-24 Quality and timeliness of in-year budget reports				
(i) Scope of reports in terms of coverage and compatibility with budget estimates.				
(ii) Timeliness of the issue of reports				
(iii) Quality of information				
PI-25 Quality and timeliness of annual financial statements				
(i) Completeness of the financial statements				
(ii) Timeliness of submissions of the financial statements				
(iii) Accounting standards used				
C (iv) External Scrutiny and Audit				
PI-26 Scope, nature and follow-up of external audit				
(i) Scope/nature of audit performed (including adherence to auditing standards)				
(ii) Timeliness of submission of audit reports to the Legislature				
(iii) Evidence of follow up on audit recommendations				
PI-27 Legislative scrutiny of the annual budget law				
(i) Scope of the legislature scrutiny				
(ii) Extent to which the legislature's procedures are well established and respected.				
(iii) Adequacy of time for the legislature to provide a response to budget proposals both the detailed estimates and, where applicable, for proposals on macro-fiscal aggregates earlier in the budget preparation cycle (time allowed in practice for all stages combined)				
(iv) Rules for in-year amendments to the budget without ex-ante approval by the legislature				
PI-28 Legislative scrutiny of external audit reports				
(i) Timeliness of examination of audit reports by the legislature				
(ii) Extent of hearing on key findings undertaken by the legislature				
(iii) Issuance of recommended actions by the legislature and implementation by the executive				

Annex 7: Calculation of budget outturns for PI-1, PI-2 and PI-3

PEFA 2016 METHODOLOGY

PEFA 2005/2011 METHODOLOGY (if applicable)