

Government of Nepal
Ministry of Finance
Public Expenditure and Financial Accountability (PEFA) Secretariat
Implementation Progress Status of IPFMRP
FY 2021/22

General Information about IPFMRP:

- Envisioned to implement Public Financial Management Reform Strategy (Phase II) (2016/17-2025/26)
- Grant Agreement for IPFMRP Signed Date-24th August 2018 (Restructured USD 9 million from MDTF Grant and GoN counterpart 1.850 million)
- Effective Date- 14th September 2018
- Original Project Closing Date- 30th July 2021
- Revised Closing Date: July 16, 2023
- Implementing Agencies: Nine (9)
- Project Director/Coordinator: PEFA Coordinator, PEFA Secretariat

Project Development objectives: Strengthening the effectiveness of selected PFM institutions and procurement institutions, systems and procedures at the federal and subnational levels.

Project Components:

- (1) Strengthening Public Expenditure and Revenue Management in Federal and SNG
- (2) Strengthening the Office of the Auditor General
- (3) Public Procurement Improvement
- (4) PFM Reform Management and Coordination

Implementation Progress Status:

Physical Progress (Implementing Agency wise):

Component-1. Strengthening Public Expenditure and Revenue Management in Federal and SNG

(1) National Planning Commission (NPC)

Completed up-to FY 2020/21	Ongoing during FY 2021/22
MTEF Guidelines and Software for federal and provincial governments	Development of unified guidelines for project selection, appraisal and prioritization
Up-scaling of NPBMIS	Consulting services for MIS supervisor/processor for NPBMIS
Project Bank Software for provincial governments	Training for province on Provincial Project Bank MIS (PPBMIS)
Macro Modelling Lab (Hardware and Software)	Training on MTEF & NPBMIS, PPBMIS of federal & Province Level

(2) Ministry of Finance (Mof):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
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Enterprise Database and its License with Security Features for LMBIS, PLMBIS	Consulting services of Senior IT PFM Expert for development and support (track physical & financial progress) of LMBIS and PLMBIS.
Trainings on GFS/Economic codes and classifications	Procurement of IT Equipment - Servers, Server RAC, Storage, Firewall switch, etc. for Data Recovery site of the MoF & Hetauda
Module upgradation, development, support and maintenance of LMBIS and PLMBIS	Technical Specifications for Debt Operation and Management Software (DOMS) and Line Ministry Budget
IT infrastructure and additional hardware at Data Centre of MoF	Information System (LMBIS) enhancements
	Conduct Training on GFS/ Economic Codes/ LMBIS/ PLMBIS

(3) Public Accounts Committee (PAC):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
	Finalization of PAC Operational Manual and training manuals for capacity building of PAC members and staffs of federal and provinces
	Development of PAC-MIS

(4) Ministry of Federal Affairs and General Administration (MoFAGA):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Development and implementation of internal control system manual for local governments	Develop the training plan for different training sessions covering internal control system manual, Gender-Responsive, Budgeting, Revenue, revenue advisory board and Irregularities Management to be delivered for the local governments

(5) Financial Comptroller General Office (FCGO):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Development and rolled-out of CGAS+ (activities based) federal & provinces	Development of FCGO strategy
Development and implementation of EFT system	Internal control system guideline revise for three tiers of government
Development and rolled out of PAMS in three tiers of government	Publication of internal audit directives and standards
Development of NPSAS based reporting system in CGAS, SuTRA and FMIS;	Capacity development -Training on CGAS, SuTRA, TSA, NPSAS, PAMS, etc.
RMIS upgradation (mobile banking, internet banking, digital wallet)	Unified OAG Accounting formats for three Tiers of Government

Hardware/Renewal license for existing systems in FCGO	NPSAS enhancement as per IPSAS 2017
Development of Internal Audit Standard/Chartered	Finalization of Accounting Manual
FMIS and MFMIS rolled-out	
Internal Audit code of conduct	

(6) Institute of Chartered Accountants of Nepal (ICAN):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
NFRS Gap Analysis in SoE	Revising ICAN Curriculum contracting with ICAEW
Five days training on NFRS to SoEs' officials	

(7) Public Expenditure and Financial Expenditure (PEFA) Secretariat:

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Finalization of IFMIS study report with Validation	Conducting ACCA Course
Finalization of TNA study report with Validation	

Component- 2. Strengthening the Office of the Auditor General

(8) Office of the Auditor General (OAG):

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Audit guidelines/manuals-12 numbers (financial, performance, compliance, risk based, code of ethics, etc.) with piloting & testing	Computer Assisted Auditing Techniques (CAAT) through NAMS-access on TSA, CGAS, SuTRA and FMIS through API: (Time extension of server procurement is under process
Nepal Audit Standards (NAS) with piloting, testing & rollout	Support for operation and implementation of NAMS and SAI PMF report recommendations
SAI (Supreme Audit Institution) Performance Measurement Framework with satisfactory higher performance reporting (completed from Thailand)	Capacity development for enhancing audit quality and reliability
Nepal Audit Management System (NAMS) with training	Machinery and equipment for operation of IT Excellence Centre
Citizen participatory performance audit guidelines	Study observation and capacity development on implementation of audit
Computer Assisted Auditing Techniques (CAAT) related procurement of laptops	
Training to Civil Society Organization (CSO) on Citizen Participatory Performance Audit (CPA)	

Component- 3. Public Procurement Improvement

(9) Public Procurement Monitoring Office (PPMO);

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Completed all agreed training programs under ITC-ILO/NASC Training agreement;	Procurement management training programs for federal & SNGs
Procurement of laptops, printers & storage for e-GP operation enhancement;	Training on e-GP for entities: 2 training remaining
Training on e-GP for public entities and bidders	Training on e-GP for Bidders: 4 training remaining
Basic training on Goods and Works Procurement Management	Basic training on Goods Procurement Management: 2 trainings remaining
Upgradation of IT equipment & Firewall at primary data center (GIDC) for e-GP	e-GP gap assessment for enhancement with additional features- (Under implementation under GoN source financing)

Component – 4. PFM Reform Management and Coordination

(10) Public Expenditure and Financial Expenditure (PEFA) Secretariat:

Completed up-to FY 2020/21	Ongoing during FY 2021/22
Development of Citizen Engagement Strategy in PFM of Nepal with Validation	Review and updating of second phase PFM reform strategy (Finalizing of Final Report)
Regular reporting, meetings/coordination /facilitation with all implementing agencies to improve the project implementation	Regular reporting, meetings/coordination /facilitation with all implementing agencies to improve the project implementation
DPIUs/PPIUs programs	DPIUs/PPIUs programs
Interaction program with economic journalist/society	Finalization of third PEFA assessment
Third PEFA Assessment (Frequent interaction on third PEFA assessment & preparation of first draft is ongoing)	Awareness raising on PFM through mass media, social audit and PEFA documentary
Capacity development trainings	Planning and coordination for IFMIS, TNA and CES reports implementation

Financial Progress: (in NPR)

Components	Expenditure up to FY 2020/21	Expenditure in FY 2021/22	Total Expenditures up to FY 2021/22
1	167,957,338.54	125,623,109.06	293,580,447.60
2	166,781,653.31	83,396,032.75	250,177,686.06
3	77,012,633.01	86,061,377.00	163,074,010.01
4	66,208,651.98	65,629,367.31	131,838,019.29
	477,960,276.84	360,709,886.12	838,670,162.96