



# **Support to Education and Public Finance Management Reform in Lebanon - Public Finance Management Reform**

*Project Twinning Fiche*

*'Techniques, capacity building and reorganisation at the Ministry of Finance  
of Lebanon'*

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## ABBREVIATIONS AND ACRONYMS

BC	Beneficiary Country
BDL	Banque du Liban
CDR	Council for development and reconstruction
CFAA	Country Financial Accountability Assessment
CIA	Certified Internal Auditor
CIB	Central Inspection Board
CoA	Court of Account
CoM	Council of ministers
DMFAS	Debt management and financial analysis system
EFMIS	Emergency Fiscal Management Reform Implementation Support
EU	European Union
GFS	Government Finance Statistics
GFMIS	Government financial management information system
GIT	Global Income Tax
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
IMF	International Monetary Fund
INTOSAI	International Organisation of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
IT	Information technology
MEHE	Ministry of Education and Higher Education
MFU	Macro-Fiscal Unit
MoF	Ministry of Finance
MS	Member State
MTEF	Medium Term Expenditure Framework
OECD	Organisation for Economic Co-operation & Development
PAL	Public accounting law
PAO	Project Administration Office
PEFA	Public Expenditures and Financial Accounting Framework
PFM	Public Finance Management
PIFC	Public Internal Financial Control
PL	Project Leader
PO	Payment order
RTA	Resident Twinning Advisor
SIGMA	Support for Improvement in Governance & Management OECD
TD	Treasury directorate
TRAU	Tax Research & Analysis Unit
UNDP	United Nations Development Program
VAT	Value Added Tax

# 1. Basic Information

1.1 Programme: Support to the Education Sector in Lebanon and Public Finance Management Reform. ENPI/2009/020-490.

1.2 Twinning Number: **LB/12/ENP/FI/11**

1.3 Title: *Techniques, capacity building and reorganisation at the Ministry of Finance of Lebanon*

1.4 Sector: Finance, Internal market and economic criteria

1.5 Beneficiary country: The Republic of Lebanon

## 2. Objectives:

### **2.1 Overall Objective:**

To strengthen Lebanese Public Finances Management

### **2.2 Project purpose**

To support the MoF with appropriate techniques and tools to: reinforce procedures and capacities for revenue forecasting and budget preparation, to strengthen sector budgeting capacities and budget execution control, and upgrade the MoF organization, especially in regard to international requirements and the EU acquis.

### **2.3 Contribution to National Development Plan / Cooperation agreement / Association Agreement / Action Plan**

Currently, the MoF does not have an overall PFM reform strategy. Instead, it has been basing its reforms on a reform document presented by the Lebanese government at the International Conference for Support to Lebanon which was held in Paris in 2007 (henceforth Paris III). In this document, the Government of Lebanon committed to structural reforms in PFM, in particular with regard to the revenue, budget and debt management. The main objectives include: (i) improvement of the Government's capacity to manage public finance, (ii) promotion of accountability and transparency, (iii) containment of spending and improvement of its efficiency, (iv) improvement of fiscal forecasting and (v) increased discipline to respect the expenditure ceilings imposed by resources availability.

More generally, this public finance reform comes within the framework of *EC-Lebanon Association Agreement (AA)*, particularly with regard to Article 40-§2 and §3<sup>1</sup> and Article 50<sup>2</sup>.

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<sup>1</sup> *Euro-Mediterranean Association Agreement between the European Community and its Member States and the Republic of Lebanon*, Art.40, §2: "The Parties undertake to intensify economic cooperation in their mutual interest and in the spirit of partnership which is at the root of this Agreement"; §3: "The aim of economic cooperation shall be to support Lebanon's own efforts to achieve sustainable economic and social development."

<sup>2</sup> *Euro-Mediterranean Association Agreement between the European Community and its Member States and the Republic of Lebanon*, Art.50: "The aim of cooperation shall be to achieve closer common rules and standards in areas

Also, it is part of the *European Neighborhood Policy EU-Lebanon Action Plan* in which one of its priorities is: “Take steps to bring the fiscal position to a sustainable basis while reducing the debt burden and improving public finance management”<sup>3</sup>, and which addresses: Fiscal sustainability and macro-economic stability, Improvement of transparency and accountability of public administration including in the area of public finance management<sup>4</sup>; and Public Finance Reform, including Public Internal Financial Control<sup>5</sup>.

## 3. Description

### 3.1 Background and justification

In the last few years, the Government of Lebanon has committed to structural reforms in Public Finance Management Reform (PFM), in particular with regard to the revenue, budget and debt management. A number of reforms have been introduced through the 2009 draft budget law, the cash and debt management units were established and most extra-budgetary funds were introduced in the central budget in the 2010 draft budget law. Ongoing debates on this draft law aim to further increase the budget credibility and should lead to a reinforced supervision role of the Parliament. At sector level, the Ministry of Finance (MoF) has started a pilot introduction of the sectoral medium term expenditure frameworks (MTEF) for which MEHE was chosen as a pilot ministry.

Despite these advances, the PFM system remains weak. Indeed, the World Bank *Country Financial Accountability Assessment (CFAA)* and the IMF *Report on the Observance of Standards and Codes*,<sup>1</sup> as well as a number of other studies done during 2005-2008, conclude that the overall risk of the PFM system in Lebanon is significant. The studies stress the need to improve budget preparation and execution, accounting and reporting, cash management, internal and external audit and public procurement. Revenue forecasting should be strengthened and a dedicated unit created at the MoF.

The question of fiscal transparency is critical: 24% of the total cash out in 2009 was extra-budgetary funds, payment arrears are not well known and many special funds are not included in the budget on a line-by-line basis and are not submitted to public supervision. Moreover, donor-funded projects are excluded from the budget. Another problem is the relevant deviations from expenditures foreseen in the draft budget law, which exceeded 29% during each year from 2007 to 2009.

As for budget execution, the CFAA underlined the lack of coordination between the existing current and investment budgets, the need to implement a Single Treasury Account, to improve debt management, cash management and payment authorization procedures. The CFAA also endorsed the IMF recommendation to remove the large existing carry-forwards from the budget framework.

According to the Constitution and various laws, the Parliament should play an important role in the review of the Government’s annual budget submission. The time allocated to the review of the budget submission is sufficient, but not for the review of the budget execution report. Furthermore, due to the political situation, the last budget adopted by the Parliament was the 2005 budget and the last closure of accounts approved was for year 2003. The 2010 draft budget law was not approved at the Parliament.

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including the following: (a) developing the financial markets in Lebanon; (b) improving accounting, auditing, supervision and regulation of financial services and financial monitoring in Lebanon.”

<sup>3</sup> *European Neighborhood Policy, EU-Lebanon Action Plan*, p.3

<sup>4</sup> *European Neighborhood Policy, EU-Lebanon Action Plan*, §2.2, Economic and Social Reform and sustainable development, Fiscal sustainability and macro-economic stability, pp.9-10

<sup>5</sup> *European Neighborhood Policy, EU-Lebanon Action Plan*, §2.3.5, (g) Other key areas, p.17

Modern internal audit does not exist and the existing inspection functions, performed by the Central Inspection (under the Prime Minister's authority), are largely concerned with compliance activities while little attention is paid to assessing risk in control processes. The external audit function is fulfilled by the Court of Accounts (CoA), also under the Prime minister's authority. The Court exercises both ex-ante and ex-post controls on expenditures but focuses mainly on the legality of transactions. According to the CFAA, the CoA does not meet the relevant INTOSAI (International Organisation of Supreme Audit Institutions) auditing standards, in particular for the criteria for independence and because the Court does not provide an opinion on the fairness of the Government's annual financial statements.

The very high debt/GDP ratio (150% in 2009) imposes a heavy burden on the development of the country. In fact, debt service absorbed 48% of the total state revenue in 2009, leaving little floor to capital expenditures. In the 2009 budget proposal (not debated in the Parliament), capital expenditures did not exceed 5.7% of the total expenses and around 2% of the actual 2009 GDP. Total deficit reached 8.7% in 2009 but improved fiscal discipline and a sharp drop of subsidies to Electricité du Liban due to low oil prices decreased it during the first semester of 2010 to around 2.4% of the expected GDP.

### **3.2 Linked activities**

The governance of the sector and its institutional capacities are weak. The CFAA spoke of a staffing crisis as 'within six years, the Government will lose half of its permanent staff, without significant replacement'. Capacity development of all staff involved in the financial management, budgeting planning, execution and control, and internal audit is an urgent issue to be addressed. A UNDP-funded team assists the Ministry of Finance in budget preparation and fiscal reform. The team reports directly to the Minister of Finance

A World Bank project recently started with the aim to support public expenditure management through an Emergency Fiscal Management Reform Implementation Support (EFMIS) of US\$ 4 million approved in January 2009. The project consists in 4 components: (i) macro-fiscal analysis and policy advice function; (ii) public expenditure management (including expenditure programming and budget preparation; (iii) debt management and (iv) aid coordination and management. This Twinning will ensure full coordination and building on the achievements of EFMIS project, UNDP, as well as with other donors' activities in this domain (US Treasury, etc)..

In December 2010, the EU and the Government of Lebanon signed the 'Support to Education and Public Finance Management (PFM) Reforms' Programme for an amount of € 13,7 Million. The general objective is to improve the efficiency and effectiveness of the Lebanese Public Finance and education sectors. Towards this end, 2 specific objectives have been set: a) to strengthen the management of public finance - PFM (€ 4.4 Million) and b) to improve the planning, implementation and monitoring of the education sector reforms. The Beneficiaries of this programme are the Ministry of Finance of Lebanon (MoF) and the Lebanese Ministry of Education and Higher Education (MEHE). The Contracting Authority of this Programme is the Presidency of the Council of Ministers, and on its behalf, the Project Administration Office – PAO.

In early 2011, a Public Financial Assessment of Lebanon, based on the Public Expenditure and Financial Accountability Framework (PEFA) was launched by the MoF with EU support. The Final Assessment Report was reviewed by the MoF, the World Bank PEFA Secretariat in Washington, as well as the European Union Delegation to Lebanon and the World Bank in Lebanon.

The assignment under the Programme 'Support to Education and Public Finance Management (PFM) Reforms' foresees a € 4.4 Million PFM component. The Twinning modality was agreed with the MoF aiming at producing the most durable and efficient impact.

Finally, SIGMA, a joint initiative of the OECD and the European Union, principally financed by the EU (SIGMA supports European Union candidates, potential candidates and European Neighbourhood countries in their public administration reforms), is exploring potential support options to the Lebanese Ministry of Finance in preparing for the public financial management component of the EU financed project “Support to Education and Public Finance Management Reforms“ and in this context to support the dialogue for wider prioritisation and sequencing of reform plans in the area of public finance management.

### 3.3 Results

At the end of the twinning project:

1. A definition of a **National Strategy** for Public Finance Management Reform is supported.
2. An action plan to improve **macro fiscal analysis and revenue forecasting** functions is developed and related manuals of procedures and methodology are elaborated.
3. An improved methodology for **budget preparation** is developed and new procedures for the preparation of global budget ceilings and global 3-year expenditure framework are developed for line ministries on a pilot basis (MEHE). The capacities of MoF staff in the related areas are built.
4. An assessment of MoF's **budget execution and control** system is achieved. Modalities for improving the MoF's **internal control** of budget execution are prepared (PIFC approach will be used as benchmark, including core elements of internal control, such as: managerial accountability, delegation of authority and the use of integrated financial information to assess performance).
5. Support the initiation of the **PFM reform strategy** within the MoF and its priority action plans are developed. The priority action plan is specifically concerning **revenue forecasting, budget preparation and execution, and reorganization of the Budget, Treasury and Public Accounting directorates**.
6. The **Budget, Treasury, and Public Accounting Directorates reorganization are supported**, and a capacity building plan is designed and in process according to international and EU standards. Consideration for separating Budget preparation and budget execution into two departments within Budget directorate is studied and if necessary a project and a planning of reorganization of the Budget Directorate is done.
7. Support to stakeholder **awareness** of PFM reform strategy is ensured and workshops and other similar activities have provided a large internal (departments) and external awareness (international donors, donor coordination) of MoF evolution and reform achievements and a larger dialogue is initiated with CoA, General Inspection and MEHE regarding the PFM reform strategy.

### 3.4 Activities

These expected results have given birth to the following components:

1. Support to a **National Strategy** for Public Finance Management Reform with an action plan.
2. Assistance to the reinforcement of procedures and capacities for **macrofiscal and revenue forecasting**.

3. Support to the reinforcement of procedures and capacities of **Budget preparation and sector budgeting**.
4. Assistance to the improvement of **budget execution and control**.
5. **Support to the reorganisation** of Directorates and operational action strategy plan. **Training** for enhancement of the professional capabilities of the MoF human capacities and skills of MoF staff.
6. Assistance to the adapt and reinforce the **professional capacities** of directorates and staff to meet the needs of reorganization.
7. Support to general **awareness** created internally (inter-departments) and externally (inter-ministries, donors) concerning: National PFM reform Strategy, reform efforts, capacity building and donor coordination.

In each of these components, indicative activities, corresponding to the above-mentioned detailed expected results, have been defined. Each of these detailed activities has been described with means and main assumptions in the Project logframe.

More specifically, expected results are linked to activities as follow:

1. **Result 1.** A definition of a **National Strategy** for Public Finance Management Reform is supported

#### 1.1. Stakeholder Dialogue

Results: A dialogue is established and organized providing visibility to all parts functions, objectives and limitations.

Deliverable: A comprehensive dialogue Document containing the current state of play, objectives, functions and limitations of all PFM stakeholders in Lebanon.

#### 1.2. Planning

Results: Organisational and planning aspects of reform are discussed, negotiated, arbitrated and agreed.

Deliverable: Draft National Strategic Plan for PFM reform

2. **Result 2.** An action plan to improve **macro fiscal analysis and revenue forecasting** functions is developed and related manuals of procedures and methodology are elaborated.

#### 2.1. Supervision and following-up of MFU creation or starting activities

Results: Support to the creation of a MFU unit is provided, also to the staff engagement and fully operational capability.

Deliverables: RTA quarterly reports on MFU activity and future progress

#### 2.2. Development for MFU of an action plan to create or improve procedure and capacities

Results: Action plan to create or improve MFU procedure and capacities is developed and elaborated with MoF and related services, according to EU best practices and experience

Deliverables: procedure and capacities developpment actrion plan document



### **2.3. Elaboration a manual (or working plan) of procedure and methodology for MFU**

Results: Procedure and methodology manual is elaborated with MoF and related services, a manual is written according to EU best practices and experience

Deliverables: A procedure and capacities developpment action plan document

### **2.4. Elaboration of a planning for Macrofiscal unit study visit in European twin country**

Results: MFU Planning for study visit in twinning Member State is elaborated jointly with the MoF and related services.

Deliverables: MFU planning

### **2.5. Revenue forecasting:** Development of a model and plan to improved procedure and capacities for revenue forecasting function and a new/improved methodology

### **2.6. Elaboration of a manual of new methodology for revenue forecasting**

2.5 and 2.6 Results: Procedures and capacities for revenue forecasting function are elaborated jointly with the MoF and related services, a manual of methodology is written based on EU best experience and negotiations

2.5 and 2.6 Deliverables: Procedures and capacities Model, methodology Manual

## **3. Result 3.** An improved methodology for **budget preparation** is developed and new procedures for the preparation of global budget ceilings and global 3-year expenditure framework are developed for line ministries on a pilot basis (MEHE). The capacities of MoF staff in the related areas are built.

### **3.1. Budget preparation**

#### **3.1.1. Enhancement** of the comprehension and working of MFU findings, macrofiscal unit figures and scenarios for the budget preparation by elaborating a manual providing the main ways of working out macrofiscal datas

Results: Methodology for macrofiscal data collect and exploitation for scenarios budget preparation is elaborated jointly with MFU staff. A manual of methodology is written based on EU best experience

Deliverables: Budget scenarios Models, Macrofiscal data collect and working out manual of methodology for designing budget scenarios

#### **3.1.2. Development** and elaboration of an improved methodology for budget preparation in order to apply new procedures with the preparation of a global ceiling for the budget and a global 3-year expenditure framework. This will include an assessment of the existing procedures.

Results: A methodology for budget and global ceiling preparation on a multi annual basis is developped and elaborated jointly with the MoF and related services, a manual of methodology is written based on EU best

experience and negotiations. This will have taken into account the existing procedures and build on them.

Deliverables: New procedure for Budget and global ceiling preparation, methodology Manual

### **3.1.3. Elaboration** of a global MTEF model and methodology manual

Results: MTEF model is elaborated jointly with the MoF and related services, a manual of methodology is written based on EU best experience and negotiations.

Deliverables: MTEF Model, methodology Manual.

### **3.1.4. Legal** text review: PAL

Results: Amended or revised legal text draft is proposed based on best international practices but also on local situation and after dialogue and negotiation with all the local stakeholders.

Deliverables: Amended or revised Legal text draft document.

### **3.1.5. Elaboration** of a strategy for enlargement of the scope of budget coverage.

**3.1.5.1.** Elaboration of the procedure to allow MoF to receive financial statement forms of public enterprises and municipalities to improve comprehensiveness and timely financial informations on the public sector and enhance control of MoF on public spending

**3.1.5.2.** Record and consolidation by MoF of fiscal data of municipalities

3.1.5 Results: A schedule and templates for public enterprises and municipalities to communicate information to the MoF Budget is drafted jointly with the MoF and related services, a manual of procedure is written based on EU best experience and negotiations

3.1.5 Deliverables: draft of schedule and template for public enterprises and municipalities, Manual of procedure to collect municipalities and public enterprises statements

## **3.2. Comprehensiveness and transparency of budget**

**3.2.1. Elaboration** of a methodology to progress in quality and transparency of reporting system

Results: Qualitative methodology for a reporting system is produced jointly with the MoF and related services, a manual of methodology is written based on EU best experience and negotiations

Deliverables: Reporting system Model, methodology Manual

## **3.3. Enhance transparency of intergovernmental fiscal relations**

- 3.3.1. Study** the methodology and process to enhance clearness and transparency rules and mechanism of transfers to municipalities, providing municipalities with “regular” informations on revenue forecasts or anticipated transfer

Results: A logistical set of procedures for transfer of information at the intergovernmental level is defined, a new methodology is prepared, a manual of methodology is written based on EU best experience and negotiations.

Deliverables: Set of procedures, methodology Manual.

- 3.4. Enhancement of Predictability and availability of funds** for commitments of expenditure: through forecasting and monitoring cash flow by monthly ceilings for expenditure commitments and information sent by MoF to each ministry to follow up their ceiling and their expenditures

Results: A new process of cash flow forecasting and monitoring is defined with the MoF related services enhancing predictability and availability of funds, a new data collection system for monitoring cash flow is supported.

Deliverables: Manual of procedure, process and monitoring.

### **3.5. Sector budgeting**

- 3.5.1. Enhancement** of MoF capacities to lead line ministries in budget preparation and monitoring and elaboration of a budget preparation methodology for line ministries

- 3.5.2. Providing** knowhow on the purpose of launching and animating the inter-institutional MoF-MEHE working group, and MoF as leader of the group providing guidance to MEHE staff for budget preparation procedure with the aim to prepare MEHE MTEF and elaborate a monitoring procedure.

- 3.5.3. Enhancement** of MoF providing guidance to the line ministries with firm ceilings individual MDAs, bringing fiscal forecast in line with sector strategies

- 3.5.4. Elaboration of a manual of methodology and procedure of ceilings preparation**

3.5. Results: MoF capacities to lead line ministries in budget preparation is developed at different levels within the related services; a budget preparation methodology for line ministries is elaborated with MoF and related services, a working group MoF and MEHE is implemented, a manual of methodology for line ministries for ceiling preparation is drafted with MoF and related services and written based on EU best experience and negotiations

3.5. Deliverables: Manual of procedure, manual of methodology

- 4. Result 4.** An assessment of MoF's **budget execution and control** system is achieved. Modalities for improving the MoF's **internal control** of budget execution are prepared (PIFC approach will be used as benchmark, including core elements of internal control, such as: managerial accountability, delegation of authority and the use of integrated financial information to assess performance).

#### **4.1. Evaluation** of MoF budget control system and proposal of modalities for improvement of internal control.

Results: An evaluation of budget control system is studied with MoF, related services and an evaluation report is written based on EU best experience and negotiations. On the basis of this evaluation an Action plan Setting out the proposed activities will be formulated. The following aspect of Public Internal Financial Control (PIFC) will be analysed:

- Assess the establishment a Central Audit Coordination unit within the Ministry of Finance; develop a strategy and policy paper for the public internal financial control system (managerial accountability and decentralised internal audit).
- Assess the legislative framework for public internal financial control.
- Assess the state of play concerning harmonization with the internationally agreed standards (IFAC, IIA, INTOSAI) and methodologies, as well as with EU best practices for the control and audit of public income, expenditure, assets and liabilities.
- Assess the state of play concerning publication of regular audits, along the best international standards, of the CDR, the National Social Security Fund and the Municipal Development Fund.
- Introduce internal audit units in all budgetary entities, in line with agreed strategy.

Deliverables: evaluation report considering the feasibility and implementation modalities of PIFC, Action Plan.

#### **4.2. Drafting amendments** to the legal framework for PIFC, at primary and secondary level

Results: Complete set of legal amendments and proposals to allow for PIFC.

Deliverables: Complete set of legal amendments and proposals to allow for PIFC.

#### **4.3. Elaboration** of a manual for application of law n° 44/11 November 2008 and tax payer objections procedure

Results: Qualitative methodology for law application and tax payer objections procedure is produced jointly with the MoF and related services, a manual of methodology is written based on EU best experience and negotiations

Deliverables: Manual of procedure

#### **4.4. Improvement** of account reconciliation for revenue department, between tax assessment, collection, arrears records and receipt by the Treasury

Results: Accounting reconciliation process Manual is proposed. The account reconciliation process is improved within the related directorate, based on EU best practices

#### **4.5. Elaboration** of procedure and manual of methodology for account reconciliation

Results: Procedure for account reconciliation is elaborated jointly with the MoF and related services, a manual of methodology is written based on EU best experience and negotiations

4.4 and 4.5 Deliverables: Accounting reconciliation process Manual.

#### **4.6. Enhancement** of monitoring and management of cash balances, debt and guarantees, by a consolidation on a day basis

#### **4.7. Evaluation** of current payroll control system and proposition for a new methodology and action plan or road-map, elaborating a manual for new methodology

Results: A new payroll control system model is elaborated with MoF and related services, a manual of methodology is written based on EU best experience and negotiations

Deliverables: methodology Manual

### **5. Result 5.** Support the initiation of the **PFM reform strategy** within the MoF and its priority action plans are developed. The priority action plan is specifically concerning **revenue forecasting, budget preparation and execution, and reorganization of the Budget, Treasury and Public Accounting directorates**

#### **5.1. Elaboration** of a MoF reform strategy

**5.1.1. Strategic** consideration study and diagnostic of the Directorates missions, balance, and optimisation.

**5.1.2. Supplying** MoF with knowhow on the purpose of initiating and animating a larger dialogue with the CoA, General Inspection and MEHE regarding the PFM reform strategy

**5.1.3. Elaboration** of a proposition for a reorganisation of Directorates referring to different international MoF model of organisation, aligned with the MoF strategy, and over 4 functions – revenue forecasting, budget preparation, budget execution and budget control - plus a transversal service for support and logistic

**5.1.4. Assessment** for a reorganization of MoF directorates, creation within Budget Directorate of two departments, Budget preparation and Budget execution

5.1. Results: MoF reform strategy and action plan for next year is elaborated with MoF and related services according to EU best practices and experience, and a new MoF organisation is proposed and presented through a flexible and functional MoF organization chart ; a Decree is adopted making official the Budget directorate reorganisation

5.1. Deliverables: Adopted organisation chart and decree

#### **5.2. Review** of legal text

### **5.2.1. PAL and related** accountability decrees

Results: Amended or revised legal text draft are proposed based on best international practices but also on local situation and after dialogue and negotiation with all the local stakeholders

Deliverables: Draft legal texts

### **5.3. Identification** and quantification of human and material resources

**5.3.1. Identification** and quantification of human and material resources necessary for the tasks and missions assigned to the directorates and selected according to defined operational strategy; the confrontation between the workload and resources will determine the needs

**5.3.2. Elaboration** of MoF staff job description fiches and manual or index

5.3.1. and 5.3.2. Results: Based on previous defined operational strategy (A.1), MoF human and material resources of each directorate or service are identify and quantify and a full set of MoF job description fiches is elaborated in cooperation with MoF, related services , Fiches, manual and index are written based on EU best experience and negotiations

5.3.1. and 5.3.2 Deliverables: Fiches and manual or index

**5.4. Definition**, drafting and implementation of an internal strategy for stakeholder awareness of the reform strategy

Results: ISO certification requirements for Internal audit department are identify in cooperation with MoF and related services, Action plan is written based on EU best experience and negotiations

Deliverables: action plan

**6. Result 6. The Budget, Treasury, and Public Accounting Directorates reorganization are supported**, and a capacity building plan is designed and in process according to international and EU standards. Consideration for separating Budget preparation and budget execution into two departments within Budget directorate is studied and if necessary a project and a planning of reorganization of the Budget Directorate is done.

**6.1. Elaboration** of a LT training master plan and a sliding 5 years action plan for its implementation. Quantification of needs, targets, content and modules, training (trainees), training (staff), training of trainers, computer upgrade, teaching methods, courses, exercises, etc

Results: A LT training master plan is elaborated in cooperation with MoF and related services, a master plan is written based on EU best experience and negotiations

Deliverables: training master plan

**6.2. Preparation** and implementation of international standards of accountability system

**6.2.1. Evaluation of** Public Accounting Directorate needs (organization, training, enhance procedure, etc)

**6.2.2. Evaluation and** Review of existent procedure and drafting of a consistent procedure including the hole accounting cycle

6.2.1. and 6.2.2. Results: Evaluation of Public accounting directorate needs, review and drafting of new procedure in cooperation with MoF and Public Accounting Directorate, report of evaluation and manual of procedure and methodology are written based on EU best experience and negotiations

6.2.1. and 6.2.2. Deliverables: Report of evaluation, manual of directorate procedure

**6.2.3. Elaboration** of an accounting written procedure and methodology

**6.2.4. Promotion** and implementation of a new classification presentation

6.2.3 to 6.2.4 Results: An accounting procedure and methodology including the implementation of new classification is designed in cooperation with MoF and Public Accounting Directorate, manual of procedure and methodology are written based on EU best experience and negotiations

6.2.3 to 6.2.4 Deliverables: manual of accounting procedure and methodology including new classification

**6.2.5. Preparation** to the adoption of new accountability standards (GFS 2001, IPSAS)

Results: all the conditions required for adoption of new accountability standards (training, manual of procedure and methodology...) are prepared with the cooperation of MoF and Public Accountability Directorate

**6.2.6. Study** an account bridging method between old and new classification, and drafting of a bridging manual

Results: a method for account bridging between new and old classification is designed with the cooperation of MoF and Public Accountability Directorate, a bridging manual is written based on EU best practices and experience

Deliverables: manual of bridging procedure and methodology

**6.3. Reinforcement** of Revenue directorate

**6.3.1. Evaluation** of progress of legal text implementation (Global Income Tax and Tax procedure code)

Results: an evaluation of progress is assessed with the cooperation of MoF and related services, an evaluation report is written based on EU best practices and experience

Deliverables: report of evaluation

**6.3.2. Study** of impact of GIT and capital gain tax on revenue and economy

Results: the impact of GIT and capital gain tax is evaluated with the cooperation of MoF and related services, an evaluation report is written based on EU best practices and experience

Deliverables: report of evaluation

**6.3.3. Support** coordination with the parallel twinning programmes in Lebanon concerning VAT reform (LB12/ENP-AP/FI/09) with revenue department, altogether with the twinning customs reform programme (LB12/ENP-AP/FI/08).

**6.3.4. Standardisation** of procedures between the VAT and revenue departments

6.3.3 and 6.3.4 Results: Support is provided towards VAT department is integrated to Revenue Department and procedures standardization between the two activities; a standardization report is elaborated and written based on EU best practices and experience ;

6.3.3 and 6.3.4 Deliverables: standardization report

**6.3.5. Elaboration** of a staff rotation plan among the directorate departments

Results: a staff rotation plan is elaborated with the cooperation of MoF and related services; the plan is written based on EU best practices and experience

Deliverables: staff rotation plan

**6.4. Reinforcement** of Expenditure directorate

**6.4.1. Reviewing** and simplifying procedures

**6.4.2. Elaboration** of new methodology and manual of procedure

6.4.1 and 6.4.2 Results: A new methodology and procedure are designed with MoF and related services; a manual is written based on EU best practices and experience;

6.4.1 and 6.4.2 Deliverables: manual of methodology and procedure

**6.5. Reinforcement** of Debt department

Results: Establishment of best conditions to transfer external debt management from BDL to MoF and evaluation of debt department organization of Back, Middle and front office for dealing with issuing Eurobonds (actually developed through UNDP but transfer to MoF on 2012)

Deliverables: report on debt management transfer and debt department organisation

**6.6. Reinforcement** of IT system

**6.6.1. Establishment** of an IT conceptual design

Results: an IT conceptual design is established incorporating all the elements of the budget and treasury into one integrated system, conducted by MOF staff with assistance of specialists from international agencies

Deliverables: implementation and development report

**6.6.2. Internet, Extranet and Portal**



Results: Support to the design of an internal portal, providing knowhow on the purpose of settling an Extranet and internet system for internal availability of informations, partner's information and exchange of informations with other units and assessment and enhancement of internet site; assistance to the design of a wide MoF Internet Portal, permanent tool of apprenticeship, learning and communication

Deliverables: evaluation and enhancement proposition report, action plan for the development of MoF portal

**6.6.3. Providing** knowhow on the purpose of settling an archives system (système d'archivage)

Results: an archives system is design with MoF and related services, a note is written based on EU best practices and experience

Deliverables: setting up note

**6.6.4. Elaboration** of a planning to change toward GFMIS

**6.6.5.** Elaboration of manual for formal procedure of changing system

6.6.4 and 6.6.5 Results: a planning schedule and procedure for changing toward GFMIS system is elaborated with MoF and related services, a planning and manual of procedure are written based on EU best practices and experience

6.6.4 and 6.6.5 Deliverables: planning, manual of procedure

**7. Result 7.** Support to stakeholder **awareness** of PFM reform strategy is ensured and workshops and other similar activities have provided a large internal (departments) and external awareness (international donors, donor coordination) of MoF evolution and reform achievements and a larger dialogue is initiated with CoA, General Inspection and MEHE regarding the PFM reform strategy.

**7.1.** Opening/ending reception/Seminars with experts conferences (2 experts invited for each seminar)

Results: A opening/ending seminar is organised with participation of all the stakeholders

Deliverables: 2 Seminars

**7.2.** Two internal and wider external seminaries for stakeholder awareness of the MoF reform strategy (2 experts invited for each seminar)

Results: Internal and wider seminars are organised with participation of all the stakeholders

Deliverables: 2 Seminars

**7.3.** Seven training workshops for regular quarterly monitoring of the Twinning and other donor-supported outputs and outcomes for efficient support coordination activities

Results: Training workshops are organised with participation of all the stakeholders

Deliverables: 7 Training workshops

**7.4.** Immersion stays for 3 groups (total of 12 executive staffs), visits during the 30 months twinning programme of 5 open days each visit

- MFU
- Revenue directorate
- MEHE senior staff

**7.5.** Four workshops dedicated to Internal and external sessions to promote services to citizens (one expert invited for each workshop).

Results: Training workshops are organised with participation of all the stakeholders

Deliverables: 4 workshops

**7.6.** Workshop and training for Senior management on the proposed PIFC Strategy.

Results: Training/awareness workshops with participation of concerned senior management.

Deliverables: 1 Workshop awareness, 1 training on principles of accountability, delegation of financial management responsibilities to budget holders and performance reporting, 1 training to enshrine risk management.

**7.7.** Elaboration and development of a planning of internal and external workshop sessions to promote services (quick wins) offered to citizen: call center, e-gov services (on line VAT statement, online tax payment...)

Results: A planning of workshops is elaborated with participation of all the stakeholders

Deliverables: planning

Result 7, will also incorporate the following indicative training contents:

- Accounting training on GFS 2001, IPSAS
- Debt department: Training on DMFAS (used now by BDL) software for collection and management of external debt
- IT department: software training “laser fich” archiving system, training on ORACLE/GFMIS, auditing software
- Internal audit department training

- Internal audit oriented toward CIA certification (IIA (Institute of Internal Auditors ) standards, compliance audit, system audit, performance audit. Preparation to CIA (Certified Internal Auditor)
- Financial analysis based on financial health of public enterprise (security, perennity), detection of risks, efficiency and performance of the management
- Internal control for public sector
  - *Knowledge of techniques for internal control of public sector ; cartography of risks, control activities, risk management ; process and procedures, PIFC.*
  - *Control system of reference for evaluating the internal control system of a public entity*
- Audit of performance, analysis and assessment of projects
- New state accounting standards IFRS-IPSAS (International Public Sector Accounting Standards)
- Training on Accounting and financial audit standards (IFRS-IAS (International Financial Reporting Standards, International Accounting Standards )
- Fraud detection techniques and fighting corruption: Inventory of operational techniques and mechanisms of fraud and corruption, detection and investigations for signs, internet or computer fraud, investigation software and techniques
- Immersion work stays in SM administrations for main MoF executive staff from central and regional directorates (7 groups for a total of 60 persons, 2 visits during the 30 months twinning programme, 5 opened days per visit). The IT work stays will concern specifically security policy, back-up procedure and money collection system
- Reception/Seminaries and work shops
- Two Seminaries for opening and ending the twining with 2 experts conferences for each seminar/conference (2 experts invited for each seminar)
- Four internal workshop sessions for launching a change management process of information, education and training, one expert per workshop

### **3.5 Means / Input from the MS Partner Administration**

Project leader, RTA, and Short term experts would have to be identified:

- The Project Leader (PL) should be a high ranking official of an EU Ministry of Finance. He/she will ensure the timely and effective implementation of the project and achievement of results, through proposed activities. He/she will also be responsible for modifications of the work plan in accordance with identification of needs in the life time of the project and in this way ensures that experts input and distribution of their working days will be used in the most efficient and effective way.

The Resident Twinning Advisor (RTA) must have broad/general knowledge in all the areas of MoF, which will enable him/her to organize interdisciplinary team for successful implementation of the project. He/she should be an employee of the EU MoF

Administration. The RTA will coordinate the project execution, to supervise the short term experts, and to ensure the timely and satisfactory delivery of the project results.

### 3.5.1 Profile of the Project Leader

	<b>Criteria for Assessment / Selection of the Project Leader</b>
Education	<ul style="list-style-type: none"> <li>- Minimum Bachelors Degree in Business Administration or Economics, or other related areas relevant to this assignment</li> <li>- Preferably Advanced University (Master's Degree or equivalent) in relevant discipline- business studies, Business Administration or Management</li> </ul>
Specific Professional Experience	<ul style="list-style-type: none"> <li>- Minimum of 15 years of professional experience in a senior management position in a MoF administration in a Member State</li> <li>- Must be a civil servant or equivalent with high ranking position in a MoF department</li> <li>- Must have a broad knowledge of all components of the project and good leadership skills.</li> <li>- Sound knowledge of EU legislation and policies in relation to budget control procedures</li> <li>- Excellent knowledge of all processes in the area of macrofiscal and revenue forecasting and strengthening the administrative capacity of the MoF in relation with Budget management;</li> <li>- High-ranking official with ability to call on short term experts in support of the efficient implementation of the project;</li> <li>- Overall understanding of the problems and solutions in the sector;</li> <li>- Capable of unblocking any problems at highest level.</li> </ul>
International Experience / exposure	<ul style="list-style-type: none"> <li>- Previous experience in management &amp; international co-operation will be an asset</li> </ul>
Languages	<ul style="list-style-type: none"> <li>- Proficient in written &amp; spoken English (French is a plus)</li> </ul>
Computer Skills	<ul style="list-style-type: none"> <li>- Familiar with the use of Microsoft Office applications and Microsoft Office Project</li> </ul>

### 3.5.2 Profile of the RTA

	<b>Criteria for Assessment / Selection of the RTA</b>
Education	<ul style="list-style-type: none"> <li>- Minimum Bachelors Degree in Business Administration or Economics, or other related areas relevant to this assignment</li> <li>- Preferably Advanced University (Master's Degree or equivalent) in relevant discipline- business studies, Business Administration or Management</li> </ul>
Specific	<ul style="list-style-type: none"> <li>- Minimum of 10 years professional experience in the field of</li> </ul>

Professional Experience	<p>Budget department of MS MoF</p> <ul style="list-style-type: none"> <li>- Must be a civil servant or equivalent</li> <li>- Ability to manage teams of experts and co-ordinate complex and politically sensitive activities</li> <li>- Ability to coordinate and organize the project activities, monitor the delivery of the outputs according to the agreed timetable and ensure the proper quality of the output.</li> <li>- Ability to identify and liaise effectively with international and national institutional stakeholders</li> <li>- Full working knowledge of budget management standards and legislation, with an excellent understanding of macrofiscal and revenue forecasting concepts and other relevant issues</li> <li>- Ability to manage change or budget reform processes</li> <li>- Ability to supervise and co-ordinate all technical aspects of project</li> <li>- Excellent presentation, communication, reporting and drafting skills</li> </ul>
International Experience / exposure	<ul style="list-style-type: none"> <li>- Previous experience in management &amp; international co-operation will be an asset</li> <li>- Previous experience in delivering technical assistance in the ENPI region would be considered an advantage</li> </ul>
Languages	<ul style="list-style-type: none"> <li>- Proficient in written &amp; spoken English ( French is a plus)</li> </ul>
Computer Skills	<ul style="list-style-type: none"> <li>- Familiar with the use of Microsoft Office applications, Microsoft Office Project and the overall PFM automated Infrastructure</li> </ul>

### 3.5.3 Profile and tasks of the short-term experts

The RTA will be assisted by a number of short term experts identified according to the activities mentioned in the point 3.4.

In consideration of the different components of the Twinning project, four “MS Medium Term Experts” with coordination tasks are requested.

The main indicative profiles for the civil servants are:

- Expert in institutional development and macrofiscal modeling and analysis
- Expert in budget management and revenue forecasting modeling and planning
- Expert in macrofiscal modeling and analysis
- Expert in public finance and fiscal law and financial decentralisation
- Expert in budget auditing and financial reporting quality and transparency
- Expert in financial auditing and decentralisation
- Expert in public finance an fiscal law
- Expert in auditing systems and risk analysis
- Expert in public accounting and account reconciliation
- Expert in public finance management and monitoring
- Expert in payroll control system

- Expert in public finance control and external audit
- Expert in public services promotion and training planning
- Expert trainer and global MTEF and global budget MTEF
- Expert trainer on revenue forecasting methods.
- Expert in Strategy and Institutional Development
- Expert in Public Finance Reform and Monitoring
- Expert in Accounting and Finance Law
- Evaluation Expert in Public Finance Control and Internal Audit
- Evaluation Expert in Control and Internal Auditing Procedures and Certification
- Expert in Management and Human Resource
- Expert in Public Relations and Communication
- Expert in Training and Human Resource Management
- Evaluation Expert in Accounting and Financial Accountability System Development
- Expert in Revenue Taxation and VAT
- Expert in Financial Expenditure and Debt Management
- Expert in IT database, Portal and Website Development
- Expert in Financial Analysis, Internal Control and Risk Management
- Expert in Audit of performance, analysis and evaluation of projects
- Expert in Techniques of investigation and fraud detection and corruption fight

#### **4. Institutional Framework**

This twinning project is part of 'Support to Education and Public Finance Management (PFM) Reforms' programme set up by a financial agreement signed in December 2010. It is implemented by the Project Administration Office (PAO) on behalf of the Presidency of the Council of Ministers. The Beneficiaries of this Programme are the Ministry of Finance of Lebanon (MoF) and the Lebanese Ministry of Education and Higher Education (MEHE). The Contracting Authority of this Programme is the Presidency of the Council of Ministers, and on its behalf, the Project Administration Office – PAO.

The main beneficiary of this twinning project will be the Lebanese Ministry of Finance.

#### **5. Budget**

The budget for this twinning project is **2.800.000 €**

## **6. Implementation Modalities**

### **6.1 Implementing Agency responsible for tendering, contracting and accounting**

The Programme Administration Office (PAO) at the Presidency of the Council of Ministers will be in charge of the coordination of all procurement, administrative and contractual activities in accordance with the procedures defined in the Practical Guide to contract procedures financed from the Practical Guide to Contract procedures for EU external actions, with the contact person being:

Ms. Salam Yamout

Director

Project Administration Office

Presidency of the Council of Ministers

Tallet el Serail – Beirut – Lebanon

P: +961-1-971432 ext. 127

F: +961-1-971428 ext. 123

E: mchreif@pcm.gov.lb

A project Steering Committee will be set up.

### **6.2 Main counterpart in the BC**

The Lebanese Ministry of Finance with the contact person being the BC Project Leader

Mr. Alain BIFANI

General Director.

Ministry of Finance

Riad El Solh Square – Beirut – Lebanon

P: +961-1- 642 772 / 3

E: abifani@finance.gov.lb

The BC Project Leader will be a high ranking official and will assure that the decision makers at the MoF level will be informed properly on the implementation of the project. He/she will ensure close co-operation and overall steering and coordination of the project.

The BC will ensure that the RTA counterpart and 4 MS Medium Term Experts counterparts will be identified during the draft Twinning Contract preparation.

### **6.3 Contracts**

Expected number of contracts: 1 Twinning Contract

## 7. Implementation Schedule (indicative)

<b>7.1 Launching of the call for proposals</b>	October 2012
<b>7.2 Start of project activities</b>	June 2013
<b>7.3 Project completion</b>	December 2015
<b>7.4 Duration of the execution period</b>	30 months

## 8. Sustainability

The assistance required under the PFM twinning project is meant to have a long term effect that will shape the operations of the MoF, thus meeting the efficiency and effectiveness criteria.

The competences built up throughout the project have to serve in long-term perspective the reform in the MoF and the aligning of the legal framework with the EU acquis in the PFM field. In this sense the establishment of the training unit is of utmost importance as it will allow putting into the practice a mechanism, which ensures constant and continuous upgrade of the skills and knowledge of the MoF staff.

In addition, it is worth mentioning that this is not the first time that the MoF engages in long-term modernization efforts. This activity has been on-going since 1993.

All capacity building activities will be established and implemented by MoF in order to ensure continuity of the activities after the twinning expires.

## 9. Crosscutting issues

The proposed project will have a direct contribution to the principle of good governance and rule of law among the institutional and private stakeholders. The principle of equal opportunity will be integrated into all stages of the project implementation and will provide for equal opportunity for men and women to be treated equally despite of their race, nationality, gender, origin, religious and political beliefs.

This project is part of the principles and rules of Lebanese law and European equality of opportunity as defined in particular in the EU/Lebanon Association Agreement and in the "Toolbox for the mainstreaming gender in development co-operation of the EC "published by the EC (<http://ec.europa.eu/europeaid/sp/gender-toolkit/fr>).

In particular, the Lebanese government will provide equal opportunities in its recruitment procedures. Assistant(e) of the RTA will be recruited respecting equal opportunities.

The implementation of this project has no known effect of positive or negative discrimination in respect of any gender.



## 10. Conditionality and sequencing

The implementation of the project requires the full commitment and participation of the senior management of the Ministry of Finance:

The Beneficiary shall:

- Ensure that appropriate staff is made available to work with the EU twinning partner(s). Counterparts for each of the objectives will be appointed to facilitate the implementation of the respective activities of the twinning project;
- Long-term Government commitment to ensure the successful implementation of the re-engineering processes required in this Twinning and ensure their sustainability and maximum impact.
- Ensure the quality and availability of trainees - in consultation with the EU experts - as well as for providing the EU experts with legislation and any other documents necessary for the implementation of the project;
- Ensure that appropriate staff for training are made available, that trainees are released from their duties during their training and that once trained they are retained in post;
- Provide all possible assistance to solve any unforeseen problem that the EU twinning partner(s) may face;
- Fully support the RTA with accommodation, trainings rooms and logistical assistance.

Equally, the Member State selected, as led by Project Leader, must ensure full collaboration with the counterparts at the institution. Communications should be open and consistent. The Twinning project must carry out activities in the interest of the institution, and maintain its involvement at all stages of activities.

# ANNEXES TO PROJECT FICHE

1. Annex 1: Logical Framework Matrix

## Annexe 1: Logical Framework

### Twinning Project: 'Techniques, capacity building and reorganisation at the Ministry of Finance of Lebanon'

Overall Objective	Objectively Verifiable Indicators	Sources of Verification	Assumptions
To strengthen the management of public finances	<ul style="list-style-type: none"> <li>By the end of the project, the management of public finance, institutional capacities, and donor coordination are improved</li> </ul>	<ul style="list-style-type: none"> <li>Official publications and budgetary reports made by the MoF</li> <li>International reports WB, IMF</li> <li>Quarterly monitoring reports on twinning programme outputs and outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Political and security stability</li> </ul>
Specific Objectives	Objectively Verifiable Indicators	Sources of Verification	Assumptions
To give MoF support and assistance, but also appropriate techniques and tools to reinforce procedures and capacities for revenue forecasting and budget preparation, to strengthen sector budgeting capacities and budget execution control, and upgrade the MoF organisation, especially in regard to international requirements and the EU acquis.	<ul style="list-style-type: none"> <li>The adoption of new procedures and tools that correspond and meet the EU best practices and international standards.</li> <li>MoF budgetary proposals are viable and meet the approval of the beneficiary</li> <li>Strategy and reorganization are implemented and</li> </ul>	<ul style="list-style-type: none"> <li>The new procedures and tools are approved</li> <li>Budget execution procedures handbook</li> <li>Interim Quarterly Reports and Final Report of the project</li> <li>The new organisation chart</li> <li>Country Progress Report</li> <li>Reports of international organisations, such as World Bank, IMF, etc. on</li> </ul>	<ul style="list-style-type: none"> <li>The political environment enables the Ministry of Finance to proceed with improving quality of macroeconomic budgetary preparation, execution, control and forecasting</li> <li>Other high level public bodies, such as the Lebanese Parliament, the Cabinet of Ministers, MoE are willing and able to cooperate with the MoF in</li> </ul>

	<p>developed</p> <ul style="list-style-type: none"> <li>The new organisation chart of MoF has been designed and validated</li> </ul> <p>Review of the institutional framework of the MoF, including the organizational structure and the legal framework</p>	the Lebanese Public finance Performance.	<p>the improvement of the budgetary processes</p> <ul style="list-style-type: none"> <li>Involvement of the Beneficiary in new strategy, reorganization and reviewing the legal framework</li> </ul>
<b>Expected Results</b>	<b>Objectively Verifiable Indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<b>R1.</b> A definition of a National Strategy for Public Finance Management Reform is supported	<ul style="list-style-type: none"> <li>Strategy priorities Action plan is drafted, support actions implemented</li> </ul>	<ul style="list-style-type: none"> <li>Twinning report,</li> <li>Existence of texts</li> <li>Report on the new MoF reform strategy including priorities and action plan</li> </ul>	<ul style="list-style-type: none"> <li>Legislative or regulatory adoption according to cases</li> </ul>
<b>R2.</b> An action plan to improve macro fiscal analysis and revenue forecasting functions is developed and related manuals of procedures and methodology are elaborated	<ul style="list-style-type: none"> <li>Macro-fiscal Unit is fully operative</li> <li>Procedures and capacities for revenue forecasting and budget preparation, sector budgeting capacities and budget execution control are strengthened</li> <li>New revenue forecasting methodology developed</li> </ul>	<ul style="list-style-type: none"> <li>EU and international practices in terms of use of new financial instruments are applied in Lebanon</li> <li>Short Term Experts (STEs) reports, on-going assessment by STEs.</li> <li>Interim Quarterly Reports and Final Report of the project</li> <li>Existence of tools (manuals)</li> </ul>	<ul style="list-style-type: none"> <li>The respective governmental organizations consider the necessity of and take appropriate measures to support the MoF's concerned departments and/or units in enhancing knowledge and skills of their staff.</li> <li>The decisions of the Cabinet of Ministers do not obstacle but support the respective staff development activities</li> </ul>
<b>R3.</b> An improved methodology for budget preparation is developed and new procedures for	<ul style="list-style-type: none"> <li>Improved methodology for budget preparation</li> </ul>	<ul style="list-style-type: none"> <li>EU and international practices in terms of use</li> </ul>	<ul style="list-style-type: none"> <li>The respective governmental</li> </ul>

<p>the preparation of global budget ceilings and global 3-year expenditure framework are developed for line ministries on a pilot basis (MEHE). The capacities of MoF staff in the related areas are built</p>	<p>(including sector procedures) developed</p> <ul style="list-style-type: none"> <li>• Education MTEF published</li> <li>• MEHE Draft budget document published</li> </ul>	<p>of new financial instruments are applied in Lebanon</p> <ul style="list-style-type: none"> <li>• Short Term Experts (STEs) reports, on-going assessment by STEs.</li> <li>• Interim Quarterly Reports and Final Report of the project</li> <li>• Existence of tools (manuals)</li> </ul>	<p>organizations consider the necessity of and take appropriate measures to support the MoF's concerned departments and/or units in enhancing knowledge and skills of their staff.</p> <ul style="list-style-type: none"> <li>• The decisions of the Cabinet of Ministers do not obstacle but support the respective staff development activities</li> </ul>
<p><b>R4.</b> An assessment of MoF's budget execution and control system is achieved. Modalities for improving the MoF's internal control of budget execution are prepared (PIFC approach will be used as benchmark, including core elements of internal control, such as: managerial accountability, delegation of authority and the use of integrated financial information to assess performance).</p>	<ul style="list-style-type: none"> <li>• Assessment of budget execution and control system and eventually plan for reorganization of budget control system report is produced</li> </ul>	<ul style="list-style-type: none"> <li>• EU and international practices in terms of use of new financial instruments are applied in Lebanon</li> <li>• Short Term Experts (STEs) reports, on-going assessment by STEs.</li> <li>• Interim Quarterly Reports and Final Report of the project</li> <li>• Existence of tools manuals</li> </ul>	<ul style="list-style-type: none"> <li>• The respective governmental organizations consider the necessity of and take appropriate measures to support the MoF's concerned departments and/or units in enhancing knowledge and skills of their staff.</li> <li>• The decisions of the Cabinet of Ministers do not obstacle but support the respective staff development activities</li> </ul>
<p><b>R5.</b> Support the initiation of the PFM reform strategy within the MoF and its priority action plans are developed. The priority action plan is specifically concerning revenue forecasting, budget preparation and execution, and reorganization of the Budget, Treasury and Public Accounting directorates.</p>	<ul style="list-style-type: none"> <li>• Finalized texts submitted for approval</li> <li>• Organizational strengthening and new Organizational Chart are proposed</li> <li>• All planned tools have been designed, validated by and delivered to the</li> </ul>	<ul style="list-style-type: none"> <li>• Legal texts</li> <li>• Organisational charts</li> <li>• Job description fiches and manuals</li> <li>• Stakeholder awareness on reform strategy plan</li> </ul>	<ul style="list-style-type: none"> <li>• The respective governmental organizations consider the necessity of and take appropriate measures to support the MoF's concerned departments and/or units in enhancing knowledge and skills of their staff.</li> </ul>

	Beneficiary institution		<ul style="list-style-type: none"> <li>• The decisions of the Cabinet of Ministers do not obstacle but support the respective staff development activities</li> </ul>
<p><b>R6.</b> The Budget, Treasury, and Public Accounting Directorates reorganization are supported, and a capacity building plan is designed and in process according to international and EU standards. Consideration for separating Budget preparation and budget execution into two departments within Budget directorate is studied and if necessary a project and a planning of reorganization of the Budget Directorate is done.</p>	<ul style="list-style-type: none"> <li>• Finalized texts drafted</li> <li>• Organizational strengthening and new Organizational Chart are proposed</li> <li>• All planned tools have been designed, validated by and delivered to the Beneficiary institution</li> <li>• Amount of the MoF personnel who profited from various training activities planned by the twinning</li> <li>• Assessment of trained beneficiaries</li> <li>• Emergence of a sufficient number of trainers to ensure continuity</li> </ul>	<ul style="list-style-type: none"> <li>• Ministerial texts making official reorganization of MoF directorates and new organization chart</li> <li>• Interim Quarterly Reports and Final Report of the project</li> <li>• Twinning report</li> <li>• List of beneficiaries</li> <li>• Individual assessments of trained persons</li> </ul>	<ul style="list-style-type: none"> <li>• Approval of new reorganisation by relevant authorities</li> <li>• Successful ownership by beneficiaries</li> </ul>
<p><b>R7.</b> Support to stakeholder awareness of PFM reform strategy is ensured and workshops and other similar activities have provided a large internal (departments) and external awareness (international donors, donor coordination) of MoF evolution and reform achievements and a larger dialogue is initiated with CoA, General Inspection and MEHE regarding the PFM reform strategy.</p>	<ul style="list-style-type: none"> <li>• An awareness planning of workshops is drafted and adopted and approved by beneficiary</li> <li>• A designed portal is prepared</li> <li>• A dialogue planning of meetings and workshops with CoA and General Inspection is drafted and adopted and approved</li> </ul>	<ul style="list-style-type: none"> <li>• Interim Quarterly Reports and Final Report of the project</li> <li>• Number of awareness workshop planning and minutes of meetings</li> <li>• Number of dialogue meetings between relevant administrations and minutes of meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Approval and participation in meetings and workshops of relevant authorities</li> </ul>

	by beneficiary		
<b>Activities</b>	<b>Objectively Verifiable Indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<b>Activity 1 – Support to definition of National Strategy for PFM</b>			
1.1. Stakeholder Dialogue	<ul style="list-style-type: none"> <li>• A dialogue is established and organised providing visibility to all parts functions, objectives and limitations</li> </ul>	<ul style="list-style-type: none"> <li>• Dialogue document</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform</li> </ul>
1.2. Planning	<ul style="list-style-type: none"> <li>• Draft National Strategic Plan for PFM Reform is agreed</li> </ul>	<ul style="list-style-type: none"> <li>• Draft National Strategic Plan for PFM Reform Document</li> </ul>	
<b>Activity 2 – Action Plan to improve macro fiscal analysis and revenue forecasting</b>			
2.1. Supervision and following-up of MFU creation or starting activities	<ul style="list-style-type: none"> <li>• Report on MFU activity and future progress drafted and approved by beneficiary</li> <li>• Drafting of manual (or working programme) of procedure and methodology</li> <li>• Submission for adoption by the beneficiary of manual and procedures</li> <li>• MFU staff work stay and workshops planning</li> </ul>	<ul style="list-style-type: none"> <li>• RTA interim quarterly reports</li> <li>• Manuals are produced</li> <li>• A planning is elaborated and adopted and approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform in terms of Macro-fiscal and Revenue Forecasting methodologies, procedures and capacity improvement.</li> <li>• Interest and motivation created by the Lebanese government regarding increasing/enhancing professional level of work and technical</li> </ul>
2.2. Development for MFU of an action plan to create or improve procedure and capacities			
2.3 Elaboration of a manual (or working programme) of procedure and methodology for MFU			
2.4 Elaboration of a planning for Macro-fiscal unit training and work stay in European twin country			
2.5 Revenue forecasting: Development of a model and plan to improved procedure and		<ul style="list-style-type: none"> <li>• Drafting of manual (or working programme) of</li> </ul>	

capacities for revenue forecasting function and a new/improved methodology	<ul style="list-style-type: none"> <li>procedure and methodology</li> <li>Adoption by the beneficiary of manual and procedures</li> </ul>		<ul style="list-style-type: none"> <li>qualifications of MoF Civil Servants</li> <li>Availability of the MoF's staff to participate to the training sessions</li> <li>Involvement of the beneficiary in the design and validation of the Revenue Forecasting Model and methodology</li> <li>Availability of the beneficiary's staff to participate to the training on Revenue forecasting</li> </ul>
<b>2.6</b> Elaboration of a manual (or working programme ) of new methodology for revenue forecasting			
<b>Activity 3 – Improved methodology for budget preparation</b>			
<b>3.1.</b> Budget Preparation			
<b>3.1.1.</b> Enhancement of the comprehension and working of MFU findings, macro-fiscal unit figures and scenarios for the budget preparation by elaborating a manual providing the main ways of working out macro-fiscal data	<ul style="list-style-type: none"> <li>Drafting of a manual of macro-fiscal data presentation and usage, submitted for approval by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>RTA interim quarterly reports</li> <li>Set of manuals of procedures and methodology produced</li> <li>Multiyear Budget presentation (MTEF)</li> <li>New legal text</li> </ul>	<ul style="list-style-type: none"> <li>Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform in terms of Budget Preparation and Execution.</li> <li>Appropriate commitment of the stakeholders beyond the MoF</li> <li>Interest and motivation created by the Lebanese government regarding increasing/enhancing</li> </ul>



			<p>professional level of work and technical qualifications of MoF and Local Authorities and Municipalities</p> <ul style="list-style-type: none"> <li>• Working groups, beyond the MoF, are ready to work and able to reach agreements.</li> <li>• All relevant legal framework documents are available (translated into English or French language) for review.</li> </ul>
<p><b>3.1.2.</b> Development and elaboration of an improved methodology for budget preparation in order to apply new procedures with the preparation of a global ceiling for the budget and a global 3-year expenditure framework</p>	<ul style="list-style-type: none"> <li>• Drafting of a manual of methodology for budget preparation</li> <li>• Beneficiary received for approval the manual and the methodology</li> <li>• Drafting of a manual of methodology for MTEF budget model</li> </ul>		
<p><b>3.1.3.</b> Design and elaboration of a global MTEF model and methodology manual</p>			
<p><b>3.1.4.</b> Legal text review: PAL</p>	<ul style="list-style-type: none"> <li>• New text are proposed for adoption to the beneficiary</li> <li>• Drafting of enlarged budget</li> <li>• Drafting of a schedule and templates for public enterprises and</li> </ul>	<ul style="list-style-type: none"> <li>• RTA interim quarterly reports</li> <li>• Set of manuals of procedures and methodology produced</li> <li>• Multiyear Budget presentation (MTEF)</li> <li>• New legal text</li> </ul>	

<p><b>3.1.5</b> Elaboration of a strategy for enlargement of the scope of budget coverage</p> <p><b>3.1.5.1</b> Elaboration of the procedure to allow MoF to receive financial statement forms of public enterprises and municipalities to improve comprehensiveness and timely financial information on the public sector and enhance control of MoF on public spending</p> <p><b>3.1.5.2</b> Record and consolidation by MoF of fiscal data of municipalities</p>	<p>municipalities to communicate information to the MoF</p> <ul style="list-style-type: none"> <li>• Manual of procedure to collect municipalities and public enterprises statements</li> </ul>	<ul style="list-style-type: none"> <li>• Enlarged Budget including public administrations</li> <li>• Manual of procedures</li> <li>• Record of municipalities fiscal data</li> </ul>	
<p><b>3.2.</b> Comprehensiveness and transparency of budget</p>			
<p><b>3.2.1.</b> Elaboration of a methodology to progress in quality and transparency of reporting system</p>	<ul style="list-style-type: none"> <li>• Qualitative methodology for a reporting system is produced</li> <li>• Reports are produced using the quality and transparency reporting system methodology</li> </ul>	<ul style="list-style-type: none"> <li>• Report in compliance with quality and transparency requirements</li> </ul>	
<p><b>3.3.</b> Enhance transparency of intergovernmental fiscal relations</p>			
<p><b>3.3.1.</b> Study the methodology and process to enhance clearness and transparency rules and mechanism of transfers to municipalities, providing municipalities with “regular” information on revenue forecasts or anticipated transfer</p>	<ul style="list-style-type: none"> <li>• New methodology is proposed for approval by beneficiary</li> <li>• Logistical set of procedures for transfer of information at the intergovernmental level is defined, agreed,</li> </ul>	<ul style="list-style-type: none"> <li>• Set of procedures</li> </ul>	

	proposed for approval and disseminated		
<b>3.4.</b> Enhancement of predictability and availability of funds			
<b>3.4.1.</b> Enhancement of Predictability and availability of funds for commitments of expenditure: through forecasting and monitoring cash flow by monthly ceilings for expenditure commitments and information sent by MoF to each ministry to follow up their ceiling and their expenditures	<ul style="list-style-type: none"> <li>• The enhanced process of cash flow forecasting and monitoring is adopted by the beneficiary</li> <li>• Data collection system for monitoring cash flow is put in place and implemented</li> <li>• Manual of procedure, process and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• RTA interim quarterly reports</li> </ul>	
<b>3.5.</b> Sector budgeting			
<b>3.5.1</b> Enhancement of MoF capacities to lead line ministries in budget preparation and monitoring and elaboration of a budget preparation methodology for line ministries	<ul style="list-style-type: none"> <li>• Manual is approved and methodology is ready for adoption by beneficiary</li> <li>• The creation and activities of the working group are submitted for approval, adoption and implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Manual produced</li> </ul>	
<b>3.5.2</b> Providing knowhow on the purpose of launching and animating the inter-institutional MoF-MEHE working group, and MoF as leader of the group providing guidance to MEHE staff for budget preparation procedure with the aim to prepare MEHE MTEF and elaborate a monitoring procedure	<ul style="list-style-type: none"> <li>• A manual of methodology is drafted and approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• RTA interim quarterly reports</li> <li>• Minutes of working group meetings</li> </ul>	
<b>3.5.3</b> Enhancement of MoF providing guidance to		<ul style="list-style-type: none"> <li>• RTA interim quarterly reports</li> </ul>	

the line ministries with firm ceilings individual MDAs, bringing fiscal forecast in line with sector strategies			
<b>3.5.4</b> Elaboration of a manual of methodology and procedure of ceilings preparation		<ul style="list-style-type: none"> <li>• Manual produced</li> </ul>	
<b>4.</b> Reinforcement of budget execution and control			
<b>4.1.</b> Evaluation of MoF budget control systems and proposal of modalities for improvement of internal control	<ul style="list-style-type: none"> <li>• Assessment of budget control system</li> <li>• Action Plan elaboration towards PIFC</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation report</li> <li>• Action Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform in terms of Budget Preparation and Execution.</li> <li>• Appropriate commitment of the stakeholders beyond the MoF</li> <li>• Interest and motivation created by the Lebanese government regarding increasing/enhancing professional level of work and technical qualifications of MoF and Local Authorities and Municipalities</li> <li>• Working groups, beyond the MoF, are ready to work and able to reach agreements.</li> <li>• All relevant legal framework documents are</li> </ul>
<b>4.2.</b> Drafting amendments to legal framework for PIFC	<ul style="list-style-type: none"> <li>• Drafting primary and secondary level texts, also proposals towards PIFC</li> </ul>	<ul style="list-style-type: none"> <li>• Set of legal drafted texts towards PIFC</li> </ul>	
<b>4.3</b> Elaboration of a manual for application of law n° 44/11 November 2008 and tax payer objections procedure	<ul style="list-style-type: none"> <li>• Manual is approved and methodology is proposed for adoption by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Manual produced</li> </ul>	
<b>4.4</b> Improvement of account reconciliation for revenue department, between tax assessment, collection, arrears records and receipt by the Treasury.	<ul style="list-style-type: none"> <li>• Manual is approved and methodology is proposed for adoption by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Manual produced</li> <li>• RTA interim quarterly reports</li> </ul>	
<b>4.5</b> Elaboration of procedure and manual of methodology for account reconciliation	<ul style="list-style-type: none"> <li>• Manual is approved and methodology is proposed for adoption by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Manual produced</li> </ul>	
<b>4.6</b> Enhancement of monitoring and	<ul style="list-style-type: none"> <li>• Manual is approved and methodology is proposed</li> </ul>	<ul style="list-style-type: none"> <li>• RTA interim quarterly</li> </ul>	

management of cash balances, debt and guarantees, by a consolidation on a day to day basis	for adoption by beneficiary	reports	available (translated into English or French language) for review.
<b>4.7</b> Evaluation of current payroll control system and proposition for a new methodology and action plan or road-map, elaborating a manual for new methodology	<ul style="list-style-type: none"> <li>Manual is approved and methodology is proposed for adoption by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>Manual produced</li> </ul>	
<b>Activity 5</b>			
<b>5.1. Elaboration of a MoF Reform Strategy</b>			
<p><b>5.1.1.</b> Strategic consideration, study and diagnostic of the Directorates missions, balance and optimization</p> <p><b>5.1.2.</b> Supplying MoF with knowhow on the purpose of initiating and animating a larger dialogue with the CoA, General Inspection and MEHE regarding the PFM reform strategy</p> <p><b>5.1.3.</b> Drafting of a proposition for a reorganization of Directorates referring to different international MoF model of organization, aligned with the MoF reform strategy designed and over 4 functions – revenue forecasting, budget preparation, budget execution and budget control - plus a transversal service for support and logistic</p> <p><b>5.1.4.</b> Assessment for a reorganization of MoF directorates, creation within Budget Directorate of two departments, Budget preparation and Budget</p>	<ul style="list-style-type: none"> <li>A MoF reform strategy and action plan for next years is submitted for approval by beneficiary</li> <li>A new MoF organisation is proposed and presented through a flexible and functional MoF organization chart</li> <li>Decree prepared for adoption making official the Budget directorate reorganisation</li> </ul>	<ul style="list-style-type: none"> <li>Action plan</li> <li>Minutes of meetings</li> <li>Interim Quarterly Reports and Final Report of the project</li> </ul>	<ul style="list-style-type: none"> <li>Effectiveness of the implementation and the follow up of the new strategy</li> </ul>

execution			
<b>5.2. Review of legal texts</b>			
<b>5.2.1. Review of Public Accounting Law 1963 (PAL)</b>	<ul style="list-style-type: none"> <li>Approval by beneficiary of draft texts</li> </ul>	<ul style="list-style-type: none"> <li>Interim Quarterly Reports and Final Report of the project</li> <li>Draft legal texts</li> </ul>	<ul style="list-style-type: none"> <li>All relevant legal framework documents are available (translated into designated language) for review.</li> <li>Timely and relevant feedback from the Lebanese Parliament, the Cabinet of Ministers, the Ministry of Justice in the review/update process of the Public Accounting Law</li> <li>Appropriate commitment of all interested parties beyond the MoF in the revision process and adoption of the updated legal framework.</li> </ul>
<b>5.2.2. Review of Related accountability decrees</b>			
<b>5.3. Identification and quantification of human and material resources</b>			
<b>5.3.1. Identification and quantification of human and material resources necessary for the tasks and missions assigned to the directorates and selected according to defined operational strategy: the confrontation between the workload and resources will determine the needs.</b>	<ul style="list-style-type: none"> <li>A report concerning identification and quantification of resources is delivered (human resources /global manpower/optimal manpower; and material needs...)</li> </ul>	<ul style="list-style-type: none"> <li>Identification and quantification report</li> </ul>	<ul style="list-style-type: none"> <li>Interest and motivation created by the Lebanese Government regarding increasing/enhancing professional level of work and technical and financial qualifications of Lebanese public civil servants</li> </ul>

5.3.2. Drafting of global MoF staff job description fiches and manual or index	<ul style="list-style-type: none"> <li>Approval of the job description manual by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>Manual of job description</li> </ul>	
5.4. Definition of internal strategy for stakeholder awareness on the reform strategy			
5.4.1. Definition, drafting and implementation of an internal strategy and action plan for stakeholder awareness of the reform strategy	<ul style="list-style-type: none"> <li>An action plan for stakeholder awareness is drafted and delivered to beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>Action plan for stakeholder awareness</li> </ul>	
<b>Activity 6 – Capacity building for Budget, Treasury and Public Accounting Directorates reorganisation</b>			
6.1. Enhancement of human resources capacity, training			
6.1.1. Drafting of a LT training master plan and a sliding 5 years action plan for its implementation and including the two twinings (MoF reorganization and Budget cycle) training programme. Quantification of needs, targets, content and modules, training (trainees), training (staff), training of trainers, computer upgrade, teaching methods, courses, exercises, etc.	<ul style="list-style-type: none"> <li>A Long Term training master plan is drafted and submitted for approval by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>Long term training master plan</li> </ul>	<ul style="list-style-type: none"> <li>Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform.</li> <li>Appropriate commitment of the stakeholders beyond the MoF</li> <li>Interest and motivation created by the Lebanese government regarding increasing/enhancing professional level of work and technical qualifications of MoF related directorates</li> </ul>

			<ul style="list-style-type: none"> <li>• Working groups, beyond the MoF, are ready to work and able to reach agreements.</li> <li>• All relevant legal framework documents are available (translated into English or French language) for review.</li> </ul>
<b>6.2.</b> Preparation and implementation of international standards of accountability system			
<b>6.2.1</b> Evaluation of Public Accounting Directorate needs (organizations, training, enhance procedure...)	<ul style="list-style-type: none"> <li>• Report of evaluation, manual of procedure and methodology are delivered and approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Report of evaluation</li> <li>• Manual of procedure and methodology</li> <li>• Bridging manual</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and relevant feedback from all interested parties, beyond the ministry, in the process of Public Finance Management Reform.</li> <li>• Appropriate commitment of the stakeholders beyond the MoF</li> <li>• Interest and motivation created by the Lebanese government regarding increasing/enhancing professional level of work and technical qualifications of MoF related directorates</li> <li>• Working groups, beyond the MoF, are ready to work and able to reach agreements.</li> <li>• All relevant legal framework documents are available (translated into</li> </ul>
<b>6.2.2</b> Review of existent procedure and drafting of a consistent procedure including the hole accounting cycle			
<b>6.2.3</b> Drafting of an accounting written procedure and methodology			
<b>6.2.4</b> Promotion and implementation of a new classification presentation			
<b>6.2.5</b> Preparation to the adoption of new accountability standards (GFS 2001, IPSAS)			
<b>6.2.6</b> Study an account bridging method between old and new classification, drafting of a bridging manual			



			English or French language) for review.
<b>6.3. Reinforcement of Revenue Directorate</b>			
<b>6.3.1.</b> Evaluation of progress of legal text implementation (Global Income Tax and Tax procedure code)	<ul style="list-style-type: none"> <li>• Report of evaluation approved by beneficiary</li> <li>• Study approved by beneficiary</li> <li>• Standardization report is approved by beneficiary</li> <li>• A Staff rotation plan is delivered and approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Report of evaluation, study, standardization report and rotation plan</li> </ul>	
<b>6.3.2.</b> Study of impact of GIT and capital gain tax on revenue and economy			
<b>6.3.3.</b> Leading a coordination group with the twinning programme concerning VAT integration to revenue department, altogether with the next twinning customs programme			
<b>6.3.4.</b> Standardization of procedures between the VAT and revenue departments			
<b>6.3.5.</b> Drafting of a staff rotation plan among the directorate departments			
<b>6.4. Reinforcement of Expenditure Directorate</b>			
<b>6.4.1.</b> Review and simplifying procedures	<ul style="list-style-type: none"> <li>• A new methodology and manual of procedure is delivered and approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• Manual of new methodology</li> </ul>	
<b>6.4.2.</b> Drafting of new methodology and manual of procedure			
<b>6.5. Reinforcement of Debt Department</b>			
<b>6.5.1.</b> Establishment of best conditions to transfer external debt management from BDL to MoF and evaluation of debt department organization of	<ul style="list-style-type: none"> <li>• A report on debt management transfer and Debt department organization is delivered</li> </ul>	<ul style="list-style-type: none"> <li>• Debt management Report</li> </ul>	

Back, Middle and front office for dealing with issuing Eurobonds	and approved by beneficiary		
<b>6.6. Reinforcement of IT System</b>			
<b>6.6.1</b> Establishment of an IT conceptual design to incorporate all the elements of the budget and treasury into one integrated system, conducted by MOF staff with assistance of specialists from international agencies;	<ul style="list-style-type: none"> <li>• Implementation and development report drafted and approved by beneficiary</li> <li>• Evaluation and enhancement proposition report is drafted, delivered and approved by beneficiary</li> <li>• Designing and drafting of an action plan for the development of MoF Portal</li> <li>• Setting up note drafted and approved by beneficiary</li> <li>• Drafting of planning and manual of procedure approved by beneficiary</li> </ul>	<ul style="list-style-type: none"> <li>• An IT conceptual design is proposed</li> <li>• Intranet, Extranet and Portal Implementation report</li> <li>• Action plan for the development of MoF Portal</li> <li>• Setting-up note</li> <li>• GFMIS planning</li> <li>• Manual of procedures</li> </ul>	
<b>6.6.2</b> Internet, Extranet and Portal: Providing knowhow on the purpose of settling an Extranet and internet system for internal availability of information, partner's information and exchange of information with other units and an Assessment and enhancement of internet site; Design and drafting of a wide MoF Internet Portal, permanent tool of apprenticeship, learning and communication			
<b>6.6.3</b> Providing knowhow for the purpose of setting an archiving system			
<b>6.6.4</b> Drafting of a planning to change toward GFMIS			
<b>6.6.5</b> Drafting of manual for formal procedure of changing system			
<b>Activity 7 – Support to Stakeholder Awareness on PFM Reform Strategy</b>			
<b>7.1.</b> Opening and ending reception/Seminars with experts conferences	<ul style="list-style-type: none"> <li>• Number of seminars and workshops</li> </ul>	<ul style="list-style-type: none"> <li>• Number of seminars</li> <li>• List of trainees</li> </ul>	

	<ul style="list-style-type: none"> <li>• Opening and ending seminars or reception</li> </ul>		
<b>7.2.</b> Two (2) internal and wider external seminars for awareness on MoF Reform strategy	<ul style="list-style-type: none"> <li>• 2 of seminars celebrated</li> </ul>	<ul style="list-style-type: none"> <li>• Number of seminars</li> <li>• List of trainees</li> </ul>	
<b>7.3 Seven (7)</b> Training workshops to MoF management staff on regular quarterly monitoring of twinning A and B and other donor-supported outputs and outcomes for efficient support activities coordination	<ul style="list-style-type: none"> <li>• Quarterly Monitoring report is approved by beneficiary</li> <li>• 7 quarterly workshops</li> <li>• Number of participant from MoF staff</li> </ul>	<ul style="list-style-type: none"> <li>• Number of workshops</li> <li>• List of trainees</li> </ul>	
<b>7.4.</b> Immersion work stays in MS administration of three groups: MFU staff, MEHE senior staff and Revenue directorate staff (12 persons), two visits of 5 open days each during the twinning	<ul style="list-style-type: none"> <li>• Study Visits (5 day duration)</li> <li>• 12 senior employees have achieved immersion working stays in twin country administration</li> </ul>	<ul style="list-style-type: none"> <li>• Trainees immersion work stays report</li> <li>• Evaluation survey by stays beneficiaries</li> <li>• List of trainees</li> </ul>	
<b>7.5.</b> Workshops dedicated to Internal and external sessions to promote services to citizens (one expert invited for each workshop)	<ul style="list-style-type: none"> <li>• 4 workshops</li> <li>• Resulting documentations and recommendations</li> <li>• New services promoted and advertised or announced</li> </ul>	<ul style="list-style-type: none"> <li>• Number of workshops</li> <li>• List of trainees</li> </ul>	
<b>7.6.</b> Workshop for senior management on PIFC strategy	<ul style="list-style-type: none"> <li>• 1 workshop</li> <li>• Resulting documentation and recommendations</li> </ul>	<ul style="list-style-type: none"> <li>• Number of Workshops</li> <li>• List of trainees</li> </ul>	
<b>7.7.</b> Elaboration and development of a planning of internal and external workshop sessions to promote services (quick wins) offered to citizen: call center, e-gov services (on line VAT	<ul style="list-style-type: none"> <li>• Needs assessment is implemented and needs are defined</li> <li>• Internal and external</li> </ul>	<ul style="list-style-type: none"> <li>• RTA reports</li> <li>• Evaluation and report of training activities</li> </ul>	

statement, online tax payment...)	workshops are placed within the action plan <ul style="list-style-type: none"><li>• Planning is approved and implemented by beneficiary</li><li>• All stakeholders participate in the planning</li></ul>	<ul style="list-style-type: none"><li>• List of trainees</li><li>• Pedagogic and didactic tools data delivered</li></ul>	
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