



Launch of the PFM Reporting Framework Version 2.0

In 2018, AFROSAI-E released the Public Financial Management Reporting Framework tool, for use by SAIs. The tool, which was developed jointly with the GIZ, enables SAIs to report holistically on country public financial management risks.

Through the 15 SAI-led pilots of the tool, it was concluded that it is user-friendly, a good way to increase innovation of SAI audits, and primarily designed with the aim of increasing the value addition of the SAI audit process. Using feedback from these 15 SAIs, the joint AFROSAI-E / GIZ team have been working together with subject matter experts from various SAIs, to improve the tool. **Three main areas where successfully addressed:**

- (a) Technical issues with the excel formulae in data capturing.
- (b) Improved ability and agility of the tool to audit SDG implementation.
- (c) Improved consistency and robustness in the audit of disaster preparedness of government institutions.

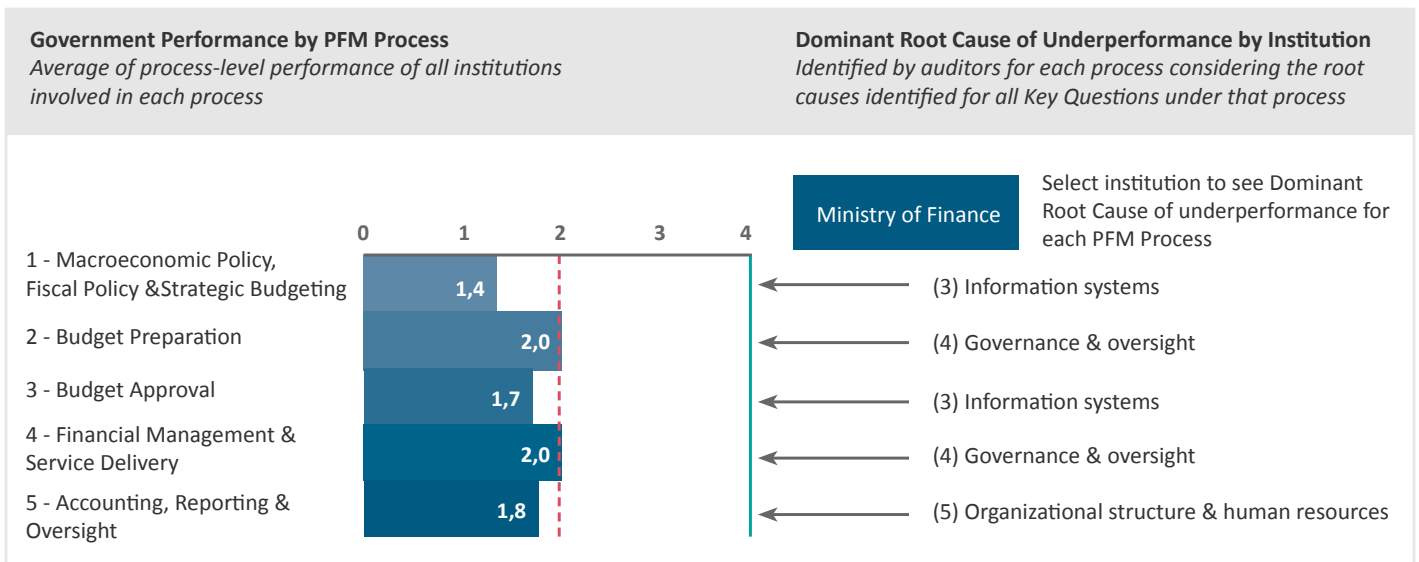
We are pleased to now announce the launch of: *The PFM Reporting Framework version 2.0.*

What is the PFM Reporting Framework version 2.0?

Version 2.0 included improvements on the excel-based tool, which allows auditors to assess the performance of PFM processes along the whole budget cycle.

The development of this Framework was inspired by existing assessment frameworks like Public Expenditure and Financial Accountability, while catering for the specificities of the work of SAIs. The assessment covers core PFM policy making institutions such as the Ministry of Finance, Parliament and Revenue Authority, as well as important sector ministries and departments. These spending ministries are selected based on their potential contribution to the achievement of the SDGs and typically, includes the Ministries of Health and Education.

The Framework considers the different roles of the entities involved in PFM and allows auditors to assess the PFM performance of each of them. For each assessment question the auditor selects a level of performance which is then graded and automatically converted into a graphic dashboard presenting the results e.g.:



Key changes: SDG implementation and disaster preparedness audits

From a thematic perspective, the key focus of the tool is to engage SAIs to deliberately perform audits on the achievement of SDG targets at both ministerial and national levels.

In the wake of the COVID19 pandemic, AFROSAI-E commenced with a research project on: SAI Resilience in addressing the auditor expectation gap during disaster periods: The case of sub-Sahara African SAIs during the COVID19 pandemic. While the research is still being finalised, initial indications show that in the past seven years, few SAIs had performed audits on disaster preparedness of the government systems. The PFM Reporting Framework version 2.0, includes an increased number of audit procedures to allow SAIs to audit disaster preparedness of government systems more regularly.

Expected benefits

- Identifying key PFM risk areas
- Comparing entity performance
- Understanding root causes
- Understanding PFM trends
- Robust and consistent audit of SDG implementation and disaster preparedness by SAIs
- Simplicity for users
- Clear reporting to stakeholders

The environment in which SAIs operate is becoming increasingly complex, with high expectations on the value and benefit SAIs should have for citizens. We believe the PFM Reporting Framework tool Version 2.0, is a step in the right direction towards improving the way in which SAIs are meeting their mandate to demonstrate the value and benefit SAIs have for its citizens.

For more information and access to the PFM Reporting Framework version 2.0 and related guidance material, please contact Edmond B Shoko on edmond@afrosai-e.org.za.

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