

Public Financial Management

Objectives of the Public Financial Management (PFM) Reform Portfolio

Subsequent to the establishment of the MINECOFIN Single Project Implementation Unit, the Public Financial Management Reform Portfolio will continue with its central role of increasing the pace of reforms and to coordinate effectively the PFM reform agenda. Key functions include the following:

- Facilitating meetings of the PFM Reform Steering Committee, PFM Reform Technical Committee and ensuring that Component Leaders conduct periodic meetings of the Component Working Teams;
- Providing technical support and guidance to the PFM Reform program with emphasis on effective delivery and longer-term sustainability;
- Supporting Pillar leaders and component leaders to develop annual action plans and budgets within the framework of the PFM Reform Strategy and ensure that they are reviewed and approved;
- Ensuring that budgets and procurement plans are prepared and approved;
- Sequencing reforms under various components through component leaders;
- Ensuring that the M&E System to track the implementation of the PFM Reform Strategy on a regular basis is developed and providing support in monitoring the implementation of PFM Reforms;
- Reviewing technical aspects of all consultancy terms of reference to ensure proper alignment to the PFM objectives under the PFM reform strategy;
- Advising on and providing technical support to the pillar leaders and component leaders in building their capacity to ensure their increased understanding and mastery of the technical and change management aspects of PFM reforms for greater ownership and sustainability of the PFM reforms program;
- Providing technical backstopping to all the ongoing PFM consultancies;
- Ensuring that reforms are on track to achieve the objectives and targets envisaged in the PFM Reform Strategy.

Public Financial Management (PFM) Reform Strategy

The ultimate goal of the Government of Rwanda's PFM Reform Strategy is to ensure efficient, effective and accountable use of public resources as a basis for economic development and poverty eradication through improved service delivery.

The PFM Reform strategy focuses on building human resource capacity, putting in place modern and effective systems and procedures for effective financial management and reporting and strengthening the institutional framework in accordance with international best practices for a more efficient and transparent PFM system. It also aims at increasing effective coordination of various reforms, sequencing the reforms to the priorities of the country

consistent with both the Economic Development and Poverty Reduction Strategy (EDPRS) and the Vision 2020, and to ensure effective implementation.

The PFM Reform Strategy is being implemented under four pillars and twelve distinct complementary components as shown below:

	PILLAR	COMPONENTS
1.	Economic and Budget Management	Economic Management
		Budget Formulation & Preparation
		Domestic Revenue Generation
		Intergovernmental Fiscal Relations
		Public Investment Policy
1.	Financial Management & Reporting	Accounting & Reporting
		Treasury Management
		Implementation of an Integrated Financial Management Information System (IFMIS)
		Implementation of an Integrated Payroll and

		Pensions System (IPPS)
1.	Public Procurement	Public Procurement
1.	Budget Execution Oversight	Internal Audit
		External Audit

A Steering Committee, Technical Committee and PFM Reform Portfolio oversee the implementation of the PFM Reform Strategy.