

2021 PFM Annual Progress Report



THE REPUBLIC OF THE GAMBIA

Ministry of Finance and Economic Affairs

2021 Public Finance Management Annual Progress Report

Forward

The Ministry of Finance and Economic Affairs (MOFEA) has the pleasure to present the Public Financial Management (PFM) Annual Progress Report for 2021, recounting the progress made in strengthening PFM reforms. On a general note, implementing the PFM Strategy 2021-2025 has registered remarkable progress upon first year of implementation. Incredible milestones are achieved in upgrading from EPICOR 9 to 10 thus enabling extension of IFMIS functionality to all Embassies, LGAs and sub-treasuries with plans to fully cover the self-accounting projects and sub-vented institutions in 2022. This will in great extend support the production of more credible and timely financial statement of government's operations. The EFT has been successfully implemented for central government reducing cash handling and expediting payment processes. Revenue administration and management is continually being strengthened introducing electronic filling, receipting and payments.

Significant infrastructures are already in place to support the upgrading of revenue administration systems. To strengthen this further, a payment gateway design document is designed to host the TSA envisaged to be implemented in 2022. Whilst, the revised procurement Act 2014 is finalized and submitted to the National Assembly for ratification to accommodate international best practices and smoothen budget execution. Debt management and sustainability remain government's key priority as articulated in its MTDS and 2021 annual borrowing plan.

The MTEFF document 2022-2025 setting the medium term fiscal policy pathway based on sectorial priorities is developed and submitted to National Assembly for approval. A new Internal Audit Committee has been sworn in as the oversight governance body to enhance strategic and operational efficiency. In addition, LGAs 2023 PBB is developed for enhanced fiscal discipline, efficient resource allocation aligned to development priorities. The National Audit Office have recognized the need for high quality audit report thus creating a quality assurance function unit, the standing orders of the National Assembly were

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reviewed to usher selected portfolio committee leading to the establishment of three more specialized committees.

The formidable efforts of our stakeholders leading the implementation process of the reforms has been quite remarkable ushering deliberate actions on their part contributing to the extraordinary achievements. The unflinching MOFEA Management support, dedicated PFM staff and donor interventions (UNDP, AfDB WB, IMF, EU, AFD etcetera) have indeed brought about the consolidated and sustainable trajectory in driving the desired results.

Signed:



Abdoulaye fallou

Permanent Secretary

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Acronyms

AIC	Audit Implementation Committee
CRB	Complaints Review Board
CSR	Civil Service Reforms
ERM	Enterprise Risk Management
ERMS	Electronic Records Management System
FPAC	Finance and Public Accounts Committee
GDP	Gross Domestic Product
GIEPA	Gambia Investment and Export Promotion Agency
GRA	Gambia Revenue Authority
GPPA	Gambia Public Procurement Authority
IAD	Internal Audit Directorate
ICT	Information and Communication Technologies
IFMIS	Integrated Financial Management Information System
IFRS	International Financial Reporting Standards
LGAs	Local Government Authorities
M&E	Monitoring and Evaluation
MDAs	Ministries Departments and Agencies
MOFEA	Ministry of Finance and Economic Affairs
MTDS	Medium Term Debt Strategy
MTEFF	Medium Term Expenditure and Fiscal Framework
NAO	National Audit Office
NDP	National Development Plan
NGOs	Non-Governmental Organizations
PEC	Public Enterprises Committee
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PFMD	Public Finance Management Directorate
PPPs	Public Private Partnerships

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SBRC	State Building and Resilience Contract
SDGs	Sustainable Development Goals
SICs	Special Investment Certificates

INTRODUCTION

The 2021 Public Financial Management (PFM) annual progress report, recounts the progress made, challenges and lessons learnt in implementing the PFM Strategy 2021-2025. Remarkable progress has been made in all the strategic pillars.

The IFMIS is now on a higher version (EPICOR 10) enhancing better functionality thus supported the role out to all Embassies, LGAs and sub-treasuries with plans to fully cover the self-accounting projects and sub-vented institutions in 2022. Once the IFMIS is fully extended, the production of financial statement becomes better harmonized, timely and credible. The implementation of the EFT has reduced cash handling and expedite payment processes. The electronic filling, receipting and payment is now introduced for effective and efficient revenue administration and management.

The TSA payment gateway platform and its interface for Revenue Collection through the Commercial Banks is being validated. The revised procurement Act 2014 is finalized to incorporate issues of gender procurement policy in other to encourage women participation. Debt Management and Sustainability is being enhanced with an annual borrowing plan in 2021 consistent to MTDS.

Government's fiscal policy pathway is articulated in a four year MTEFF document 2022-2025 setting sector priorities and economic growth. To improve strategic and operational efficiency a new Internal Audit Committee has been constituted. Government in its efforts to enhance fiscal discipline, maximize efficient resource allocation aligned to development priorities, has introduced and supported the development of LGAs 2023 Program Based Budget. This in effect would enhance grass-root participation and drives development at regional level. A quality assurance function unit is established at the National Audit Office for production of high quality audit reports and the National Assembly reviewed the selected portfolio committee leading to the establishment of three more specialized committees (Human Right and Constitutional Matter, Public Petition and the Subsidiary Legislation Committee).

The ERMS is being piloted to six MDAs introducing the digitalization of government records

for the first time in history. This has brought about operational effectiveness and efficiency in these MDAs in terms of preservations, retrieval, usage and disposal of government records. The CSR has registered great successes, the payroll function is fully managed by PMO and a Performance Management Policy is being developed to set out criteria's for measuring performance within government. A new pay scale is approved by cabinet to be operational in June 2022. However, COVID-19 continues to challenge implementation progress coupled with inadequate resources to support key reform areas such as the roll out of the ERM and ERMS, build capacity in IT Audit.

1.0 Pillar 1: Macroeconomic Management

1.1 Macroeconomic Policy Management

Macroeconomic reforms are aimed at promoting inclusive and sustainable economic growth, ensuring fiscal and debt sustainability, enhancing domestic resource mobilization and implementing policies and reforms that will positively impact the lives of every Gambian.

A key document in macroeconomic management is the Medium-Term Economic Fiscal Framework (MTEFF) which is a four-year rolling government spending plan prepared by MoFEA. The 2022-2025 MTEFF provides a medium-term fiscal policy pathway based on sectoral priorities and reform priorities, providing a mechanism for economic and financial management, transparency and accountability. The document which provides the basis on which the 2022 budget estimates are developed upon as it provides the revenue ceilings for the following year and expenditure priorities was submitted to Cabinet for review and approval.

The MoFEA has recently established a Tax Policy Unit (TPU) that will be responsible for tax policies under the Ministry. The Unit will work with the Revenue Authority to develop tax reforms, monitor tax expenditure and all other matters related to tax issues under then mandate of the Ministry. The Macroeconomic Policy Analysis Unit (MPAU) with the TPU is working with a World Bank funded Technical Assistant to develop a Tax Expenditure Policy (TEP) to improve governance and transparency in tax administration.

Additionally, as part of tax revenue reform initiatives, the Ministry has set up a Tax Advisory Committee to provide and advisory services to the Ministry, helping to strengthen the national tax framework, make the tax system more private sector friendly to spur economic growth and to examine the tax system and provide a medium-term tax policy and reform strategy.

Still on tax reform initiatives, the Ministry has also established a Tax Expenditure (Duty Waiver) Committee. The Committee is responsible for the review and monitoring of all duty waiver and remission applications and give recommendations to the Honourable Minister for consideration. The Committee has made significant strides in the rationalization of tax expenditures, ensuring that all applicants are in fact eligible to apply, and all recommendations made are guided by the legal frameworks such as the Customs and Excise

Act, contract agreements, conventions, and regulations. Due to the efforts of the Committee, between 2020 and 2021, revenue losses related to tax and duty exemptions and waivers have declined by 56 percent. This means that as compared to 2020, D1.4 billion in potential revenue loss was added onto Government's budget and directed towards priority sectors such as health, education, and social protection. The significant decline in revenue loss has also improved Government's fiscal position for the year and helped in narrowing the deficit, the need for higher loans or floating of treasury bills.

The medium-term policy reform priorities of the Government and the Ministry are focused on improving tax administration, revamping, and improving efficiency and accountability of State-Owned Enterprises, namely the Electricity Company and the Groundnut Corporation, furthering the implementation of the Programme for Accelerated Community Development, creating a robust system of social protection, and enhancing the efficiency of public investments.

Challenges:

Data constraints

1.2 Revenue Administration and Management

Improving reforms in revenue administration have supported domestic revenue mobilization to further widen the tax base and enforce actions for revenue collection by GRA. The GRA Strategic Plan 2020-2024 seeks to maximise revenue mobilization, optimise client service delivery, transform business procedures and processes by leveraging ICT and strengthening oversight mechanism and M&E programs to improve efficiency, inclusiveness and productivity.

Taxpayer register cleansing exercise is completed for the large taxpayers and in seven (7) tax offices of Small and Medium Taxpayers Unit i.e., Banjul, Kanifing, Brusubi, Serrekunda, Tallinding, Wellingara and Brikama. The provincial tax offices have also started work on updating their taxpayer registers. The cleaned taxpayer registers for all the tax offices will be compiled and work on uploading the data in the GAMTAXNET is under way. The GRA is in negotiation with the system developers for an automated way of uploading and updating the taxpayer register in the system using the information which have been compiled in an

excel format. This will be followed by a 'Ledger Reconstruction' exercise to ensure that the system reflects the correct tax balances for the active taxpayers. The GRA is also planning on signing a service and maintenance contract for continued support during the first year of implementation after the three months post implementation support.

The enhanced system has been deployed in all the tax offices across the country (Banjul, Kanifing, Brusubi, Serrekunda, Tallinding, Wellingara, Brikama, Barra, Farafenni, Soma, Brikamaba and Basse). The users in all these offices have been trained on the job on the usage of the enhanced modules especially where major changes have occurred. Plans are in place for a general user training which will avail all system users to be trained on the system.

The GRA in collaboration with GBoS has conducted the commercial rented property survey that seeks to help identify rented properties in the country that are used for commercial purposes. The intent is to use the survey information to detect landlords who are not registered for taxes and bring them into the tax net. This will widen the tax base and enhance revenue collection.

The Taxpayer Charter has been updated and validated. The Charter demonstrates GRA's commitment to deliver quality services to taxpayers and other stakeholders towards the implementation of its statutory mandate. It explains the obligations and rights of taxpayers and recognizes the importance of establishing a mutual relationship with our esteem taxpayers and other key stakeholders in the process of mobilizing revenue to support the government's development agenda.

The Arrears Management Strategy is yet to be developed and implemented as planned. This activity is therefore rolled over to next year (2022).

The implementation of the TADAT Roadmap is ongoing with support from an IMF TA who was working remotely because of the Covid19 pandemic but will travel to the Gambia in January 2022. The roadmap focuses on four priority objectives i.e., Strategic Planning and Reform Management, GAMTAXNET Enhancement and ITAS Implementation, Core Tax Administration Processes and Compliance Management.

There have been reviews on the Customs and tax laws and the Authority's governing laws but this activity has been delayed to adequately allow the Authority to change requirement as a result of the implementation of ASYCUDA WORLD and ITAS.

To enhance trade facilitation initiatives a study in collaboration with stakeholders (GCCl, MOTRIE, MoFEA, GIEPA etc.) in supply chain, supported by WCO and GIZ based on clearance time, measuring arrival and exit of goods was conducted. Solid outcomes, challenges and recommendations emanated from the study. Most of the recommendations are being implemented some of which are also part of our reform agenda. The SIGMAT automated transit management system under the auspicious of the ECOWAS Commission has reach advance stage with plans to roll out in December 2021. The draft text and guarantee regulations and supplement has been reviewed and validated last month in Abidjan aimed at ending all impediments and undue delay, high cost, unfair treatment, non-tariff barriers and ambiguity relating to transit.

Challenges:

- IT infrastructure migration to or having ASYCUDA WORLD systems, because the SIMAT software sits on the ASYCUDA WORLD.
- Implementation of some of the planned reform activities are delayed due to financial constraints as well as the global COVID-19 pandemic which has slowed down economic activities as result of lockdowns and social distancing in 2020 and part of this year.
- Presence of a large informal sector, which is difficult to tax. Generally, low compliance level by the taxpayer’s post-serious challenge to achieving some of our targets.
- Poor Internet connectivity is another major challenge the Authority faces in achieving some of the reform activities especially those that require internet services for their effective implementation (e.g. e-services, etc.).

1.3 State Own Enterprise (SOEs) Reform:

In the implementation of the SOEs Reform, a new SOE s Bill has been developed. The SOE bill seeks to establish a State-Owned Enterprise Commission that will make provisions for efficient and effective governance and monitoring performances of SOEs is currently under review at the Ministry of Justice to look at relevant provision and align with another existing Laws. The SOEs cross arrears reconciliation exercise was conducted, and payments plans were signed. From the total stock of 2.3billion SOEs cross arrears; 41million have been paid

by SOEs. The SOEs cross areas payment are currently ongoing and being factored in all SOEs budgets going forward. Audited Financial statements of SOEs up to 2019 are now published in the MOFEA website for transparency and accountability. SOEs finance officers have been trained on two phases of the IFRS training in preparation of rolling out IFRS for SOEs. For the implementation of the first phase Special Audit recommendation report, a Committee has been constituted at NAO to verify the implementation of the audit recommendations by SOEs.

Revised Performance contract 2021 have been signed between Government an NAWEC and draft KPIs have been developed by GNPC, GPA and SSHFC in view of signing the performance contract with government by end 2022.

Challenges:

- Delay in finalizing and enacting the SOE Bill
- Covid-19 has posed a delay in the timely payment of SOEs cross arrears in accordance with the payment plan.
- Lack of standardized reporting format for SOEs (IFRS Compliance)
- Untimely submission of SOEs audited financial statements

1.4 Statistics Management

This reform focuses on coordinating national statistics systems for ensured international comparability of statistics and effective socioeconomic development. Most of the major statistical survey activities such as Multiple Indicator Cluster Survey (MICS), Gambia Demographic and Health Survey (GDHS), Integrated Household survey (IHS) and Labour force are implemented and reports with data sets available on the GBoS website at www.gbosdata.org. The statistical products are also being disseminated at regional level. GBoS has also registered improvement in the capacity of staff, coupled with the use of modern statistical technology and equipment. Mutual relationship & MOUs between GBoS and key Stakeholders are established, and user producer forum are conducted annually.

Challenges:

Unavailability of resources to conduct some major statistics (Economic Census/ Business survey).

1.5 Debt Management

Debt management deals with all aspects of public debt management (both domestic and external) including the design of a national public debt strategy, conducting debt sustainability analyses, proper recording of debt portfolio and guide the issuance of domestic debt instruments for fiscal purposes to ensure that the government's financing needs are met at the least cost possible consistent with a prudent degree of risk

To ensure that both the level and rate of growth in public debt are on a sustainable path, the debt management Directorate implemented several activities that resulted in landmark achievements from 2017 through the 2021 fiscal year. The Nominal debt-to-GDP had been trending downward from 124% in 2017 to 89% and 80% in 2018 and 2019, respectively. However, it marginally increases to 84% as of 2020 due to covid-19 related disbursement. With the advent of the COVID-19 Pandemic in 2019, the Government benefited from the G20 Debt Service Suspension Initiative (DSSI) aiming to offer relief to eligible low-income countries on official bilateral debt-service payments (principal and interest) due between May and December 2020. The DSSI is intended to increase fiscal space to accommodate higher spending on coronavirus pandemic relief. The Gambia secured the DSSI relief from four of its creditors, namely, ECOWAS Bank for Investment and Development (EBID), Saudi Fund for Development (SFD), Kuwaiti Fund for Arab Economic Development (KFAED), and the People's Republic of China. The DSSI provided relief of GMD287.24 million in debt service payments for the 2020 fiscal year.

On the Domestic debt market, refinancing risk was contained at an acceptable level while continuing to restructure the domestic debt by substituting shorter-term maturing debt with medium to long-term debt. In 2021, the Directorate has successfully reduced T-Bills issuance by more than 15%. Government Bond Issuance is gradually gaining momentum in the domestic debt market, as reflected in the recent 3 (three) and 5 (five)-year Government bond issuance in 2021. DLDM has issued GMD 2.3 billion 3-year Government Bond from January to June and GMD 2 billion 5-year Bond as of October 2021. The success of the 5-Year Government Bond issuance is a landmark achievement in the history of Debt Management

in the Gambia. In operationalizing the MTDS (2020-2024), the Directorate has prepared an annual borrowing plan for 2021 consistent with the strategy. The Annual Borrowing Plan helps the investors prepare adequately and sufficiently to invest wisely in the domestic market and ensure the national budget is implemented as planned. A Guarantee Framework was also developed, which could help the Government manage and mitigate risk exposure from public and private sector entities' loan guarantees.

Challenges:

- Capacity gap in the management, recording, administration and full utilization of the new debt management and recording system (meridian).
- Debt data reliability challenges as a result of non-reconciliation with creditors.
- Delays in debt service process from cash allocation to the final stage of externalization.
- Delays in getting actual disbursement data from some creditors and implementing MDAs greatly limits our timely recording and reporting of disbursements.

1.6 Public-Private Partnership (PPP)

For the effective implementation of the PPP programs, a revised PPP Bill has been developed with the assistance of the ALSF legal consultant and submitted to MOJ for drafting and alignment with the relevant laws. The PPP Operational frameworks have also been revised (National PPP policy and Operational Guidelines) to be validated with stakeholders. A consultative and sensitization nationwide workshop was conducted with Local Government Councils, NAMs and other relevant stakeholders on the PPP legal and operational frameworks. A new Pipeline PPP Priority Projects has been compiled from MDAs, to be validated and inclusion into the PPP program.

PPP projects have been signed with private sector investors and implemented across various sectors in the economy namely: Financial, Telecommunication and Security sectors. To provide an effective oversight on the implementation of the on-going PPP projects, a PPP Contract Management Committees is constituted and fully functional.

Challenges:

- Limited understanding and adherence to the guidelines for implementing PPPs project within MDAs
- Inadequate communication from MDAs to DPPP with regards to structuring, assessing and contracting of PPP projects.

1.7 Public Investment/Aid Coordination and Management

This reform aims at ensuring efficiency in resource mobilization, aid coordination & management to deliver sound policy advisory on compliance (meeting guidelines of the Gambia Strategic Review Board (GSRB)) and performance on bilateral and multilateral donor-funded programs and projects. A project selection and appraisal criterion, as well as an appraisal guide, was developed to that effect with some step-down training also conducted to guide the board members and project coordinators on their task.

In terms of project monitoring and supervision, the Directorate embarks on quarterly project sites visit to ensure that the value for money is being accounted for. The latest of which is the recently concluded high-level project site supervision involving various Permanent Secretaries across sector ministries. This provides them with first-hand information of project implementation in the country and how impactful some projects are to the communities. In the same spirit and to ensure continuous alignment and coordination of donor interventions, a joint country portfolio performance review was conducted that brought together projects funded by the Islamic Development Bank, African Development Bank, World Bank, European Union, and the United Nations. The objective of this joint review was to take stock of the implementation progress and challenges faced by project coordinating units and how to resolve those challenges.

In terms of policy measurement and reforms structures, the Directorate is currently engaged in formulating a new aid policy as well as a Project Investment Plan that will guide the operation of the Directorate's roles and responsibilities within the realms of aid coordination and management. The objective is to ensure there is an efficient and effective utilization of aid resources and management in the country.

Challenges:

Availability of timely data from our Development Partners. In addition, the inadequate capacity and human resources required to fully implement the mandate of the directorate is also a huge challenge. Having a fully centralized and functional aid management database has been quite a challenge, and thus the reason for having fragmentation and under-reporting of our official development assistance (ODA)

1.8 National Development Planning

The National Development Plan (NDP) is the medium-term development blueprint for the period 2018 – 2021 that has been extended to 2022. In 2021, a Mid-Term Evaluation was conducted to assess the appropriateness of the plan, its institutional arrangements, financing and technical strategies, to track and report on the level of attainment of set targets as well as identify the factors that hindered progress including the impact of COVID-19, on plan implementation, with a view to suggest ways and means of improving the plan and its means of delivery. The evaluation revealed that after three years of implementation, 60 per cent of the outcomes are already achieved or are on track and are expected to be achieved by end December 2021. The rest of the outcomes are constrained and are not expected to be achieved. Of the total indicators therefore, 54 per cent are on track to be achieved while 46 per cent are constrained.

To address the impact of COVID-19 and the need for a successor NDP, the Ministry of Finance and Economic Affairs with UNDP support commissioned a Consultancy to pursue a Green Recovery Focused National Development Plan (GRF-NDP) to address the triple development challenges that beset the country: (i) the Covid-19 pandemic, (ii) climate change, and (iii) the risk of debt distress.

This formulation of the GRF-NDP is aimed at addressing the short, medium, and long-term recovery needs of the country (including resource mobilization) and promote an effective linkage from recovery into long-term sustainable development, given the end of Vision 2020 implementation. It will additionally enable The Gambia's Development Partners to better optimize their support to the country's recovery and medium, and long-term development needs.

On long-term planning, an independent evaluation of the country's Long-Term Vision (LTV) (Vision 2020) was undertaken in 2020. The evaluation assessed the level of achievement of

the LTV and proposed recommendations for the subsequent visioning process. MoFEA has in 2021 received Cabinet Approval for the formulation of the successor LTV (Vision 2050) for the country.

In 2020, The Gambia was granted approval by the United National Economic and Social Council (ECOSOC) to submit its first Voluntary National Review (VNR) on the Sustainable Development Goals (SDGs). The objective of the VNR is to share with other countries the steps undertaken to implement the 2030 Agenda, including the goals and targets, and provide an assessment of the results on the ground with a view to strengthen policies and institutions of governments and mobilize multi-stakeholder support and partnership for the implementation of the SDGs. Due to COVID-19, The Gambia virtually presented its VNR to the High-Level Political Forum (HLPF) in July 2020 and plans are afoot to have a second VNR in 2022. To ensure that our Local Government Areas (LGAs) are not left behind in SDG implementation, three (3) LGAs are inscribed for Voluntary Local Reviews (VLRs) in 2022. Strategic Plans for Banjul, Basse, Brikama, Kanifing, Janjanbureh, Kerewan, Kuntaur and Mansakonko Local Government Areas (LGAs) were formulated and aligned with the NDP. Currently, all LGA Strategic Plans except Janjanbureh Area Council, are being evaluated to make an independent assessment of their performance, assess challenges encountered, impact of COVID-19, identify key lessons learned, and propose recommendations.

Challenges:

Data challenges posed a major hurdle to SDG implementation with the country able to report on only 52% of SDG indicators during the 2020 VNR. To address data gaps realized and also update the status of SDG indicators, SDGs survey was conducted in 2021 by Gambia Bureau of Statistics and United Nations Department of Economic and Social Affairs (UNDESA) through UNDP support,.

2.0 Pillar 2: Budget and Procurement Management

2.1 Budget Management

The budget reforms seek to establish a more participatory budget planning align and spend resources in a credible, reliable, comprehensive, accountable, transparent manner to achieve value for money.

An annual Cash Plan (CP) is received from MDAs and updated on a monthly basis been published on the MoFEA website. This is to ensure that expenditures are smoothly financed during the year, it enables institutions to strictly follow their initial budget and to contribute to the implementation of the fiscal policy. The Citizen's Budget (CB) which is a simplified version of the National Budget is published on the MoFEA website on yearly basis to bring understanding of the budget to the general public. The Government of The Gambia was approved a budget of D22.074 billion and a SAP of 1.5 billion, with the revised budget D4.866 billion is spent personnel emoluments, D5.423 billion on other charges, D4.080 billion on subvention, D5.999 billion on debt service and 3.052 billion on capital development. As at end October, 2021 find below government expenditure.

Budget Class	Approved Budget	Revised Budget for 2021	Jan-Oct. 2021 Exp.	% of Revised Budget Spent
Personnel Emoluments	4,866,723,000	4,866,723,000	3,768,588,949	77%
Other Recurrent	5,057,101,660	5,423,826,622	3,716,474,093	69%
Subvention	3,734,086,366	4,080,300,622	2,566,700,448	63%
Debt Service	5,999,484,701	5,999,484,701	3,638,480,000	61%
Capital Development	2,416,840,000	3,203,900,782	3,052,663,180	95%

Total Expenditure	22,074,235,727	23,574,235,727	16,742,906,670	71%
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Source: January-October Expenditure Brief, Directorate of Budget

Challenges:

- MDAs do not send in their quarterly updates for the cash plan on time.
- Getting accurate data from the Epicor on time. This delays the publication of the reports sometimes

2.1.2 Gender-Based Budgeting

The MoFEA has laid foundations for the implementation of a gender responsive budget reform. Envisage for 2022, Ministries, Departments and Agencies will handpick gender related issues and outline causes of inequality and create awareness among the executives. This will require high-level political support for the reforms to be smoothly implementation. However, efforts need to be intensified to redress and mainstream gender in the entire budget circle supported by strong capacity/understanding of GBB by policy makers leading the budget process and its concerned stakeholders. The Ministry of Women, Children and Social Welfare has formulated a medium-term strategy aimed at addressing gender issues, whilst the existence gender policy is currently being reviewed. Also, a rehabilitation center has been established in Bakoteh to deal with issues related to Gender Based violence.

Challenges:

- No national trust fund for the differently-abled people
- There is no well-established rehabilitation centre

2.2 Procurement Management

Regarding Public procurement, the Ministry reconstructed the Complaints Review Board (CRB) to handle complaints lodged by bidders regarding process of tenders of public sector contracts. The CRB seeks to promote and sustain fairness in public procurement through a judicious adjudication of matters arising from clashes in procurement process. The GPPA Act

2020 has been finalized and submitted to the National Assembly for ratification. Special provision on gender procurement policy has been included in the ratified Act to enable and encourage women to actively participate in public procurement. A policy of continuous training is being fostered at the Directorate of Procurement. Half of the Cadre is trained on Procurement Management and all new-hires of 2021 have been trained on the Epicor system. A new degree program (Bsc. Procurement and Supply Chain Management) to commence spring 2022 is being initiated by the Directorate of Procurement and the University of The Gambia.

Challenges:

- Funds for training procurement personnel have been a major stifle.
- The Directorate of Procurement has not been accorded any active role in the evaluation of an e-procurement system.
- The Directorate of Procurement and The Gambia Public Procurement Authority have never had any direct contact as of 2021.
- Data from Epicor is scant, if any. As a result, consistent, accurate, meaningful reporting and analysis on procurement is non-existent.
- There is no coherent national strategy for public procurement due to lack of mandate for the Directorate of Procurement.
- There needs further amendment to the just revised 2020 Gambia Public Procurement Act to discern the role of The Directorate of Procurement from that of The Gambia Public Procurement Authority.

3.0 Pillar 3. Financial Management, Accounting and Reporting

3.1 Integrated Financial Management Information System (IFMIS)

This reform is aimed to enhance the management and accounting of public funds within the confines of the public finance laws and regulations, expansion of IFMIS and cash management and the implementation of TSA

The IFMIS is been supported by the EPICOR 10 version and supported the production of real time data, clearing of backlogs, production of financial statements and the introduction of

modules/solutions (National Asset register, Contract management module Accessible document management module, Electronic Funds Transfer etc.) for decision making and reporting.

The IFMIS has been successfully launched covering all sub-treasuries, Local Government Authorities (LGAs) and all Embassies to help strengthen their operational efficiency. The IFMIS and CBG (T24) have been successfully interfaced, but the Meridian is still pending with discussion taking place for the interface. The upgrading of ICT facilities is ongoing with 187 desktops distributed and replacement of the old wireless equipment for better connectivity and operational efficiency. Plans are to roll out the IFMIS to sub vented agencies and government self-accounting projects in 2022.

The Electronic Funds Transfer (EFT) is successfully implemented for central government with AGD stabilizing its implementation and data cleansing for all transaction of GoTG before the EFT is rolled out to self-accounting projects, agencies and GRA. A project proposal alternative to the IFMIS have also been developed and reviewed by AGD. The EFT has reduce cash handling and expedite payment processes.

The AGD has started implementing the National Assets Register which seeks to keep track of all government assets, detail out what condition they are in and cost associated with them. The solution to capture government assets is ready for use with some sectors identified for piloting. AGD is currently under study of the asset management module and work is ongoing for the development of an asset management policy for 2022.

The valuation of Government Estate/Property is also ongoing with the vehicle policy being validated and collation of government furniture launched and subjected to validation. The solution for contracts management has been deployed after successful piloting with MoFEA & AGD. The Accountant General staff have also been trained on document management. However, data continue to be a challenge to improve data collection an inter-ministerial committee was establish to identify and revalue all the Government Assets.

Challenges:

- The migration from EPICOR 9 to 10 causes delay in the submission of GoTG Financial Statement to NAO
- No Asset Management Policy to manage government's asset

3.2 Treasury Single Account and Cash Management

The TSA payment gateway platform and its interface for Revenue Collection through the Commercial Banks is being validated, with the contract signed and implementation of revenue & payment platform in progress. A first edition manual is in place, revised to incorporate all pending channels to the TSA. The commercial banks were sensitized on the payment platform draft design document. The Accountant General of the Federal Republic of Nigeria continues to provide technical assistance in the step to step efforts in implementation of TSA in the Gambia.

Challenges:

Slow progress in the implementation of TSA

4.0 Pillar 4. Internal Auditing, Control, Governance and Risk Management

A position paper was developed with support from IMF and shared with the Management of MoFEA for review in developing of Internal Audit regulatory Framework or an act of parliament to establish the independency of Directorate Internal Audit. This will help the Internal Audit to retain best talent and enforce the implementation of Audit Recommendations. Additionally passing an act for the Internal Audit will help to improve on internal audit institutional capacity.

Audit Committee has been established by Ministry and has taken effect since September 2021 to address risks at both strategic and operational levels to achieving MDAs objective. Following the implementation of the ERM in 2019, the roll out has been constrained by the COVID-19. Out of 28 Ministries only 6 were piloted with limited effects. This has motivated an impact assessment study for 5 commonwealth countries including the Gambia.

Challenges:

No training to the Committee.

5.0 Pillar 5. External Scrutiny and Oversight

5.1 External Auditing Accountability and Transparency

Reforms under this pillar includes independent review and external scrutiny on the management of public funds and follow-ups on the implementation of audit recommendations.

The National Audit Office (NAO) have recognized the need for high-quality audit reports for greater public understanding of findings and recommendation by establishing a Quality Assurance Function. Thus, identified five staff to be performing these functions. A final report by the QA team on the implementation status by external reviewers was finalize and shared with Management. The identify staff were not trained as a result of constraint on funding. The development of ICT system to conduct IT audit is increasingly important as the government's financial management system is being upgraded from the current version of Epicor 9 to Epicor 10 with migration of government from manual to digitalized systems with varieties of new modules and integration of systems within government institution. The need for capacity building is paramount for the NAO with equipped IT infrastructure to perform these functions.

The Regularity Audits (Financial Audits & Compliance Audits), the NAO have finalised 11 report in 2021 and submitted to the National Assembly but none of them were discussed at the NA. The 2016, 2017 and 2018 Auditor General's report on the consolidated financial statement of The Government of The Gambia were presented to the National Assembly and discussed, the 2019 draft management letter on the consolidated financial statement of GoTG a partial response to the findings contained in the draft management letter were made due to lack of response receives from MDAs. Thus, causes delay in the submission GoTG financial statement to NAO by AGD. On Performance Audit 7 report were submitted to NA but none were been discussed.

Challenges:

- Backlog of audit report at National Assembly and lack of fund to pilot IT/IS report by NAO.
- NAO encounters excessive delay in receiving response from auditees

5.2 Parliamentary Oversight Function

A capacity needs assessment (CNA) was conducted for the National Assembly (NA). The NA through 2021 and beyond wish to focus on achieving the recommendation from the CNA as followed:

- Fit-for-purpose Committee Secretariat with the structure, skills, and capacities to provide effective support to NA members
- NA-led, coordinated approach to its own development assistance
- Mainstreamed and appropriate approach to women's participation and leadership at all levels of the work of the NA
- Development of a robust Communications and ICT infrastructure driven by competent staff to advance the eventful digitalization of the National Assembly Plenary Sessions, committee operations and e-library services through a web-based management system
- Development of a human resource-based management system
- Strengthening the capacities of the staff of Finance, Accounts and Procurement Units for continued use of effective and efficient accounting and financial management systems and standards

Further strengthening of the Parliamentary Table Office and Legal Affairs Unit and to deepen the urge to conclude the establishment of the Parliamentary Budget Office as envisaged in the Draft National Assembly Service Bill, 2021

The committee operations restructured were reviewed. Three more specialized committees were established e.g. Human Rights & Constitutional Matters, Public Petitions and the Subsidiary Legislations Committees. As a result of the CNA, the Standing Orders were reviewed which ushered in a comprehensive committee operations structure giving rise to functional, effective and relevant standing/select portfolio committees. Various end-to-end legislative oversight and scrutiny trainings were also conducted to strengthen the capacity of NAMs in the application of the rules of procedure of the Assembly as well as the entire oversight mechanism.

Challenges:

- Backlog of audit report at National Assembly and lack of fund to pilot IT/IS report by NAO.
- NAO encounters excessive delay in receiving response from auditees.

Resource constraint to:

- Participate in several inter-parliamentary diplomacy conferences, trainings and meetings in the sub-region, Africa and beyond to improve capacity and learn from other countries best practices
- Increase mobility fleet for committee operations
- Conduct comprehensive specialized trainings for NAMs and staff
- Expand or construct more committee meeting rooms as well as offices for each NAM within the Assembly premises
- The remuneration of NAMs is not at par with their counterparts in the other two organs of state i.e. Executive and the Judiciary there by making it difficult to attract certain caliber of talents, skills and professions to appreciate carriers as legislators.
- Dependence or reliant on partners to fund certain capacity enhancement programmes

6.0 Pillar 6. Local Government Authority Reforms

6.1 Rolling out of IFMIS:

This seeks to achieve effective financial management, accounting and reporting systems with the aim of enhancing access to reliable financial data for reporting and informed decision making.

All LGA's are successfully riding on the IFMIS having their revenue and expenditure items captured to the latest. Most of the councils have purchased additional desktops for their IFMIS users for smooth implementation of the reform. Mansakonko, Janjanbureh, Kanifing and Basse Area Councils registered a 20-meg internet bandwidth and have considerable attainments in implementing the IFMIS. A noticeable progress is also attained by Banjul, Kerewan, Kuntaur and Brikama Area Council.

CHALLENGES:

- The cost involved in installing IFMIS
- Shortage/unstable electricity power and energy backup to continue their routine work
- High cost of Internet fibre connectivity
- The IFMISs inability to generate report and the systems also repeats the same report when printing
- The IFMIS users in some councils need more capacity building on the usage of the IFMIS
- Lack of clarity in the code of the IFMIS in some councils.

6.2 Budgetary Reform:

This reform seeks to achieve an effective participatory approach to planning, aligning resource allocation to priorities, and to instil fiscal discipline in all LGAs. KAC, JAC, BSAC, BAC and KMC have recruited a budget officer to facilitate the budget planning and implementation of their budget with MKAC, BCC and KTRAC identifying budget officers but they are yet to be recruited/redesignated. In addition, councils budget officers were trained on Program Based Budgeting (PBB) structure and techniques and all LGAs have structured PBB envisaged for 2023 budget with a two lay defined structure (i.e. Program and sub-program) the large LGAs (Banjul, Kanifing, Brikama and Basse and Kerewan) have adopted a-five-structured programs, whilst the rest have four programs to help enhance their reporting system. BSAC and KMC have successfully developed their MTEF, however, KMCs MTEF is yet to be reviewed and validated by the directors and other staff of the council.

CHALLENGES:

- Some councils need more capacity building for the identified budget officers
- Inadequate resources for the smooth implementation of the reforms

6.3 Procurement Reforms:

This reform aims to achieve transparency and accountability in the procurement of public goods and services by LGAs, ensure value for money and increase capacity and standardise procurement for LGAs for increased effectiveness and efficiency in the procurement process. All the councils have trained procurement officers, except KAC whose operations is carried out by a procurement clerk. There have been noticeable attainments registered in the development of a functional procurement plan by KTRAC, BCC, BsAC, MKAC, BAC and KMC. Additionally, all councils conducted sensitization on GPPA registration of local business, as a result, the compliance rate has improved in most councils and MKAC in collaboration with the GPPA also trained its local suppliers.

BAC established a Receipt and Examination Committee as recommended by the GPPA Review exercise 2019 which seeks to increase transparency.

CHALLENGES:

- Insufficient local vendors registered within the LGAs
- Inadequate resources, the pay packages of recruiting competent staff are a hindrance for Councils to recruit good staying staff.

6.4 Internal Audit Reform:

This seeks to provide an independent objective assurance in the use of resources, consulting services to management, with the principal aim of evaluating and improving the effectiveness of risk management, control and governance processes. The established Internal Audit Offices (IAO) will enhance proper use of resources, governance and risk management.

The LGAs have recruited/redesignated internal auditors with most of them trained by either DIA or NAO. However, only KTRAC, KMC, BsAC and MKAC have established audit committees. JAC and MKAC have also been audited by NAO and the results were satisfactory. Moreover, some councils have started the production of quarterly audit reports. A noticeable achievement was attained by BAC for conducting a first ever system and performance audit review for the year 2020, with revenue audit exercise also on-going.

CHALLENGES:

- Revenue collectors not adhering to auditors
- Limited staff and mobility constraints
- Longevity, pay packages and qualification levels are three issues that need to be fixed within the internal audit unit of BCC.

6.5 Revenue Administration and Management:

This reform seeks to increase revenue collection and help broaden revenue base of councils. The councils will embark on Digital Tax Collection System (E-Payment) which is expected to enhance efficiency and effective revenue collection system and increase the revenue base of the council.

BAC, KMC and BCC have partially progressed in implementing DTCS with BsAC being the only council that has fully operationalized the DTCS which has greatly increased their revenue. BSAC has also signed an MOU with 5C energy who supply them with collection machine in a year, if the total revenue collected is above 20 million GMD, it will be shared with the 5C energy company.

In addition, KMC signed an MOU with GTB, Eco bank, Mega bank and AGIB bank and also trained their tellers. KMC also set up a policy that, 3000 GMD should be paid to the bank by businesses but the council is flexible with the mode of payment eg mobile app cash transfer. In addition, only two of the councils BAC and JAC have identified a tax bracket of 10,000 with the remaining councils still pending. On-going efforts to valuate and revalue major properties or businesses within the BAC.

CHALLENGES:

- The small amount of cash collected from the markets are hard to trace because they are not shown in the system.
- Payments are done manual so the council did not have a sufficient data of the revenue collected daily.
- No banking system available at JAC for businesses to pay dues, all is done manually which is resulting to the loss of revenue and data
- Mobility constraints

- Low public compliance level with regards to the revenue measures

7.0 Pillar 7. Cross Cutting Issues

7.1 Civil Service Reform

The overarching law of Public Service Act of 1991 which governs the functions of the civil service is plan to be reviewed and updated in 2022. This is been supported by the completion of the pension, new pay and grading reforms replacing the existing grading system. The new grading structure will be 10 grades instead of the current 12 plus fixed grade.

The Annual staff inspection and assessment exercises is on-going and desk review of data is collected. The payroll is now transferred from the AGD to PMO to ensure there is payroll integrity and efficiency. This office is awaiting the official Cabinet conclusion on the Cabinet paper on the new pay. Review of sector and cadre specific allowances is been done with the incentives to attract and retain qualified personnel to serve in hard-to-reach areas and risky environments.

The Performance Management policy is still under development but the key objective is to ensure that all rewards, such as promotions etc are based on performance and merit rather than seniority. This will in turn ensure the enhancement of productivity in the Civil Service. The Electronic signing-in device provides authenticity and ensure that the signer's identity is verified. This system already is in use at some ministries and PMO, Ministry of Justice, Ministry of Agriculture, National Assembly and National Audit office.

Challenges:

- Financial constraints
- Delay in Executive and Legislative processes
- Inadequate requisite capacity to effectively implement the reform program

7.2 Effective and Efficient Records Management System

The Electronic Records Management System (ERMS) is a system introduced to enhance the operational effectiveness of the Government of The Gambia through the design, development

and implementation of a customized records management that will facilitate increased efficiency in the organization, preservation, retrieval, use and disposition of the Gambia Government Records.

The National Records Service Act 1993 provides a comprehensive code for the management of 'public' records throughout their life cycle

Firstly, rapid changes in technology mean that digital records will become inaccessible in legacy systems as hardware and software becomes obsolete. Secondly, there is a tendency for the records of Government operations to become fragmented as so much work is now carried out on stand-alone computers and devices. The NRS is currently testing and implementing an electronic records management system (ERMS) to address the need for systems, policies and standards to manage electronic and digital records

The purpose in updating the NRS Act is to define more precisely the term 'records' and include explicitly the NRS's responsibility to set standards for the management of Government records and data in all formats. At the same time, the powers of the NRS and the National Records and Archives Committee need to be strengthened so that the NRS can ensure compliance with Government-wide policies and standards.

The NRS is seeking the advice of a legal draftsperson who can give an opinion on whether these changes are possible and how to express them in a new Act or an amended one

Challenges:

- Lack of adequate staff number, appropriate equipment, funds, and time resources remain as obstacles to the effective implementation of the Strategic Plan
- The Cadre has no expertise in Records Appraisal; therefore, we are planning to outsource experts to help us do it
- The ERMS team is overwhelmed with the work load of having to roll out ERMS to more MDAs due to inadequate staff number
- There is no server for the digitalization of the archives but we would budget for its purchase in the 2022 Estimates

7.3 Health Sector Financing

The main aim of the National health insurance scheme (NHIS) is move towards achieving universal health coverage and is expected to benefit the population, by eliminating or reducing out of pocket expenditure for health. The scheme provides financial risk protection, increased access to quality healthcare services and improvement of the overall health system for better service delivery. The scheme has three functions namely revenue collection from various sources, pooling of funds and spreading of risk across larger population growth and allocation or use of funds to purchase services from public and private providers on healthcare. The National Health Insurance Scheme Bill, 2020 is currently at the National Assembly for enactment (the Bill has undergone first and second readings and referred to the Committee level for further scrutiny. The Joint Committees have concluded its stakeholder consultations and the bill is expected to be presented to plenary for consideration).

The Results-Based Financing (RBF) Objective is to increase the utilization of health and nutrition services in The Gambia using a combination of supply and demand sides of the RBF approach. The main objective of the RBF is to improve the availability, accessibility, affordability and quality health services with a focus on comprehensive and integrated key reproductive, maternal, new born, child adolescent health and Nutrition as well as EPI, HIV/AIDS, Malaria, TB and NCDs which is already in existence.

The fiscal space analysis for health seeks to identify all sources of funds for the National Health Insurance Scheme to ensure its sustainability. Proposal to conduct Fiscal Space Analysis Study has been developed and shared with donors for funding

The objective of WTP Study is to assist the Ministry of Health in assessing the willingness to pay for health insurance of different sections of the Gambian population for health insurance, identifying the key factors that influence this willingness and the levels of premiums that different groups might be willing and able to pay. Proposal to conduct Willingness to Pay study (WTP) has been developed and submitted to WHO for funding

The information gathered will be utilized to develop a range of scenarios that the Ministry of Health can utilize in setting the premiums for the NHIS and will provide evidence upon which national take up might be predicted.

Challenges

But however, this sector faces series of challenges like lack of adequate staff number, delays in Executive and Legislative processes, appropriate equipment, funds, and time resources remain as obstacles to the effective implementation of the Strategic Plan

8.0 Recommendation

- Intervention from both GoGT and donor partners continued to be crucial, however, GoTG should take more ownership of the reforms for continuity;
- There is need for more political will to aggressively pursue the reforms;
- GoGT should continue fiscal consolidation for improved debt management and sustainability;
- Continuity in maintaining strong systems for transparency and accountability of public resources remain prudent;
- Continuous capacity development is critical in accelerating the implementation of the reforms;
- GoTG should accelerate efforts to further consolidate the SOEs, and LGAs reforms.

9.0 Conclusion

In conclusion, the PFM stakeholders are now recognising the benefits of pursuing the reforms making coordination and implementation more effective.