



2024 FIRST QUARTER PFM
PERFORMANCE REVIEW
ASSESSMENT REPORT
MARCH 2024

Public Finance Management Department
Ministry of Finance and Economic Affairs

- Reporting on the implementation of the PFM Strategy 2021-2025 on proved routes for incredible accomplishments Accountability within the PFM sphere.
- The total SoEs arrears stands at GMD 2.268 billion out of which GMD 252 million was settled as end November 2023
- The total expenditure stands at **GMD 19.4 billion** out of which 18% goes to subvention, 29% goes to personnel emoluments and 24% goes to servicing of debts
- Enhanced procurement processes thus certifying twenty-eight procuring institutions to conduct procurement without approval from GPPA.
- Improved digitalization of government payment system and revenue collection i.e., IFMIS rollout expanded, Single window.
- Improved records management and Achieving in Government.
- Both Internal and External Audit Have Established Quality Assurance Unit.

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1.0: Introduction

The performance review exercise provides the strategic direction of the reforms, comprising of heads of departments of MoFEA, representatives of institutions directly implementing PFM reforms and the Development Partners. The Committee meets quarterly to review implementation progress, related challenges and map out mitigation strategies to overcome challenges. In essence, it guides and improves decision making during implementation, redress the challenges and share lessons learnt.

Supported by a performance assessment tool, the review seeks to measure the level of progress registered for each activity as identified, the indicators antecedent to it and not losing sight of the anticipated outcome. Thus, the assessment tool serves as a guide for stakeholders taking stock of the progress and challenges met in the implementation of the reform agenda for the first quarter in 2024, which seeks not only to evaluate the progress of the implementing partners but also keep track of progress and serve as a planning tool for necessary actions to be taken.

The report is supported by seven chapters streamed and aligned to the pillars of the PFM Strategy 2021-2025, outlining brief summary of the findings and a detailed description of each pillar's accomplishments component-by-component thus assigning grades A-D and provision of evidence justifying selected grade.

2.0: Summary of Observations and Key Findings of 1st Quarter Assessment

Pillar One		Macroeconomic Management	
Component		Observation	Responsibility
1.1	Macroeconomic Management	<ul style="list-style-type: none"> • The Medium-Term Expenditure Fiscal Framework 2024- 2027 has been developed to provide a medium-term fiscal policy pathway based on sectoral priorities and reform policies. • In addition, review/ update of forecast based on new economic policy development priorities and macroeconomic realities are done every year to incorporate policy changes. • The Ministry of Finance has recently developed Tax Expenditure Policy and Duty Waiver policies to guide and provide a proper structure of granting duty waiver and ensure tax expenditures are well managed. • A Domestic Revenue Mobilization Strategy is currently being developed. 	Macro Policy Department
1.2	Revenue Administration	<ul style="list-style-type: none"> • An Arrears Tax collection strategy is developed to enhance tax collection. • New Tax tribunal members are sworn in to assist in dispute resolution mechanisms • In order to enhance easy tax collection, Application Programing Interface have been developed to interface the government payment gateways and the GRA systems. • Bidding process for the procuring of a new system to replace the GAMTXNET has been completed. The objective of this to improve the efficiency and effectiveness of domestic revenue collections. • Block management system implemented at the tax offices in CBA and WCR in order to improve compliance level of tax payers 	Gambia Revenue Authority
1.3	State-owned Enterprises	<ul style="list-style-type: none"> • The SOE Bill has been approved and gazetted. The total SoEs arrears at GMD 2.268billion out of which GMB 252 million was settled as end November 2023. • Performance Contracts: SOEs have signed PC with the commission GPPC, GIA, GAMPOST, and NFSPMC. The following NAWEC, GNPC SSHFC and GPA signed with the president. • A commission is established to monitor the PC. 	Directorate of State-owned Enterprises

		<ul style="list-style-type: none"> • Enhanced Legal Framework: new SOE Bill has been approved and gazette. 	
1.4	Statistics Management	<ul style="list-style-type: none"> • The Integrated Household Survey (IHS) has been conducted and validated, this survey assesses the income and poverty level of the Gambia. • Economic Census was expected to commence February 2024 to help provide information on the listing of all formal businesses (businesses with fix structures) in the Gambia. • Business establishment survey is expected upon the completion of the economic census to help rebase the current GDP reference year of 2013 to a new base year (2022). • The 2023 population census was not conducted last year 	Gambia Bureau of Statistics
1.5	Debt Management	<ul style="list-style-type: none"> • Debt service payments are on track and this has been pivotal providing investor confidence and accessibility. • Reconciling domestic, external and guaranteed debt: this provide data reliability and coverage for the debt reconciliation. DLDM, AGD and CBG have started the process of integrating the meridian with the IFMIS and the auction platform for easy exchange of data. • DSA has been developed to assess debt sustainability, and look at the trend analysis of debt. • MTDS has been developed to address concessional loans for both short and long term loans. • The ABP 2023/ 2024 and issuance Calendar are being done year in year out. 	Debt Management Directorate
1.6	Public-Private Partnerships (PPP)	<ul style="list-style-type: none"> • Revised PPP Policy has been approved by cabinet to help provide a policy direction for govt and private sector on implementing PPP projects. • PPP Bill has been drafted to provide legislative frameworks for guiding the implementation of PPPs. • PPP Pipeline Priority Projects Framework: A daft PPP priority project developed and consolidated from different sectors. <p>The PPP Bill has been validated and sent to cabinet for approval.</p>	PPP Directorate

1.7	Public Investment/Aid Coordination and Management:	<ul style="list-style-type: none"> • Almost 90 percent of the MDAs have been trained on Programs and Projects. However, the funding for the National Assembly training is pending. • The new Aid Policy is already developed, reviewed and now awaiting Cabinet approval. • The mapping to take stock of Government projects to establish the portfolio of project financing for 2024 has already been completed and the report is shared with stakeholders • A concept note is currently being developed to revive the process of the PIP. 	Aid Coordination Directorate
1.8	National Development Plan	<ul style="list-style-type: none"> • A new Recovery Focus National Development Plan (2023-2027) (RF-NDP) has been developed and launched to guide the implementation of the development needs and sectoral strategic priorities of the country. • Reviewing of sectors/council strategic plan: the reviewing is yet to be conducted, however the following LGA Strategic Plans for Brikama, Basse, and Kuntaur are currently awarded. • Reporting on the implantation of the SDGs: an insight report was prepared funded by UNDP to help the country select or consider pathways for accelerating implementation of the SDGs. <p>The financing strategy to the RF-NDP has been developed and undergoing its final review process.</p>	Directorate of Development Planning
Pillar Two	Budget and Procurement Management		
2.1.2	Budget credibility and reliability	<ul style="list-style-type: none"> • The total expenditure stands at GMD 19.4 Billion out of which 18% goes to subvention, 29% goes to personnel emoluments and 24% goes to servicing of debts 	Directorate of Budget
2.2	Procurement Management	<ul style="list-style-type: none"> • The 2023 Regulation has been gazetted by the Ministry of Justice and the development of the guidelines is pending. • The certification of the second batch is expected to be done before end of the first quarter 2024. • GPPA in collaboration with ZIJTECH has developed a Gambia procurement portal and expected to be launched in 2024 	Gambia Public Procurement Authority
Pillar Three	Financial Management, Accounting and Reporting		

3.1	Integrated Financial Management Information System	<ul style="list-style-type: none"> • The process of hiring the stocktaking team for the asset stocktaking exercise is currently ongoing. • Contract management and accessible document management module is rolled out to all MDAs and is in use. • The accounting manual is updated and now awaiting final touches for completion which includes reviewing of diagrams, cosmetic and printing. • Payment and Revenue Collection platform developed; Interface with CBG, GRA, and IFMIS completed. • Cash management manual is developed and the first phase of review is completed. 	Accountant General Department
3.2	Treasury Single Account and Cash Management	<ul style="list-style-type: none"> • The training of MDAs on the use of the cash plan module on IFMIS is conducted and completed. • The Treasury Main Account (TMA) of The Government is used as a TSA, it has a ledger. accounts link to the Tachometer. However, the ledger with a single view is impossible for now because the Central Bank is finding it difficult to create an online payment system for other account holders. 	Accountant General Department

Pillar Four	Internal Auditing, Control, Governance and Risk Management		
4.1	Internal Audit	The development of an internal audit Act has been approved by the Audit Committee. The Act seeks to enhance internal audit independency.	Internal Audit Department
Pillar Five	External Scrutiny and Oversight		

5.6	External Scrutiny	<p>The 2020 audit is finalized and deliberated at the national audits In addition</p> <ul style="list-style-type: none"> • performance audit report for SSHFC’s (Management of Social Security and housing funds) is completed, NAWEC (Provision of Water) is deliberated at NA. • The audit of 2021 and 2022 is ongoing for Government accounts <p>2023 audit accomplishment include:</p> <ul style="list-style-type: none"> • MDAs: 4 audits completed. 7 ongoing • Extraneous: 11 audits completed, 11 ongoing. • Projects: 27 completed and 4 ongoing • Municipalities & Area Councils: 2020 & 2021 FSs for Kerewan, Mansakonko, Brikama, Janjanbureh, Basse and KMC completed out of the 7 councils <ul style="list-style-type: none"> • BCC audit report for 2019 and 2020 were discussed and adopted at NA level <p>A quality assurance unit has been set up and it’s fully functional. The QA Strategy and Policy were developed by the NAO team supported by their external peers (AFROSAI-E)</p> <p>A new unit , Forensic, LGAs, and SOE, was also established last year to conduct audits of SOEs.</p>	National Audit Office
Pillar Six	Local Government Authority Reform		
	Local Government Authority reform	<p>Wider assessment of all reform agenda</p> <ul style="list-style-type: none"> • LGAs do not fully embrace concepts and practices of decentralization. The tendency is to await central government approval, while the intended efforts fail to be realized. Boundaries are not challenged. 	Local Government Authorities

	Rolling-out of IFMIS	<ul style="list-style-type: none"> • Since its introduction in 2022, the Integrated Financial Management Information System (IFMIS) has improved accuracy and timeliness in financial reporting of LGAs. However, challenges such as internet and power interruptions, inadequate capacity, and the need for system upgrades remain. Full migration to IFMIS, along with stable internet and power supplies, is crucial. 	
	Budgetary reforms	<ul style="list-style-type: none"> • The budgetary system faces challenges due to a lack of dedicated budget and planning staff, often led by accountants instead. The new budgeting system aims to promote professionalism and fiscal discipline, though key positions remain unfilled. Recommendations include recruiting staff, adopting long-term planning, and decentralization support. 	
	Procurement reforms	<ul style="list-style-type: none"> • Procurement practices have improved, with compliance rates rising significantly e.g BAC’s compliance rate increased from 40% to 86% in 2019-2022 respectively. However, challenges persist with local business registration fees and a lack of qualified procurement officers. Recommendations include recruiting qualified officers and streamlining registration processes. 	

	Internal Audit reforms	<ul style="list-style-type: none"> • Bigger councils such as KMC, BCC and BAC have functional audit processes, but most of the small councils with the exception MkAC and KtAC have established units but not functional. The role of internal auditing is critical for risk management and governance. Recommendations include hiring highly qualified personnel for audit functions. 	
	RAMR reforms	<ul style="list-style-type: none"> • This reforms emphasize digitalization for improved revenue collection and financial planning. Poorly defined contracts have hindered progress, especially in smaller councils. Recommendations include improving revenue streams, establishing comprehensive client registers, and exploring government payment platforms. 	
Pillar Seven	Cross-cutting Issues		
7.1	Civil Service Reforms	<ul style="list-style-type: none"> • The review and amendment of the Public Service Act has been completed, validated and sent to MoJ for legal alignment and enactment. • Upon the completion of the newly revised pension Act, a TOR was developed and advertised to hire a consultant to draft the pension regulations. • The development of a new Pay and Grading Structure consultancy work was finalized with a proposal of 4 new pay scales by the consultant, and the report was validated. However, there was setback in implementing the new pay and grading structure. • The HRMIS project is earmarked for 2024, the preliminary activities are ongoing and a ToR for the HRMIS has been developed, advertised and evaluated to hire consultants • Review of sector and cadre specific allowances has been done with incentives to attract and retain qualified personnel to serve in hard-to-reach areas and risky environments 	Personnel Management Office

		<ul style="list-style-type: none"> • The electronic clock-in device has been installed the in following: National Audit office and Ministry of Finance. There is also a need to strengthen this system 	
7.2	Electronic Records Management System	<ul style="list-style-type: none"> • The ERMS has been successfully installed in 6 institutions (MoFEA, PMO, PSC, NAO, NRS & Fisheries). To enhance easy access, retrieval, storage and referencing of government/public records • A record survey was conducted on Medical and dental council, PFM Department and National Aids secretariat to extend the ERMS • Food safety and quality Authority has been identified and restructured for this quarter. • National archive Division scanned 117 boxes of fragile material for the years 2021 and 2022. Now targeting another 24 boxes to be scanned later this year • The NRS Act 1993 was amended, validated and sent to Ministry of Justice for drafting to capture the necessary changes in a legal framework 	National Records Service
7.3	Health sector Financing	<ul style="list-style-type: none"> • The NHIS is currently being piloted at the Bundung Maternity Health Centre and expected to be roll out thereafter. The Act is currently under review. • The NHIS Authority recruited 30 staff to ensure the availability of human resources to implement health financing initiatives. • 3 out of 5 staff have been trained on advance course on Health financing for UHC, this has improved the knowledge and skills in performing in health finance activities • The Results-Based Financing (RBF) program has been successfully transitioned from a project to a program run by a program manager and other staff indicating its institutionalization 	Ministry of Health

3.0: LESSONS LEARNT

- Continuous capacity development is critical in accelerating the implementation process.
- Continuous stakeholder engagement for a fruitful validation of data collected is very relevant to the monitoring process.

- The complexity of the implementation of the ERMS requires adequate planning supported by substantial financial resources to build the necessary human capacity (training system managers and action officers)
- PFM reforms implementation have been quite impressive, however reporting on these reforms have been a challenge.
- Inadequate funding has delayed the implementation of some reform agendas such as E-procurement.
- The challenges lie in maintaining independence and objectivity, especially when auditing departments or individuals with existing working relationships.
- The small Councils are challenged with access to commercial banking services for operational efficiency.

4.0: RECOMMENDATION

- The need to continue to maintain strong systems for enhanced transparency and accountability of public resources remain prudent.
- The PFM Act should include a clause that states all contracts should be reviewed by the Gambia Strategic Review Board (GSRB)
- The need for MDAs to take a keener interest in the implementation of Government Risk Management (GRM)
- There is a need for MoJ to expand desk officers to handle government laws and strengthen the drafting department.
- Recommendations are for the Council to initiate a headhunt to address staff gap in the LGAs, adopt the practice of long term planning supported by the central Government to promote decentralization.
- The recommendations suggest that Councils look into improving potential revenue streams, establish comprehensive clients registers and renegotiate better contract agreement in the digitalization effort and explore the plausibility of riding on the Government payment platform.
- The recommendations are to recruit qualified procurement officers and streamline GPPA registration process for local vendors, facilitating inclusion, ensure product availability when needed and addresses weak areas in the supply chain management.

The recommendations suggest that a highly qualified personals leading the audit functions who are actively engaged with both the Administration and Councillors.

5.0: OVERVIEW OF THE PFM STRATEGY 2021-2025

1. Public Finance Management Strategy (PFM) 2021-2025

Vision	<i>Ensure a better Public Financial Management through the strategic allocation of resources, aggregate fiscal discipline and the efficient services delivery.</i>
Mission	<i>Contribute to creating a transparent, accountable and credible PFM system to manage public resources for informed decision-making and effective provision of public services.</i>
Overarching PFM objectives	<ul style="list-style-type: none"> ❖ Aggregate fiscal discipline ❖ Align resources allocation to development priorities. ❖ Operational efficiency and value for money in the use of resources
Strategic Objectives	<p><i>The Strategic Objectives of the PFM Strategy 2021-2025 will revolve around seven pillars:</i></p> <ol style="list-style-type: none"> 1. Macroeconomic Management 2. Budget and Procurement Management 3. Financial Management, Accounting and Reporting 4. Internal Auditing, Control, Governance and Risk Management 5. External Scrutiny and Oversight 6. Local Government Authority Reforms 7. Cross Cutting Issues

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