



Ministry of Finance

PFM PROJECT STEERING COMMITTEE MEETING #1 (2019)

Meeting Minutes

Date: 27th November 2019, Wednesday

Venue: Ministry of Finance, 6th Floor

Time: 10:00 – 11:00

PROPOSED AGENDA ITEMS:

1. Introductory remarks by Minister, Ibrahim Ameer
2. Presentation on PFM project, project timeline and project progress led by Project Director, Mr. Abdulla Hassan
3. Discussion of project development indicators (PDO) and intermediate indicators
4. Presentation on migration to accrual accounting, led by Financial Controller, Ms. Fathimath Razeena
5. Other items

Discussions

- ❖ Agenda Item 1:
 - Minister welcomed committee members and introduced the PFM project
- ❖ Agenda Item 2:
 - Project Director presented on the project components and current progress.
Key activities noted during the meeting include:
 - Enhancing Medium Term Fiscal Framework
 - Strengthening Debt and Cash Management
 - Strengthening of management of Capital Budget
 - Strengthening of Public Accounting System and Asset Management
 - Strengthening Payroll management and control
 - Strengthening SOE's governance and monitoring
 - Procurement reform
 - Presented layout of online PFM project monitoring portal:
 - Recently developed; yet to be fully updated.
 - SC members will be provided access to the portal. Members will be able to utilize the portal with specified roles such as accessing SC

meeting records, viewing project implementation plan and progress reports, having discussions, and related resources.

❖ Agenda Item 3:

- Discussion of draft Aide Memoire:
 - Project ratings concern raised – Project ratings is determined by considering tasks completed and disbursements. The project currently has a very low disbursement value. The main reason for this is that many tasks related to the PFM project are carried out in house, it is not carried out as a separate consultancy. Therefore, additional payments are not incurred to external consultants.
- Minister encouraged the Steering Committee members to propose PFM related reform activities that they feel will benefit public financial management, and noted that the PFM project is a key priority for the Ministry.

❖ Agenda Item 4:

- Presentation on migration to accrual accounting by Financial Controller.
 - Some challenges:
 - The current resources and mechanism do not allow the government to prepare financial statements as per desired format.
 - Currently IPSAS and GFSM are not reported on in a harmonized manner.
 - Legislative and PFR alignments are critical
 - Current status:
 - Have developed a TOR to hire advisers. The plan is for these advisers to conduct a gap analysis to reach from current processes to full migration, after which MoF will key in challenges and both parties can then develop a timeline.
 - Accrual committee has been formed to discuss way forward. Meets weekly.
 - Way forward:
 - Implementation will take about 7 to 10 years to be completed. Hence, FC requested endorsement at a policy level toward moving for accrual accounting
 - This task is strongly related towards achieving Strategy 3.5, under Section 5.4 – Policy 3 in the National Strategic Action.

Conclusion / Next Steps

- ❖ Secretariat will provide access to SC members as soon as the portal is up and running.

Attendees:

#	Name	Role	Designation / Office
1	Ibrahim Ameer	Chairman	Minister / MoF
2	Ismail Ali Manik	Co-Chair & Member	State Minister / MoF
3	Fathimath Razeena	Member	Financial Controller / MoF
4	Nuha Mohamed Riza	Member	Under Secretary / PO
5	Hussain Niyazy	Member	Assistant Auditor General / AGO
6	Shahmeel Ahmed	Member	Senior Finance Executive / CSC
7	Ahmed Shafneez	Member	Director General / MIRA
8	Muna Ibrahim	Member	Assistant Executive Director / MMA
9	Shafaath Habeeb	Member	Director / MoCST
10	Ahmed Mazin	Participant	Permanent Secretary / MoF
11	Mariyam Manarath Muneer	Participant	Senior Policy Director
12	Abdulla Hassan	Secretariat	Project Director / MoF