

## Tools related to MfDR

Draft

### *1. Public Expenditure and Financial Accountability Initiative (PEFA) – Financed by the World Bank and partner organizations*

The PEFA Framework measures and monitors public financial management. Introduced in 2001, the PEFA model was developed over a 4-year period with the input of donors and country governments.

The tool aims to increase transparency and improve a country's financial management capabilities. The PEFA Framework examines the credibility, comprehensiveness, transparency and policy-basis of a country's budget; the predictability and control in budget execution, accounting, reporting and recording; as well as external audit functions.

PEFA uses a set of thirty-one widely accepted indicators drawn from international standards, including the HIPC expenditure tracking benchmarks and the IMF Fiscal Transparency Code. The set comprises twenty-eight indicators on country system performance and three on donor performance. The Framework monitors a country's PMF progress over time: the tool benchmarks current public financial management, targets reforms, and then documents changes over several years.

A PEFA assessment is carried out by a core team (generally led by the World Bank) that works closely with government officials and other stakeholders. Starting with the country's development strategy and reform plan, the team collects data from government officials and donors and packages analytic work into an assessment report.

General consensus agrees that PEFA reports have helped governments to make quick financial management wins at low costs.

PEFA assessment reports have been conducted in the following potential CAP-Scan countries: Mauritania (substantially complete in February 2008), Kyrgyz Republic (2006), Moldova (2006) Papua New Guinea (2005) Niger (Planned for 2008)

[http://www.pefa.org/about\\_pefamn.php](http://www.pefa.org/about_pefamn.php)

<http://www1.worldbank.org/publicsector/pe/StrengthenedApproach/>

### *2. IADB - PRODEV*

The PRODEV program of the IADB developed an Index of MfDR at country level, name PRODEV Evaluation Tool (PET) The main difference with others tools is that PET focus on country level an in a integrated manner ,instead others tool are focus in agency or organization or cover only in a partial way the MfDR concept.

The PET is base in five pillars: strategic planning, budgeting for results, finance management (that includes auditing and procurement), project and programs management, and monitoring and Evaluation. These five pillars are desegregate in 16 components, 37 indicators and 141 variables.

Out of 26 borrowing members countries of the IADB 22 countries has been asses up to day and all countries would be finished by the end of 2008. The PET index goes for 1 to 5, where 5 is the higher value.

The average for LAC region is 2,1 for 2007/08.meaning that is still a long road ahead in the process to strength the countries capacity in MfDR. It's important to point out that there is large difference between countries. The most advance have an index around 3, 5 and the less advance get less than 1.

The PRODEV process is led by the IaDB staff in consultation with government officials. The diagnostic work covers the results management activities of MDBs and donors. Following the assessment, the IaDB may provide technical assistance to build capacities in priority areas identified by the tool.

<http://www.iadb.org/prodev>

### *3. Organisation Capacity Assessment - Asian Development Bank (AsDB)*

AsDB has developed a guide that can be used to conduct assessments of a country's MfDR capacity. Assessments review organizations from both a Systems/Technical and an Organizational level by posing questions related to five areas: (i) commitment, norms and values for results management; (ii) clarity of expected results; (iii) making results happen by linking objectives and planning; (iv) determining contributions to results through monitoring and evaluation; (v) making results matter by providing feedback to decision makers. As of yet, no country-level data has been collected.

<http://www.adb.org/MfDR/RM/2007-12-capacity.asp>

### *4. Capacity Assessment Framework - UNDP*

The CAF model focuses on the functional capacity of organisations rather than directly on MfDR; it is not a risk or system assessment. Although not focused on MfDR many related issues are covered. Demand for the CAF comes from organisation and/or governments that want to strengthen their own capacity.

The model has been applied in 8 countries, using different lead questions and resulting in different application intensities: in Sierra Leone, the assessment took one week, whereas in Afghanistan, assessment took an entire year. Progress in terms of changes appears readily in Afghanistan, where twelve ministries were involved.

<http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=6022>

### *5. Getting Better At Managing for Outcomes – New Zealand*

Developed in 2004 for New Zealand's Sector Ministries, the Managing for Outcomes tool seeks to improve an Agency's ability to identify and deliver interventions that best contribute to government objectives. The tool is intended to strengthen agency leadership and further inter-agency collaboration toward shared goals. This assessment broadly examines the necessity, feasibility and likely success of increased collaboration, and asks agencies to prioritize actions to focus on a few vital outcomes.

<http://www.ssc.govt.nz/display/document.asp?docid=4127>

### *6. Management Accountability Framework – Canada Treasury Board*

The MAF is structured around ten key management elements, (governance, public service values, policy and programs, people, citizen focused service, risk management, stewardship, accountability, results, and learning), focusing largely on leadership and vision. The tool highlights which management issues require attention.

English: [www.tbs-sct.gc.ca/maf-crg/index\\_e.asp](http://www.tbs-sct.gc.ca/maf-crg/index_e.asp)

French: [www.tbs-sct.gc.ca/maf-crg/index\\_f.asp](http://www.tbs-sct.gc.ca/maf-crg/index_f.asp)

English: [www.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/mrrsp-psgrr/id-cm\\_e.asp](http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/mrrsp-psgrr/id-cm_e.asp)

French: [www.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/mrrsp-psgrr/id-cm\\_f.asp](http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/mrrsp-psgrr/id-cm_f.asp)

## *7. Institutional Assessment and Capacity Development – European Commission*

Developed in 2005, this assessment provides a conceptual framework for addressing capacity development issues. It is intended to inform sector program and budget decisions. The assessment examines systems, products, services, internal and external influences and power arrangements. It focuses on leadership and on specific capabilities. The assessment can lead to the design of multi-dimensional approaches to support reforms.

[http://ec.europa.eu/europeaid/multimedia/publications/documents/tools/europeaid\\_institutional\\_assessment\\_capacity\\_devlpmt\\_2006\\_en.pdf](http://ec.europa.eu/europeaid/multimedia/publications/documents/tools/europeaid_institutional_assessment_capacity_devlpmt_2006_en.pdf)