



The Assessment Process

The assessors' point of view

PEFA Secretariat



PUBLIC EXPENDITURE AND FINANCIAL ACCOUNTABILITY PROGRAM



Important Steps in a Typical Process

- 0. Agree the intention to undertake a PEFA based assessment**
 - 1. Agree purpose, scope and stakeholder roles**
 - 2. Prepare TOR**
 - 3. Mobilize assessment team**
 - 4. Introduction workshop for stakeholders**
 - 5. Review of existing information**
 - 6. Inception Report**
 - 7. Main field work**
 - 8. 1st Draft Report**
 - 9. Quality Review**
 - 10. Supplementary field work**
 - 11. Draft Final Report**
 - 12. Presentation seminar**
 - 13. Final report**
- 14. Use of the report for reform dialogue**



Assessment Considerations

- Planning of fieldwork
- Pre-assessment briefings and training
- Key definitions
- Sources of information
- Quality assurance arrangements



Planning of Fieldwork:

Be prepared before you start!

- **Define the scope of the assessment**
- **What kind of information do you need?**
 - What is the nature of hard evidence required for indicator scoring
- **From where would you get the info?**
 - Preparing a list of data sources & data you need from each
 - Obtain existing reports that may contain useful info
- **How can you organize a dialogue with your informants?**
 - So that they readily provide you with the required information



Coverage and divided systems

- Identify the coverage for each indicator dimension (see *Guidance on Evidence...*)
- Where coverage is divided, information is needed on all or a sample so that each part can be rated separately
- Aggregate ratings for the individual parts of the system by relative importance



Pre-assessment Briefings & Training

- **Pre-field workshop**
 - Bring stakeholders together and develop a shared understanding of the tool and what is expected
- **Questionnaire**
 - Send out well before the fieldwork
 - Inform in advance what indicators to be discussed and what data you need
 - Emphasize that you need documentary evidence
- **Introduction at each meeting**
 - Explain the indicators' content in detail
 - Focus the meeting only on what is required



Key definitions: Reaching agreement

- **Why define?**
 - Many comments on draft reports are caused by different perceptions of what is being assessed
 - Important for: Scope of assessment; Transparency; Sharing of findings and results; Cross-indicator consistency & Comparability over time
- **Which definitions?**
 - Central government (GFS definition?)
 - Autonomous Governmental Agencies
 - Public Enterprise
 - Expenditure Arrears
 - Sub-National governments vs. Deconcentrated administrations
 - Extra-budgetary activity



Key sources of Information

1. **Ministry of Finance** : Budget directorate, Revenue administration, Income tax, Property tax, VAT, Customs, Internal Audit, Accountant-Generals Office
2. **Parliament** : Public Accounts Committee, Clerk, Budget & Finance Committee
3. **Supreme Audit Institution**
4. **Line ministries and autonomous agencies**
5. **Local governments**
6. **Courts**
7. **Private sector** : Tax lawyers, accountants, chamber of commerce
8. **NGOs and Association**



External Source of Information

Guidance on the PEFA Web-site

- Indicator by indicator
- Coverage of each indicator
- Quantitative data needed (but not qualitative)
- Possible sources of information (but cannot be exhaustive)



Quality Assurance Considerations

- If you fail to plan...you're planning to fail!!
- Quality Assurance (QA) arrangements should be put in place right from the on-set
- QA starts with good joint planning between parties involved in the process
- Stakeholders need to agree the critical stages as well as participants in the QA process, e.g. TOR, Draft Report, Final Report



Quality Assurance – Why bother?

A good report

- Accurately reflects the country situation
- Meets the “Objectives of the Framework” and can satisfy its intended use

A poor report

- Lack of agreement amongst stakeholders on the country situation
- Fails to capture the strengths and weaknesses in the PFM system
- Is not sufficiently specific to permit tracking of progress over time

Thank you for your attention

