



2023 PUBLIC FINANCE MANAGEMENT ANNUAL PROGRESS REPORT



Table of Contents

Acronyms	2
Forward	4
Pillar 1: Macroeconomic Policy Management	6
Pillar 2: Budget And Procurement Management	12
Pillar 3: Financial Management, Accounting and Reporting	18
Pillar 4: Internal Auditing, Control, Governance and Risk Management.....	23
Pillar 5: External Scrutiny and Oversight.....	25
Pillar 6: Local Government Authorities Reform.....	29
Pillar 7: Cross Cutting Issues	33
Annex 1: PFM Champions	37
Annex 2: Snapshot of the PFM Strategy 2021-2025	38

Acronyms

AGD	Accountant General's Department
AIC	Audit Implementation Committee
CIT	Corporate Income Tax
CRB	Complaints Review Board
CSR	Civil Service Reforms
DHS	Demographic and Health Survey
e-GP	e-Government Procurement
ECOWAS	Economic Community of West African States
ERM	Enterprise Risk Management
ERMS	Electronic Records Management System
FPAC	Finance and Public Accounts Committee
GBoS	Gambia Bureau of Statistics
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GIEPA	Gambia Investment and Export Promotion Agency
GLF	Government Local Fund
GoTG	Government of The Gambia
GRA	Gambia Revenue Authority
GPPA	Gambia Public Procurement Authority
IAD	Internal Audit Directorate
ICT	Information and Communication Technologies
IFMIS	Integrated Financial Management Information System
IFRS	International Financial Reporting Standards
LGAs	Local Government Authorities
M&E	Monitoring and Evaluation
MDAs	Ministries Departments and Agencies
MOFEA	Ministry of Finance and Economic Affairs
MTDS	Medium Term Debt Strategy
MTEFF	Medium Term Expenditure and Fiscal Framework
NAO	National Audit Office
NDP	National Development Plan

NGOs	Non-Governmental Organizations
PEC	Public Enterprises Committee
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PFMD	Public Finance Management Directorate
PPPs	Public Private Partnerships
SBRC	State Building and Resilience Contract
SDGs	Sustainable Development Goals
SICs	Special Investment Certificates

Forward

The 2023 Annual Progress Report (APR) highlights the implementation progress, challenges, and recommendations steaming from the implementation of the PFM Strategy 2021-2025

The PFM Strategy 2021-2025 is anchored on seven key pillars;

- Macroeconomic Management
- Budgetary and Procurement Management
- Financial Management Accounting and reporting
- Internal Auditing, Control, Governance and Risk Management
- External Scrutiny and Oversight Functions
- Local Government Authorities
- Cross Cutting issues

During the year under review, PFM reforms registered significant progress, as in the completion of the Medium Term Economic Fiscal Framework (MTEFF) 2024-2027 to establish multi-year objectives of budgetary policies and its funding. Improvement in the governance of revenue administration and management systems for enhanced operational and data efficiency thus growing domestic revenue mobilized. Significant progress in strengthening SOE governance and management by establishing an SOE Commission and signing performance contracts for four SOEs. Improved debt recording, appraisals, and institutionalization of Government project mapping to enhance planning, budgeting and informed decision making.

Stocktaking and profiling of comprehensive database of Government Assets in order to establish Government net worth. Improvement in IFMIS extension coverage to the Subvented Agencies and Quality Assurance, human capacity in IT audits and communication in the Government auditing systems. Strengthening Enterprise Risk Management (ERM) reforms by recruiting staff to lead the process and the championing of Local Government Authority (LGA) PFM reform continued to strengthen capacity for LGAs more so the institutionalization of IFMIS and embracing the program-based budget idea.

However, funding and resource constraints to implement most of the reforms, adopting international financing reporting standards, lengthy process of enacting PFM Laws and Governance and high staff attrition rate remain Government's biggest challenges

Consequently, continuous capacity development is critical in accelerating the

implementation process and stakeholder engagement for implementation of the reform is paramount. The complexity of the implementation of the reforms requires adequate planning supported by substantial resources to build the necessary human capacity in driving the reform agenda and the need for MDAs to take a keener interest in the implementation of these reforms is called out for.

In conclusion, I would like to express sincere gratitude to the MoFEA management for the continued support, development partners for funding greater part of the reforms, relevant stakeholders for the continued support and collaboration in the implementation progress and the staff members of the Public Finance Management Directorate for monitoring and reporting on the reforms.

Therefore, I invite you to read through this report for the interesting progress made and some of the unique challenges and lesson learnt in implementing the PFM reform agenda. We value your inputs and look forward to further strengthening our partnership and continued collaboration.

Signed

Abdoulie Jallow
Permanent Secretary
Ministry of Finance and Economic Affairs

Pillar 1: Macroeconomic Policy Management

The objective of macroeconomic reforms is to ensure fiscal and debt sustainability, improve domestic resource mobilization, and boost public investment.

1.1 Macroeconomic Policy:

Achievements:

A) Preparation of Medium-Term Fiscal Framework:

- The MTEFF for a period of four years 2024-2027 was developed and approved by cabinet. The policies on this framework include: (Domestic Resource Mobilization Strategy to enhance revenue collection; Development of a Foreign Service Policy with the aim of rationalizing and repositioning of foreign missions; and strengthening of public investment management through the institutionalization of medium-term Public Investment Programme (PIP) for all sectors.
- This aims to improve inter and intra-sectoral resource allocations adding to greater budgetary predictability for (MDAs) and more efficient use of public monies.

B) Mainstreaming of sectoral policy strategy and programmers into annual MTEFF revision/update:

- Sectoral policies are not mainstreamed with the MTEFF due the lack of alignment between the NDP and MTEFF.

Challenges:

- Lack of alignment between the NDP and MTEFF.

Recommendation:

- There is need to aligning the MTEFF and the NDP for prudent resource management.

1.2 Revenue Mobilization:

The Gambia Revenue Authority has made substantial strides in enhancing its tax administration and revenue mobilization. The transition to ASYCUDA World has been successfully implemented, leading to improved custom duty collection and increased transparency in revenue mobilization.

Achievements:

A) Improved Compliance to Tax Payments:

- Tax compliance have seen notable progress through initiatives such as weekly TV/Radio talk shows and advertisements.
- a debt management strategy is formulated aimed at addressing the collection of tax arrears.

B) Enhanced Payment System:

- Memorandum of Understanding (MOU) between GRA and banks was signed to facilitate easy tax payments.
- an Application Programming Interface (API) for system integrations was developed to streamlined and expeditious tax payment process.

C) Cleaned Taxpayer Register:

- A thorough cleaning of taxpayer register was conducted in 2022. This ensures that the taxpayer register contains accurate and up-to-date information.
- The process is currently extended to the small, medium and informal taxpayers which will help in assessing compliance in both filing and payment processes.

D) Develop and implement a VAT Compliance Improvement Plan (CIP):

- A Compliance Risk Management (CRM) strategy, policy and manual is developed, and staff trained. This enhances VAT.
- In addition, a medium-term capacity building plan was developed to implement the strategy, and plans are on the way to develop compliance improvement plan (including VAT CIP) for execution.

1.3 State-Owned Enterprise Reforms:

Achievements:

A) Enhanced Legal Framework:

- A new SOE bill has been passed and gazette.
- This legislative step is intended to provide guidance for the operational functions of SOEs.
- The Bill will also incorporate measures to enhance their overall performance.

B) SOE Tax arrears collections:

- An MOU between the government and the SOEs were signed aimed at addressing outstanding.
- Out of GMD 2.26 billion, GMD240 millions has been settled as at end September, 2023.

1.4 Statistic Management:

Achievements:

A) 2021 Gambia Labour Force Survey (GLFS):

- The 2021 GLFS Survey has been conducted and a draft report was generated and shared with stakeholders.

B) 2024 Integrated Household Survey (IHS):

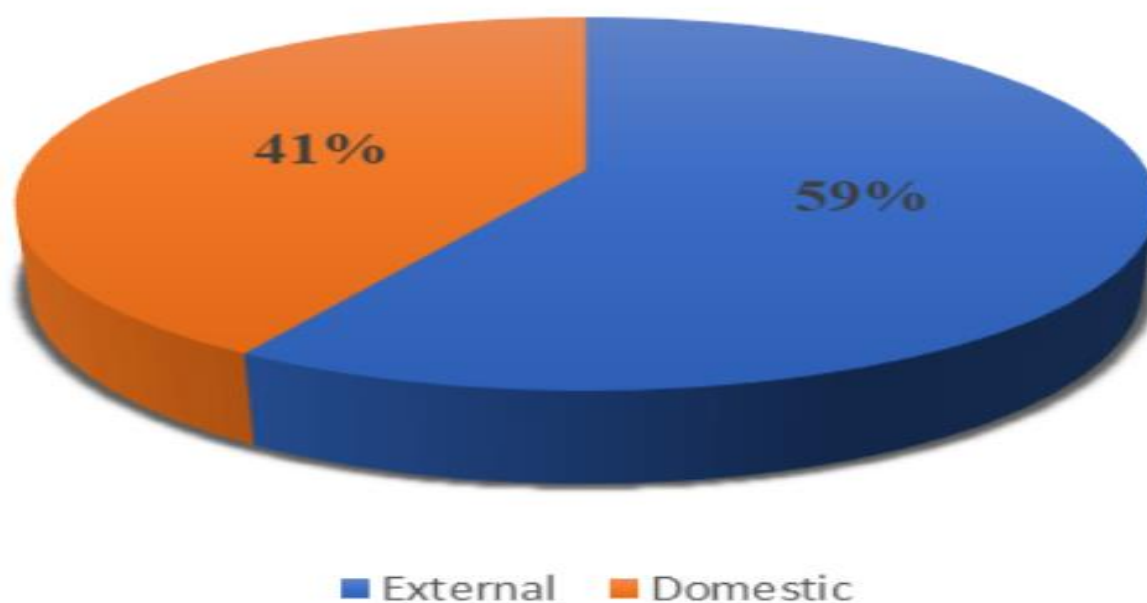
- The 2020-2021 IHS has been conducted and validated, this survey assesses the income and poverty level of the Gambia

1.5 Debt Financing and Management:

Achievements:

A) Recording of Domestic and External Debt:

- MTDS is designed to elongate the maturity public (domestic) debt portfolio.
- As at the end of 2021, total Central Government public and publicly guaranteed (PPG) debt is estimated to be GMD 88.31 billion (USD 1.67 billion). This comprises USD 981.06 million m (58.6 per cent) external debt and \$ 693.4 million (41.4 per cent)



Source: MTDS 2022-2026.

- The total debt service payment in 2022 amounted to **GMD 4.9 billion (USD 81 million)**, of which GMD 2.2 billion is External Debt Service payments and **GMD 2.7 billion** is Domestic Debt Service payments.

Table 1: 2022 GOTG Total Debt Service

2022 Total Debt Service (Million GMD)			
	Domestic	External	Commulative
Interest	2064	547	2611
Amortization/Principal	642	1680	2322
Total Debt Serviced	2706	2227	4933

Source: MTEFF 2023 Repor

1.6 Debt Management

Achievements:

- The meridian system is used for debt recording to enhance efficiency in public debt management.
- This process ensures the provision of up-to-date records of outstanding debts.
- The data generated from the system is used to develop government statement of Government operations and other strategic debt papers.

Challenges:

- Communication challenges in relation to disbursement advice from creditors.

1.7 Public Private Partnership

Achievements:

A) PPP Pipeline Priority Projects Framework (PFRAM):

- A draft consolidated sector PPP has been developed awaiting finalization and submission for approval.

B) PPP Database Set-up:

- A manual excel data based is developed to provide updates current PPP project data.

Challenges:

- Not all MDAs have submitted PPP priority projects.
- Lack of funding to transformed the PPP data based to an on-line platform.

Recommendations:

- MDAs should prioritize the submission of their PPP priority projects. (refer to Michael's explanation)
- There is need for funding to provide online-PPP databased platform accessible to the public.

1.8 Public Investment/Aid Coordination and Management

Achievements:

A) *The new Aid Policy 2023-2032:* The new Aid Policy is developed and sent to cabinet for approval.

B) *Project Investment Plan (PIP) Developed:* A pilot study was done on five sectors including (Agriculture, Education, Health, Infrastructure and Energy) and list of pipeline projects were submitted by the mentioned sectors for inclusion in the PIP as piloted sectors. The complete roll out to other sectors is expected to be completed at end 2023-second quarter 2024.

Recommendation:

- DAC needs to lassie with PPP to synchronized projects.

1.8 National Development Planning

Achievements:

A) *Formulate a successor medium term plan:*

- A new Recovery Focused National Development Plan has been developed and approved by cabinet.
- Following
- The Government of The Gambia has developed a financing strategy to serve as a framework for mobilizing resources and building the partnerships to implement the RF-NDP.
- The Financing Strategy clearly outlines the required resource envelope to implement the plan's underlying strategic objectives.

B) Long-term Vision:

- Consultations have been completed for the formulating of a long-term vision (Regional and word level consulations)

Challenges:

- There is time constrain in meeting the set target for completing all consultations and developing the vision.
- Delay in getting the National Assembly's to review.

Pillar 2: Budget And Procurement Management

Budget and Procurement Management is anchored in the second pillar of the PFM strategy. Budget and Procurement reforms seek to establish a more participatory budget planning align and spend resources in a credible, reliable, comprehensive, accountable, transparent manner and archive value for money.

2.1 Program Based Budgeting (PBB)

PBB aims to ensure that, when formulating the government budget, decision-makers systematically consider the results to be achieved by expenditure.

Achievements:

PBB training on the conceptual framework was conducted by the DOB in collaboration with PFMD and AFRITAC. Some of the keys take ways during the training includes the following.

- Re-affirm the PBB objective for The Gambia.
- Re-defining a commonly agreed methodology for specifying an MDA's programme structure.
- Reviewing checklists for developing a budget programme / sub-programme.
- Review the programme budget structures and programme information for the four lead budget entities, with emphasis on the extent of alignment with NDP policies and priorities.

Challenges

- The PBB concepts is still not quite clear to most MDAs.
- MDAs will usually comply to submit PBB statements but, practically they continue their traditional way of budgeting.

Recommendations

- The Government needs to call for more training on the PBB ideology with all the MDAs.
- The Government needs to advance policy pronouncements that all MDAs need to cherish the PBB and must implement it during their budgeting processes.

(B) Strengthened budget preparation, execution, and controls

Achievements:

- Budget call circulars are usually sent to the MDAs to guide budget preparations. It provides guidelines, ceilings, and clear instructions as to how their budget should be submitted to MoFEA.
- Submission of Annual Cash Plan by sectors usually consolidated and completed prior to the budget bilateral. It prepares the government to be cognizant of eventualities by allowing them to look at ways to close any funding gap in terms of future government spendings.

Challenges

- The complete understanding of the PBB concepts is inadequate to most of the MDAs and it could presumably hinder progress in implementing the PBB.

Recommendations

- MDAs should submit validated PBB statements to DOB before the bilateral meetings and more training is needed by all MDAs on PBB.
- The Budget consultations should be done with Civil society and the private sector to get their inputs and reflect in the budget
- There is a need for the planning unit and the Budget Department of MoFEA to assess the PBB statements to ensure they meet the required criteria.
- The evaluation of the cash planning and budget alignment is required.
- The MDAs should be informed by the Directorate of Budget about the possible cash allocations to be made based on the availability and not to abruptly allocate to MDAs, this might cause some constraints on them during their program's implementations.
- MDAs' the procurement plan and the actual schedule should be sent to MoFEA. This will guide the overall planning of the ministry.
- The Ministry should decide and firm-up on quarterly allotment piloting high performance service delivery ministries.

(C) Budget Transparency and Accountability/Budget Comprehensiveness, Credibility and Reliability

Achievements

- Enhanced public access to fiscal information.
- The Monthly & Quarterly Expenditure Reports are produced and published on the MoFEA website which is portrayed in table 1.0.

Table 2: Breakdown of Government Expenditure for Jan-Oct 2023

Economic Class	Jan -oct 2023	Total Expenditure (%)
Personnel Emolument	5,653,083,155.15	29
Other recurrent	3,526,840,668.97	18
Subvention to PC	3,569,520,241.88	18
Debt service	4,680,777,697.35	24
Capital	1,967,221,660.46	10
Total Expenditure	19,397,443,423.81	100

Source: MoFEA website

NB: This overall upward trend of government expenditure is attributed to the Year-on-Year (Y-o-Y) growth in Subventions (26%), Personnel Emoluments (22%) and Debt Service (22%).

Challenges

- The upward trend of government expenditure can potentially retard the development of other government projects.

Recommendations

- Subvented institutions that might be replicas of others or possibly underperforming should be merged to reduce the overall expenditure on subvention.
- Subvented institutions that have the means of generating revenues should endeavour to maximize their revenue base to lessen the expenditure burden on government expenditure.

2.1.1 Gender-Based Budgeting:

Women's full participation in the political and economic life of the country.

Achievements

The Ministry of Gender conducted:

- Capacity building training workshop on Gender mainstreaming targeting government Planners and M&E Officers of all the MDAs and
- Outreach programs to sensitize various security units (**GPF, GID** and **DLEAG**) on issues of Gender Based Violence and Children Protection issues.
- The Ministry of Gender is reviewing the Women's Amendment Act 2015 to adequately capture issues of FGM are well captured.
- A draft stand-alone on FGM Act have been developed and supported by regional consultation and the National Assembly Committee on Gender.
- The Ministry of Gender has conducted a vigorous sensitization of the population in all the regions on the importance of women participation of women in politics geared towards increasing women candidates to contest.

Table 3: Demographic % of Women in Politics and Public Positions

Political and Public Service High Level	Female	Male	Percentage
General Public	51	49	51
National Assembly Member (NAMs)	5	53	8.6
Cabinet Ministers	3	20	13
Local Government Administrative Heads	1	7	12.5
Ward Councils	20	120	16.6

Source: The Gambia Monography Report on Women Political Participation 2018

Challenges

- The finalization of the stand-alone Act on FGM is pending because the NAMS and the public are resistant to the ideology.
- All MDAs except for the Ministry of Gender, NAWEC and Ministry of Education still don't have gender units which has made it difficult to mainstream gender in their sector policies and programs.
- In terms of gender mainstreaming in MDAs there is no budget allocated.

Recommendations

The Ministry needs to do the following.

- conduct a national consultation on the stand-alone Act on FGM to make it comprehensive to all and sundry.
-
- Engage the Security personnel (The Gambia Police force, Immigration Department and Drug Law Enforcement Agency The Gambia) on the Stand-alone Act on FGM.
- Increased capacity and coordination among partners and relevant stakeholders on
- the training of the ministries (focal points) on gender issues and setup Gender units in all MDAs.
- more training of the security personnel (focal points) for them to have better understandings about the concept and
- the building of the capacities of women take part in decision making positions.

2.2 Procurement Management

Achievements:

A) Digitalized procurement processes

- The e-GP procurement is progressing; the strategic roadmap has been developed which will clearly outline the implementation methodologies of the system.
- Plans are on the way for the roll out of the e-GP procurement. GPPA in collaboration with a Gambian Company (**ZIJTECH**) has developed The Gambia Public Procurement Portal to be launched in 2024. This portal will accommodate suppliers'

registration, the bidding processes etc. GPPA has identified staff who were trained in the e-GP procurement.

B) Strengthened Legal and Regulatory Framework.

- The GPP regulations (2023) has been gazetted and published to the public to guide the procurement processes in the country.
- The GPP Act 2022 is in place which aims to ensure transparency, fairness, and competition in the procurement process. It outlines rules and procedures to prevent corruption, promote accountability, and maximize value for public resources.

Challenges

- The e-GP procurement implementation process is slow due to capacity gap, and lack of funding.
- The development of the guidelines and the wider stakeholder sensitization on the regulation is pending due to funding gap.

Recommendations

- The e-GP procurement implementation needs to be expedited by GPPA to ensure greater control over procurement processes, easy vendor management, and enhanced visibility of data.
- GPPA and the procurement Actors need to develop the guidelines and aligned to the Regulations to support procurement processes and procedures.
- GPPA and the procurement Actors There is a need to implement a unified procurement contracts system over all the MDAs and Public Sector Entities.
- The harmonization of the procurement plan and the budgetary system of the MDAs is indispensable, and it should be prioritized by all the MDAs and the procurement Actors to ensure budget comprehensiveness.

Pillar 3: Financial Management, Accounting and Reporting

This reform is aimed at enhancing the management of public funds within the confines of the public finance laws and regulations, expansion of IFMIS and cash management and the implementation of the Treasury Single Account (TSA)

3.1. Integrated Financial Management Information System (IFMIS)

Achievements

(A) Comprehensive database of Assets

Asset Management Policy (AMP): The Asset Management Policy (AMP) serving as a guide for the verification and valuation of assets. The AMP Committee has formed a working group to conduct a preliminary stocktaking of assets across all MDAs, and reports are anticipated soon.

Challenges

- Limited funding to fast track the implementation of the AMP
- Lack of sufficient expertise to value properties

Recommendations

- Accountant General Department should prioritize the implementation of the AMP for effective policy decisions

(B) Efficient Contract Management System

Implementation of the Contract Management: The contract management module within the IFMIS is currently in the pilot stage, and it has been successfully implemented through collaboration with the Ministry of Trade, Ministry of Works, and the Ministry of Interior (Gambia Police Force).

(C) Efficient Government Accounting and Financial Management

The IFMIS rollout has been successfully completed for all;

- Foreign missions
- Sub-treasuries
- Local Government Authorities, and

- General hospitals
- Self-accounting projects and sub-vented institutions have been implemented in phases;
- Twenty (20) sub-vented agencies, which are organizations that operates with financial support from government. This funding is typically intended to help the agency fulfil its mission, provide services, or meet specific objectives. Subventions are often allocated to support specific programs or initiatives that align with the goals of the providing entity.
- Four (4) self-accounting projects. These are entities managing its own accounting processes. It might involve keeping track of financial transactions, budgeting, and financial reporting without external assistance.
- The four (4) general hospitals, namely Farafenni, Bansang, Bwiam, and Kanifing General Hospital.

Challenges

- LGAs are still using other systems and this has put a limit to the usage of the IFMIS
- Not all the self-accounting projects are using the IFMIS

Recommendations

- AGD and MOLRG should ensure all LGAs deviate from using other systems and focus on the IFMIS

AGD should accelerate and accommodate all Self Accounting Projects on the IFMIS

- To enhance the security of the entire IFMIS and other electronic systems (IT Based System)

(D) Effective Payment System

Electronic Funds Transfer: The Electronic Funds Transfer system has been fully implemented and is operational within the Central Government. This will enable timely remittance of funds to beneficiary, minimize cash payment handling, eliminate the human intervention to payments sent from treasury to the beneficiary accounts.

Challenges

- Delay in the approval of payments by the Treasury Unit.
- Compliance to use the EFT from end users (GRA).

Recommendations

- AGD should implement an expedited approval process

(E) Integrated and Efficient home grown Financial and Human Resource System

Availability of an alternative to the IFMIS: The Government of The Gambia (GOTG) has initiated the development of a homegrown financial system. Ten (10) system developers are currently undergoing a three-month training program for the development of payroll and Human Resource modules. This will eliminate the cost on government acquiring license on HR modules and eliminate the cost of maintaining a foreign system.

Challenges

- In availability of new servers to accommodate the system

Recommendations

- Motivate local developers by hiring their services
- Train Local Developers to enhance their skills
- Provide a new server for implementation of the homegrown system

(F) An Interfaced System

- Integration with other Government Systems: The IFMIS is fully integrated with other government systems, which includes
- the Central Budget Management System (CBMS),
- HR Payroll System,
- Treasury Management Software (TMS), and
- Electronic Fund Transfer (EFT) with the Central Bank T24 System.
- The integration has significantly reduced errors, eliminate human interference, enhance the reconciliation process through automatic updates to the general ledger.

Challenges

- The Meridian is yet to be integrated in the IFMIS

3.2 Treasury Single Account and Cash Management:

Ledger system with a Single View supports the objectives of the TSA by providing a unified platform for recording, managing and reporting financial transactions across the entire government.

(A) Implementation of the Treasury Single Account:

Achievements:

The Treasury Main Account (TMA) serves as the Treasury Single Account (TSA). The Accountant General's Department is working towards closing all government accounts with commercial banks, and transferring all funds to the Single Main Account (TMA).

Challenges

- The Central Bank of The Gambia currently does not have the capability to offer an online system to government entities, allowing them to access their Financial Statements securely from their offices. This limitation is due to concerns about potential security risks.
- Government entities are reluctant to close their accounts with commercial banks since the Central Bank of The Gambia cannot provide equivalent services that they currently receive from these commercial institutions.

Recommendations

- Government should enforce that all sub-vented and Local Government Authorities should open bank accounts with the Central bank, unless and only they get approval from the Minister of Finance and the AGD to open accounts with the commercial bank as highlighted in the Public Finance Act.
- Government should not encourage LGA and agencies to account with the commercial banks without the approval from the Minister of Finance and the Accountant General.
- CBG has to work towards providing a better service for sub-vented agencies like the commercial banks do.

(B) A Functional Revenue and Payment Platform

Development of the Platform: A platform for payment and revenue collection has been developed. The interface with the Central Bank, Gambia Revenue Authority, and IFMIS is completed and user acceptance testing has been finalized.

(C) Guide to the Implementation of the Accrual basis of accounting

Development and Implementation: The Government of The Gambia has not adopted Accrual Accounting. A high-level roadmap has been developed, and a detailed roadmap is underway to facilitate the implementation of Accrual Accounting System. This enables a more transparent system and simplify strategic Planning.

Pillar 4: Internal Auditing, Control, Governance and Risk Management

This reform supports the provision of assurance on systems and processes and builds a culture of risk management in MDAs operations.

4.1 Internal Auditing, Control, Governance

Achievements

- Position Paper for the development of an Internal Audit Act is developed, reviewed and now awaits Cabinet's approval. The Act seeks advocate for the IAD's autonomy, enhance its independence, adopt best practice and help generate more revenue and cut expenditure for government.
- A CAAT software has been acquired and more staff are planned to trained on the use of the software.
- A Quality Assurance Unit (QAU) has been established by DIA with a staff capacity of four (4) and its fully operational using the CAAT software.
- The hiring of a communication Officer to lead the formulation and implementation of a marketing and communication Strategy for the Department is being pursued.
- IAD is spearheading the reviewing, updating and the development of regulatory framework for 12 SoEs,, These SoEs includes: GRTS, GPA, GNPC, GCAA, GIA, GPPC, GAMPOST, SSHFC, formerly GGC, GAMTEL/GAMCEL & NAWEC. Three (3) SoEs (GPA, GRTS & GPPC) have validated and operationalize the frameworks

4.2 Government Risk Management: Roll out ERM to MDAs

- The ERM policy has been established by Government through a Commonwealth support.
- Risk champions and focal person identified.
- The piloted ministries were able to develop risk registers.
- The ERM policy has been developed and rolled out to 5 key Ministries.

Challenges

- Management lacks of understanding on risk management (Internal Audit)
- Frequent movement of focal persons and risk champions.
- Inadequate funding for capacity building of management, risk champions and focal persons.

- Periodic review of the risk register became a challenge as changes in management, especially risk champions and focal persons are frequent.
- Lack of support from the top Management of MoFEA to move the agenda.
- Roll out of ERM to MDAs has not been a success due to civil servant attributions

Recommendations

- To re-assess the availability of trained focal persons in selected MDAs.
- To select a new set of Risk champions and secure funding for training of the new Risk champions focal persons (Management should also be part of the training).
- There is a need for continuous capacity building for the staff of the unit.
- Hiring of a communication officer should be included in the draft man power budget for 2024 and subjected to PMO approval.
- To expand directorate to an agency
- The ERM established under the PFMD

Challenges

Roll out of ERM to MDAs has not been a success due to civil servant attributions

Pillar 5: External Scrutiny and Oversight

Reforms under this pillar include independent review and external scrutiny on the management of public funds and follow-ups on the implementation of audit recommendations.

5.1 External Auditing Accountability and Transparency:

(A) The establishment of Quality Assurance (QA) Audit Function

The QA function, with a dedicated team, is progressing by developing essential tools.

Achievements

- Established the Quality Assurance (QA) function with a team of three staff.
- The working tools (The QA strategy, and policy) has been developed and approved.

(B) QA Policy and Manual

Progress includes strategy development, risk assessment, and policy approvals, with ongoing efforts in manual customization scheduled for completion in December 2023.

- Developed a QA Strategy and conducted a risk assessment. Both documents are under review for approval.
- Ongoing customization of the QA manual, scheduled for completion in December 2024.
- Successfully developed and gained approval for outsourcing and quality control policies.

(C) QA plan and QA report

The NAO has achieved milestones in operational planning, QA reporting, and policy development, with a focus on regular reviews, staff training, and ongoing progress assessments.

- Developed the operational plan for 2023.
- Prepared a Quality Assurance (QA) report on outsource audits and in-house reviews in the last quarter of 2022.
- Completed the QA plan.
- Scheduled meetings every six months to review planned activities, measure progress, and address challenges.
- Executed activities include developing the outsource policy and the quality control policy.

- Conducting quarterly training sessions for the staff of the unit.
- Capacity building trainings are held every quarter for the staff of the QA unit.

(D) Assessment Report

Identified issues were addressed, completion of training, and initiated strategic IT/IS audits were done while planning further assessments to enhance its understanding of systems across

- Conducted an assessment, identifying issues such as the need for working tools (laptops), CISA training (5 staff trained), and ongoing IT/IS audits.
- Completed the CISA training.
- Planned three IT/IS audits for 2023, completed one (IFMIS), ongoing (GRA ASYCUDA), and one pending (Central Bank system audit).
- Planning an assessment to identify systems used by agencies and other institutes.

(E) Report on Information System/Information Technology (IT/IS)

The NAO successfully completed IS audits, shared reports with stakeholders, and plans to address weaknesses in future strategies.

- The Pilot IT/IS Audit is completed and the report is finalized and dispatched to stakeholders
- Fieldwork on the system audit of IFMIS concluded, and the draft report is under review.
- Emphasized that the implementation of identified weaknesses is part of future strategies.

(F) Information System/Information Technology (IT/IS) customized manual

This is planned as per the organization's Strategic Development Plan (SDP) 2020- 2024. The customization is planned to be done in the last quarter of 2024

- Completed the installation of the Disaster Recovery (DR) site network.
- Acquired a new server, pending installation.
- NAO experienced an increase in bandwidth.
- Upgraded email system from Outlook to Google.
- Expanded Google storage space from 500Meg to 30GB for each user account

(G) Number of auditees and National Assembly Clearing audit backlogs

- *Ministries & Departments:* 4 audits completed and 7 are ongoing

- *Extraneous*: 11 audits completed and 11 more are ongoing.
- Projects: 27 completed and 4 are ongoing
- Municipalities & Area Councils: Out of the 8 Councils audited financial statements, 6 councils have been completed and the rest are ongoing.
- The 2020 & 2021 Audited Financial Statements for Kerewan, Mansakonko, Brikama, Janjanbureh and KMC are completed and Basse and Banjul City Council is are ongoing).
- All SOEs audits are outsourced and recruitment of auditors is led by NAO i.e., development of TORs and recruit consultants.

(H) Audit reports discussed

Significant progress is made, with completed discussions at FPAC on Covid-19, GoTG 2019, and performance audit reports for SSHFC, NAWEC, and KMC were completed. Discussions on:

- Phase 2 of Covid-19 was completed and considered at the Level of NA.
- the GoTG 2019 Audited Financial Statement (AFS) has been completed and Submitted to NA.
- Performance Audit Reports on SSHFC and NAWEC initiated.
- KMC discussion began but not completed.
- Completed and cleared discussions on both Covid-19 and GoTG 2019.
- Completed Performance Audit Reports on SSHFC, NAWEC, and KMC.

Challenges:

- Struggling with time management to strike a balance between QA responsibilities and other functions.
- The QA unit has only three and more staff are needed to enhance performance
- Inadequate inhouse capacity to develop a QA manual is an issue
- Most trainings are being conducted by external team due to inadequate inhouse capacity.

Recommendations:

- There is need to revisit the outsourcing arrangement between audit firms and the SOEs and allow NAO to gradually take over the full responsibility of SOEs audits.
- The QA Manual should be brief and not bulky.
- To train more inhouse staff to carry out the training need

5.2 Parliamentary Oversight Function:

(A) Assessment conducted

Progress includes legislative analyses, committee restructuring, and ongoing training, with recommendations for capacity strengthening and increased funding for key initiatives.

Achievements:

- Increased relevance and effectiveness of the NA select committees
- Skills gap capacity assessment conducted
- Completed assessment for the fifth legislature.
- Conducted a political economic analysis to measure competence.
- Conducted political economic analysis of the sixth legislature, forming select and standing committees.
- Induction training was conducted covering representative rules, legislative, and oversight functions.
- Initiated a scheme for post-legislative scrutiny.
- Ongoing restructuring of the NA committee system.
- Restructuring committees in functions such as post-legislative scrutiny, re-examining subsidiary legislations, advocacy for 'data for development,' and budget scrutiny.

Challenges:

- Limited funds to construct extra offices for NAMs
- Identification of champions for 'data for development' initiative in consultation with GBOS and partners is challenging

Recommendations:

- Continuous training to address gaps.
- NA should advocate for more funding for GBOS' data for development' initiative.
- All the Committees should structure a post legislative scrutiny program.
- Make follow-ups with EU for support in the data development with GBOS in the 4th quarter.
- An impact analysis on the budget should be done
- Reorganize the function of GBOS so that it can be a major revenue generation for the Country.

Pillar 6: Local Government Authorities Reform

The LGAs reform anchored under pillar six (6) of the PFM Strategy 2021-2025 is designed for the purposes of strengthening financial management, efficient budget planning and revenue administration with a view of reducing risk and assuring financial discipline. Pillar #6 is the full responsibility of the LGAs. This Pillar contains 50 separate reform-performance areas identified as priorities by the LGAs captured under five thematic areas:

Achievements

6.1. Rolling out IFMIS

- The IFMIS system is fully adopted throughout all LGAs and is considered to be a significant technical advancement in LGAs financial management thus reducing the manual system
- Banjul, Brikama and Kanifing do not rely solely on IFMIS. These LGAs maintain an additional accounting software as a support to IFMIS, and in the event that IFMIS is either not available or there are losses of data within IFMIS.
- The support provided by Economic Management project by UNDP and Accountant General Department in the installation of computers were often cited.
- Strengthened staff capacity is realised both in the use of the system and its applications

Challenges:

- Internet connectivity remains an issue, the cost is high, and to maintain the IFMIS in operation the installation of backup generators or solar power has been undertaken by some LGAs.
- Additional need of IFMIS support/training was highlighted as a need of LGAs.

6.2. Budgetary reform

The LGAs have a good basic understanding of PBB (Program Based Budgeting). However, the allocation of central government funds is still on the basis of the line-item commodities.

- The recruitment of budget officers remains a priority for all local governments.

Challenges:

- Unification of the planning and budgeting processes into one single stream of activities is still required.
- Efforts to inform citizens on the LGA budgets has yet to be taken.
- The MTEF (Three-year forward-looking policy plan translated in numbers) is not yet fully adopted.

Recommendations

- Capacity development related to budget development and execution is required.

6.3. Procurement Reform

The introduction of the procurement cadre has institutionalized procurement processes and continuous capacity building (recruitment and training of officers) for procurement officers is taking place.

Challenges

- GPPA processes and requirements severely slow the process of efficiently conducting procurements. Issues include the high fee for GPPA registration by private businesses (between 5,000 to 50,000 GMD) charged on a yearly basis. This effectively limits all competition to all but a handful of vendors, and results in higher prices as a means of recovering this very same fee by the vendors.
- None of the LGAs are able to attain GPPA certification in procurement due to the criteria established by Procurement Acts 2014 (few of the criteria is that all vendors, see above, are GPPA registered and have paid fees to GPPA, strong SPUs established with highly qualified personnel).

6.4. Internal Audit Reform

- The introduction of the internal audit reform has brought about the establishment of an internal audit unit,
- recruitment and training of internal auditors to enhance proper use of resources. The IAD continues to be the first point of call for all LGAs newly recruited internal auditors training them on basic audit principles.
- Gradually councils are expected to enhance compliance to processes, minimize risk and improve governance.

- To move from conventional financial auditing system to a more robust and practical auditing system (performance and system auditing).

Challenges:

LGAs require additional efforts and focus on the reforms related to:

- Development of audit charter and audit manual for LGAs
- Establishment of audit committee
- Conduct performance and system auditing

6.5. Revenue Administration and Management

Revenue for LGAs, whether from central government or own-source revenue is a severe problem limiting the administration and progress of all local governments. The issues related to revenue require extensive/intensive efforts. There appears to not exist a concept of “revenue for services”, therefore both citizens and businesses do not buy-in to payment/collection processes of the LGAs.

Challenges:

- Nearly all LGAs have yet to make progress in the reforms introduced in Revenue Administration and Management (see the PFM Reform Synopsis, below).
- While LGAs have digitalized systems (i.e. electronic recording in excel or other software), the concepts and practices of an “e-system” have not been put into practice.
- Central government agencies and institutions have **taken from LGAs sources of income** previously collected by LGAs, including:
 - Billboard fees
 - Cattle fees
 - Hotel and lodges fees
 - Forestry fees
- Some LGAs have hired private contractors to collect fees, with the collection company retaining 45% of the fees collected, above the agreed threshold which is exclusively for local government retention.
- Property valuation is not within the administrative responsibility of LGAs, thus depriving LGAs from a standard income stream.

- The tax payment process is difficult to complete, from the process of receiving a tax notice to the point of having to deposit funds at a bank (i.e. no possibility for digital payment).
- The taxation process is punitive, arbitrary, and concentrates on “disincentives” (i.e., there were not any “incentives” for good tax payer behaviors).

Pillar 7: Cross Cutting Issues

7.1 Civil Service Reform

- The overarching law of Public Service Act of 1991 which governs the functions of the civil service has recently completed the review and amendment of the Public Service Act, a stakeholder validation was done and subjected for gazeting.
- Upon the completion of the newly revised pension Act, a TOR was developed and advertised to hire a consultant to draft the pension regulations.
- The development of a new Pay and Grading Structure consultancy work was finalized with a proposal of 4 new pay scales by the consultant, and the report was validated. However, there was setback in implementing the new pay and grading structure.
- Review of sector and cadre specific allowances has been done with incentives to attract and retain qualified personnel to serve in hard-to-reach areas and risky environments.
- The electronic clock-in device provides authenticity and ensures that the employees' attendance is verified. This system is already in use at some Ministries which includes PMO, Ministry of Justice, Ministry of Agriculture, National Assembly and National Audit office and Ministry of Finance. There is also a need to strengthen this system.

Challenges:

- Resources remains obstacles to the effective implementation of the Strategic Plan
- Delay in Executive and Legislative processes
- Having adequate and substantive preparatory activities with stakeholder institutions for assessing gaps in terms of policy reforms.

Recommendation

- The consultancy work of development of a new Pay and Grading Structure should be outsourced to expertise that are outside the Government pay scale.
- The pension computation calculations should be revised to suit current standard pay.

7.2 Effective and Efficient Records Management System

- The Electronic Records Management System (ERMS) is a system introduced to enhance the operational effectiveness of the Government of The Gambia through the design, development and implementation of a customized records management that will facilitate increased efficiency in the organization,

preservation, retrieval, use and disposition of the Gambia Government Records.

- The NRS is implementing an electronic records management system (ERMS) to address the need for systems, policies and standards to manage electronic and digital records.

The ERMS is currently piloted in the following MDAs;

- National Records Service
- Personnel Management Office (PMO)
- Public Service Commission (PSC)
- National Audit Office (NAO)
- Ministry of Finance and Economic Affairs
- Ministry of Fisheries
- The National Records Service Act 1993 has been reviewed, validated, and to be gazetted to set standards for the management of Government records and data in all formats for compliance with Government-wide policies and standards.

Challenges:

- The Cadre has no expertise in records appraisal; therefore, plans are in place to outsource experts to help in records appraisals.
- Inadequate staff number, appropriate equipment (server for the digitalization of the archives) and funds to accelerate the implementation of the ERMS to more MDAs.
- Lack of funds for the Annual Maintenance contract with the Developer (EDRC).
- Lack of funds for enhancement on the system.
- Lack of adequate Training and knowledge transfer from the development.
- Lack of equipment laptops of equipment like routers, laptops, scanners, servers, switches, etc
- Lack of Enough capacity space to host other MDAs
- Lack of overseas training, and study tours to learn best methods.
- Data management is one of the biggest challenges faced in the ERMS is managing the large volume of data that is generated from various ministries and departments
- Maintaining the security of the system and the data it manages
- An effective ERMS requires user buy- in and adaptation. Often users may resist new systems.
- Insufficient monthly allocations to restructure the records office surveyed.

- lack of interest in standard records management principles
- stable and reliable electricity supply

Recommendations

- A long-term project is needed to digitize the National Archives
- Study tour to Digital Archives Institution
- More funding is needed for capacity development of staff and for the purchase of the necessary office equipment
- There is a need for user buy in for better implementation of the ERMS.
- Government needs to put in the necessary requirements for MDAS to adapt to the digital transformation in office work processes.

7.3 Health Sector Financing

- The main aim of the National health insurance scheme (NHIS) is to move towards achieving universal health coverage and is expected to benefit the population, by eliminating or easing out of pocket expenditure for health.
- The scheme provides financial risk protection, increased access to quality healthcare services and improvement of the overall health system for better service delivery.
- The NHIS Act 2021 was passed, and the Authority is now up and running. Currently, NHIS has been piloted in Bundung Maternal and Child Health Hospital and is expected to be roll out in 2024.
- The aim of Results-Based Financing (RBF) is to increase the utilization of health and nutrition services in The Gambia using a supply side of the RBF approach. The main objective of the RBF is to improve the availability, accessibility, affordability and quality health services with a focus on comprehensive and integrated key reproductive, maternal, newborn, child adolescent health and Nutrition as well as EPI, HIV/AIDS, Malaria, TB and NCDs which is already in existence.
- The fiscal space analysis for health seeks to identify all sources of funds for the National Health Insurance Scheme to ensure its sustainability. Fiscal Space for health Analysis was conducted by the consultant for the Health Benefits package.
- The objective of WTP Study is to assist the Ministry of Health in assessing the willingness to pay for health insurance of different sections of the Gambian population for health insurance, identifying the key factors that influence this

willingness and the levels of premiums that different groups might be willing and able to pay. A final report has been produced and available to inform policy and decision making.

Challenges

However, the sector faces series of challenges like lack of adequate staff, delays in Executive and Legislative processes, appropriate equipment, funds for the implementation of NHIS, and time resources remain as obstacles to the effective implementation of the Strategic Plan

Annex 1: PFM Champions

PFM Reform Pillars		Focal Person	Institution	Reform Coordinator
1 Macroeconomic Policy and Management				
1.1	Macroeconomic Policy and Management	Momodou Barry	MPAU	Abdoulie S. Bah & Ruth Kezia Forster
1.2	Revenue Administration and Management	Maari Saar	GRA	
1.3	State Own Enterprise	Yankuba Ceesay	DSOE	
1.4	Statistic Management	Fatou Jobarteh	GBOS	
1.5	Debt Management	Famara Badjie	DLMD	
1.6	Public Private Partnership	Abdoulie Puye	DPPP	
1.7	Public Investment Management	Mariama Saine	DAC	
1.8	National Development Planning	Ebrima Kinteh	DDP	
2 Budget and Procurement Management				
2.1	Budget Management	Alaye Barra	DOB	Tamsir Bittaye
2.2	Gender Based Budgeting	Saine Cham	Ministry of Gender	
2.3	Procurement Management	Morris Gomez	GPPA	
3 Financial Management, Accounting and Reporting				
3.1	Integrated Financial Management System (IFMIS)	Ousman Darboe	AGD	Lala Jaiteh
3.2	Treasury Single Account and Cash Management	Clara Saine Mendy		
4 Internal Auditing, Control Governance and Risk Management				
4.1	Internal Audit Management	Ebrima Ceesay & Masirreh Drammeh	IAD	Mama Rohey Jobarteh
4.2	Government Risk Management			
5 External Scrunity and Oversight				
5.1	External Auditing Accounting and Transparency	Ebrima Drammeh	NAO	Mama Rohey Jobarteh
5.2	Parliamentary Oversight Functions	Daniel Carlos	National Assembly	
6 Local Government Authorities Reforms				
6.1	Rolling out of IFMIS Budgetary Reforms Procurement Reforms Internal Audit Reforms Revenue administration and Management	Samba Leigh	Jan Jan Bureh Area Council	Amie Kolleh Jeng
		Seedy Touray	Masakonko Area Council,	
		Sainbou Martin	Kerewan Area Council	
		Bai Gibbi Sallah	Basse Area Council	
		Momodou Sambou	Kuntaur Area Council	
		Pa Sait Saine	Kanifing Municipal Council,	
		Modou Jonga	Brikama Area Council,	
Mustapha Batchilly	Banjul City Council			
7 Cross Cutting Issues				
7.1	Civil Service Reforms	Abubacarr Gibba	PMO	Alasana Cham
7.2	Effective and Efficient Record Management System	Sainabou Faye	NRS	
7.3	Health Sector Financing	Yaya Bajo	Ministry of Health	

Annex 2: Snapshot of the PFM Strategy 2021-2025

A Snapshot of PFM Strategy 2021- 2025							
Government's overarching PFM objectives are to ensure prudent use of public funds by ensuring:							
❖ Aggregate fiscal discipline							
❖ Align resources allocation to development priorities							
❖ Operational efficiency and value for money in the use of resource							
Fourth in series, the 2021-2025 Strategy is anchored fewer than six (6) pillars supported by twenty (20) components							
Description of Pillar	Component	Lead Implementing Partner	Yearly Aggregate Cost in GMD				
1. Macroeconomic Management			Y1	Y2	Y3	Y4	Y5
Macroeconomic reforms are aimed at ensuring fiscal and debt sustainability, enhance domestic resource mobilization and public investment	Macroeconomic Policy Management	Macro Policy Analysis Department					
	Revenue Administration and Management	Gambia Revenue Authority					
	Public Investment/SOE	Public Private Partnership					
	Statistics Management	Gambia Bureau of Statistic					
	Debt Management	Department of Loans & Debt Management					
	Public Private Partnerships	Public Private Partnership					
	Aid Coordination and Management	Aid Coordination Department					
National Development Planning	Department of Development Planning						
			86,761,536	104,561,732	103,416,743	101,275,318	100,900,000
2. Budget and Procurement Management							
Budget and Procurement reforms seek to establish a more participatory budget planning, align and spent resource in a credible, reliable, comprehensive, accountable and transparent manner	Program Based	Budget Department					
	Gender Based Budgeting	Ministry of Women and Chair Affairs					
	Procurement Management	Gambia Public Procurement Authority & Department of Public Procurement					
			100,114,121	100,904,740	100,828,504	100,185,513	100,941,020
3. Financial Management,							
This reform is aimed to enhance the management and accounting of public funds within the confines of the public finance laws and regulations, expansion of IFMIS and cash management and the implementation of TSA	FM, Accounting & Reporting	Accountant General Department					
			1,500,000	1,500,000	6,500,000	6,500,000	6,500,000
4. Internal Auditing, Control, Governance and Risk Management							
This reform supports the provision of assurance on systems and processes and build a culture of risk management in MDAs operations	Internal Audit Management	Internal Audit Department					
	Government Enterprise Risk Management						
			1,070,573	1,070,573	1,070,573	1,070,573	1,070,573
5. External Scrutiny and Oversight							
Reforms under this pillar includes independent review and external scrutiny on the management of public funds and follow-ups on the implementation of audit recommendations.	External Auditing Accountability and Transparency	National Audit Office					
	Parliamentary Oversight Function	National Assembly					
			1,996,580	1,125,776	1,642,127	1,919,762	1,845,626
6. Local Government Authority Reform							
Government seeks to strengthen existing systems and expand PFM reforms to LGAs	LGAs reforms	Local Government Authorities supported by Ministry of Lands & Regional Government,					
			1,059,350	1,804,600	1,818,275	1,411,829	1,668,668
7. Cross Cutting Issues							
Reforms under this pillar cover civil service reforms, electronic records management and health sector financing that aimed at creating a supportive environment for effective PFM reforms implementation	Civil service Reform	Personnel Management Office					
	Electronic Records Management	National Records Service					
	Health Financing	Ministry of Health & Country Coordination Mechanism					
			6,233,316	1,424,000	1,054,500	1,475,500	1,146,500