

UNDAF OUTCOME CLUSTER

Governance for Equitable Development

INTER-AGENCY OUTCOME

By 2015, elected representatives and key GoPNG bodies implement good governance practices grounded in accountability, transparency, inclusive participation and equity.

EXPECTED OUTPUT

National and sub-national levels of GoPNG have increased financial management capacity to manage the equitable delivery of public services.

OUTPUT INDICATORS

1. % of PEFA indicators scoring A or B
2. Number of GoPNG bodies using IFMS system
3. Number of Audit Units or Committees in 20 provinces

PARTNERS

1. Department of Finance
2. Department of National Planning and Monitoring;
3. Department of Provincial and Local Level Government
4. Selected Provincial Treasuries from:
Pilot Provinces
 - a. Morobe
 - b. Western
 - c. Eastern Highlands
 - d. East New Britain
 - e. Milne Bay
 - f. Central ProvinceNew additional Provinces
 - g. Autonomous Region of Bougainville
 - h. Gulf Province
 - i. Sandaun Province
 - j. Western Highlands Province
5. AusAID
6. UNDP



FMIP –PCaB

The vehicle for Government's financial reforms

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GOVERNMENT OF PAPUA NEW GUINEA
THE AUSTRALIAN AGENCY FOR INTERNATIONAL
DEVELOPMENT (AUSAID) & UNITED NATIONS
DEVELOPMENT PROGRAMME (UNDP)

DEPARTMENT OF FINANCE

Financial Management Improvement Program

PROVINCIAL CAPACITY BUILDING ENHANCEMENT PROGRAM PCaB E

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IMPLEMENTING AGENCY:

DEPARTMENT OF FINANCE

Vulupindi Haus
Waigani Drive, NCD
Ph: 328 8209
Fax: 328 8265

e-mail: tito_balboa@finance.gov.pg
sam_erepan@finance.gov.pg

BACKGROUND

The Provincial Capacity Building & Enhancement Programme (PCaB E) is part of Phase II and the interim part of the new upcoming Phase III that still provides continuous support to the Government of PNG Financial Management Improvement Programme

(FMIP) by developing capacity around Public Financial Management at the sub-

national level and assisting with the implementation of the Integrated Financial Management System (IFMS).

The PCaB is a joint effort through the Government of Papua New Guinea (GoPNG), UNDP and AusAID. It focuses on capacity building in sub-national treasury functions. It builds on the developments of previous PCaB Phase II initiative, from the FMIP as well as from other sub-national capacity building efforts.

PROJECT OBJECTIVES

Provincial Capacity Building & Enhancement Programme (PCaB E) will, focus on provincial and district financial management issues in the context of financial reporting to improve service delivery and effectiveness of public service programmes. The proposed goal of PCaB E is to continue strengthening sub-national financial management capacities in a sustainable manner.



To meet this overall goal, the five primary objectives of PCaB E are:

1. Enhance accountability and transparency within the PNG public finances;
2. Improving financial management capacity at sub-national levels;
3. Minimize risk of corruption
4. Establish Public Expenditure & Financial Management framework;
5. Support efforts for the roll-out of the IFMS in the provinces.

The project implementation is guided by the PCaB Steering Committee, chaired by the Secretary of Finance. Other members consist of an UNDP representative, an AusAID representative, a representative of the Department of Provincial and Local Government Affairs.



STRATEGY

PCaB is a specific financial capacity building programme that operates within a broader collection of sub-national capacity support programmes.

PCaB is a catalyzer agent that inter-links several programmes at the provincial and district levels. PCaB has on site provincial and district level advisers. They provide on-the-job training, mentoring and coaching in a daily operational basis to the provincial and district treasury officers.

The primary role of PCaB advisers is to improve capacity of Department of Finance staff submission of financial reports. Timely and a submission of financial reports have consequences as it results in immediate release of public funds which allows for further service provision in the provinces, districts and LLGs.

The advisers provide a follow up of all financial management efforts developed previously by the project, but also from other interventions under the Financial Management Branch (FTB) and Provincial and Local Government Programme (PLGP).

The PCaB programme implements its activities in six pilot provinces, namely: Western, Central, Milne Bay, Morobe, Eastern Highlands and East New

Highlands. In addition to these provinces, four new provinces have been added in the Enhancement programme phase. They include Autonomous Region Bougainville, Gulf, Sandaun (West Sepik) and Western Highlands. The site advisers have built a framework for future implementation of financial management programmes in other provinces and districts covered by the programme.



The PCaB E programme is funded by Government of PNG, AusAID and the UNDP.