



Public Finance Management

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Strategic Planning Issues

- ◆ Manifesto or White Paper not fully priced
- ◆ Desired policy objectives not clearly reflected in current year budget

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Budget Issues

- ◆ Often not a realistic budget
- ◆ Often revenues are artificially increased to meet legal deficit targets
- ◆ No current year deficit financing plan
- ◆ Annual plan focused on spending inputs rather than a multi-year plan to achieve policies
- ◆ Current year focus only, no long term sustainability analysis.

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Budget Issues

- ◆ Separate entities dealing with recurrent and capital/development budgets
- ◆ Development budgets often include on-going recurrent expenditures and even subsidies to local organizations.

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Treasury Issues

- ◆ No commitment recording - weakens budgetary control
- ◆ Build up of arrears due to lack of financing plan
- ◆ Lack of a Treasury Single Account to improve cash management
- ◆ No annual cash management plan and monitoring
- ◆ Financial Statements do not include all liabilities such as A/P arrears and pensions

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Debt Management Issues

- ◆ Lack of coordination of front, middle and back offices' functions
- ◆ Lack of analysis knowledge to choose the best debt instrument mix

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Pension issues

- ◆ Pension liability not included in total country debt
- ◆ Double banking of Government employee pension and National Insurance Scheme
- ◆ Non-sustainability of current regimes
- ◆ Delays in political decisions

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CARTAC Recommendations

- Strategic vision e.g. detailed policy "white paper" (or development plan) with clear policy priorities
- Medium Term Budget Framework with clear revenue and deficit targets
- Ministry strategic plans and ministry budget based on costing of programs to deliver policies
- Integrating PSIP plans with budget plans
- Cabinet to have clear procedures for making collective decisions on policy and expenditure priorities

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CARTAC Recommendations

- ◆ Budget calendar to start earlier to allow time for policy discussions and review
- ◆ Macroeconomic policy analysis to set medium-term framework
- ◆ Mid-term reviews and up-dating of medium term framework
- ◆ In-year monitoring of fiscal developments to base in-year adjustments
- ◆ Program based budgeting and monitoring in ministries

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CARTAC Recommendations

- ◆ Move to modified accrual accounting to incorporate all financial assets and liabilities
- ◆ At minimum, introduce commitment accounting for capital projects
- ◆ Move toward a TSA
- ◆ Introduce annual cash plan and secure adequate financing

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CARTAC Recommendations

- ◆ Creation of Debt Management Unit where practical
- ◆ Proceed with pension reviews and implement gradually the recommendations

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CARTAC TA Budget

- ◆ Delivery of a Strategic Planning workshop for politicians (Bermuda and Suriname)
- ◆ TA in Medium Term Budget Framework development (MTBF) (Suriname)
- ◆ Delivery of a Revenue Forecasting workshop to support MTBF (11 countries)
- ◆ Budget process review (Antigua & Barbuda, Belize and St Lucia)
- ◆ TA in program budgeting to support line ministries

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CARTAC TA Treasury

- ◆ TA in moving to modified accrual to incorporate all financial assets and liabilities
- ◆ TA in moving towards a Treasury Single Account to improve cash management (Antigua & Barbuda)
- ◆ Treasury process review (Antigua & Barbuda, Dominica and St Kitts & Nevis)
- ◆ Development of a Basic Government Accounting course to support accounting operations
- ◆ Delivery of Internal audit workshops to improve internal controls in financial operations (11 countries)
- ◆ TA to design an annual cash management model (Anguilla)

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CARTAC Pension

- ◆ Review of government pension schemes (St Kitts & Nevis, St Vincent & the Grenadines and Montserrat)
- ◆ TA to assist implementation of recommendations (Montserrat in Nov. 08)

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Country	Internal Audit	Advanced L. Audit	Revenue Forecasting	Debt Sustainability	Strategic Planning
Anguilla	Done	Done	Done	N/A	
Antigua & Barbuda			Q1 2009		Planned
Bahamas	Done	Done			
Barbados	Done	Done	Done		
Belize	Done	Done			
Bermuda	Done		Done	Done	Done
British Virgin Islands	Q1 2009		Done	N/A	
Cayman	N/A	Done	Done	N/A	
Dominica	Done	Done	Done		
Dominican Republic			Q1 2009		
Grenada	Done	Done	Done		
Guyana			Done		
Haiti					
Jamaica					
Montserrat			Done	N/A	
St Kitts & Nevis	Done	Done	Done		Planned
St Lucia	Done	Done	Done		Planned
St Vincent & the Gr.	Done	Done	Done	Done	
Suriname	Done	Feb-09	Done	Done	Done
Trinidad & Tobago			Done		
Turks & Caicos			Done	N/A	

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Country	Audit	Budget	Treasury	Pension	Strategic Planning	PEFA	SS User Group
Anguilla							X
Antigua		X					
Barbados			X				X
Belize							X
BVI	X						
Dominica							X
D.R.		X					
Grenada							X
Haiti		X					
Jamaica	X						
Montserrat				X			X
St Kitts				X	X		X
St Lucia		X	X				X
St Vincent		X				X	X
Suriname	X	X					X
Turks & C.							X

Thank you


