

PROJECT PROFILE

JAMAICA

I. BASIC DATA

Project name:	Public Financial and Performance Management		
Project number:	JA-L1003		
Project team:	Team leader: Gonzalo Afcha (ICF/ICS); Julie Feinsilver, Jorge Von Horoch, and Valeria Wedolowski (ICF/ICS); Carina Cockburn (MIF/CJA); and Diego Buchara (LEG/SGO)		
Borrower:	Jamaica		
Executing agency:	Ministry of Finance and Public Service (MOFPS)		
Financing plan:	IDB (OC):	US\$	30,000,000
	Local:	US\$	
	Total:	US\$	30,000,000
Safeguards:	Policies triggered:	N/A	
	Classification:	Not required, according to ESR policy directive B-13	

II. GENERAL JUSTIFICATION AND OBJECTIVES

- 2.1 **Background - The GOJ fiscal strategy:** Jamaica has a history of large fiscal imbalances and high levels of public indebtedness (127% of GDP in FY2007/08), the latter originated mainly from debt absorption related to the financial crisis of the mid-1990s and the debt of public enterprises. High public sector debt imposes high debt servicing costs, leaving the country vulnerable to adverse shocks, increasing macroeconomic uncertainty and lowering the long term growth perspectives as public investment capacity is crowded out by the debt service.
- 2.2 The central element of the Government of Jamaica (GOJ) fiscal agenda has been to obtain high fiscal primary surpluses for debt sustainability. In FY2007/2008 the primary surplus is estimated at 9.0 % of GDP; achieved as in previous years mostly at the expense of investment spending. Capital expenditures have declined from over 4% percent of GDP in the mid 90s' to an estimated 2% of GDP in FY2007/08. This sharp decline in capital expenditures has restricted the GOJ's ability to promote growth through public investment and has intensified the need to increase the efficiency of public expenditure.
- 2.3 The new GOJ administration has an ambitious medium term strategy that places high priority on the maintenance of macroeconomic stability, fiscal consolidation and structural reforms to address the country's economic challenges. Key objectives of the GOJ fiscal consolidation strategy are related to reversing existing public debt build-up dynamics and improving efficiency of public expenditure by strengthening fiscal discipline and modernizing its public financial and performance management practices and systems.
- 2.4 Fiscal discipline may require the adoption of specific fiscal rules to circumscribe government borrowing, spending and debt accumulation. These rules together with

improved debt, financial and performance management systems should help to promote fiscal responsibility and credibility.

- 2.5 **Efforts on Public Sector Modernization:** GOJ interventions in public sector modernization have followed the Cabinet approved *Public Sector Modernization Vision and Strategy 2002-2012*, which identifies among its key objectives the establishment of systems to achieve better value for money in the delivery of services. These reforms included the creation of Executive Agencies (EAs) to deliver public services, the improvement of corporate planning, piloting a new financial information system and the introduction of accrual accounting, the issuance of a procurement handbook and new staff orders for public servants. The GOJ strengthened financial management policy and oversight, and issued legislation governing the role of the Contractor General in procurement, access to information, and prevention of corruption.
- 2.6 In spite of this progress, the assessment conducted under the *Joint CFAA/CPAR*¹ indicated that the impact of these reforms is negatively affected by the following issues, among others:
- a. Financial Management: inadequate financial management information system and outdated chart of accounts and budget classification; absence of effective commitment controls; slow and uneven implementation of accountability mechanisms for EAs; incipient internal control and internal audit systems, and a weak link between planning and budgeting.
 - b. Debt Management: large number of debt related laws and regulations affecting efficiency of debt management.
 - c. Procurement: Handbook provisions not legally enforceable; lack of clear separation of contract award and oversight functions; Cabinet involvement in contract awards and low thresholds; lack of centralized information system.
- 2.7 Last year, the GOJ undertook a diagnostic review of the results achieved in the execution of its *Public Sector Modernization Vision and Strategy 2002-2012*. Based on this work and other core studies financed by the PRODEV I technical cooperation (JA-T1015), and previous assessments such as the CFAA/CPAR and the Report on *Public Expenditure and Financial Accountability* (PEFA), the GOJ has prepared a Medium Term Action Plan (MTAP) for Managing for Results (MfR).² Through the implementation of this plan, GOJ authorities expect that government interventions and activities will be better-prioritized, more focused on the objectives of modernization, better communicated and subject to regular fundamental reviews. The plan contains actions to improve the accountability mechanisms to better monitor and evaluate Government institutional performance. To support the implementation of the MTAP the Bank has recently approved the PRODEV II technical cooperation (JA-T1024).

¹ *Joint Country Financial Accountability Assessment and Country Procurement Assessment Report*, World Bank – Inter-American Development Bank June 2005

² The GOJ's document "Government at Your Service. Comprehensive Review of Ministry Paper No. 56/2002 and a Medium Term Action Plan for Managing for Results".

- 2.8 The CFAA/CPAR, the PRODEV I and II TCs, and other Bank technical assistance have intensified the dialogue around the GOJ's reform agenda. As a result, GOJ authorities requested Bank support for an extensive policy reform program. The best mechanism to provide effective and flexible support to the request is through a policy based loan under the programmatic modality because it supports complex and long term reforms that require sequenced actions for implementation and broader dialogue.
- 2.9 **Program Objectives:** The objective of the program is to support the GOJ reform efforts to improve expenditure management and performance management in the public sector. The reforms combine policy initiatives and government actions in four areas: fiscal responsibility, financial management, public procurement; and performance management and accountability. These reforms are critical for the coherent operation of the fiscal responsibility framework and for increasing the efficiency of public expenditure, which contribute to ease the fiscal burden.
- 2.10 The program is proposed under the programmatic reform loans modality with three sequential operations (see policy matrix in Annex V). This first operation consists of a series of policy and operational reforms whose compliance will be precedent for a sole disbursement (US\$30 million), and the forthcoming operations (of US\$30 million each) will be processed once the authorities reach the agreed triggers for the second and third operations.
- 2.11 **Bank's Country Strategy:** The Bank's strategy for Jamaica (GN-2422-1) rests on three pillars: (i) promoting private sector development; (ii) getting better value for money; and (iii) reducing vulnerability to crisis. The proposed operation directly supports the second objective, and indirectly the third objective, since it support improved mechanisms for more effective and efficient use of public resources.

III. TECHNICAL ISSUES AND SECTOR KNOWLEDGE

- 3.1 **Components of the Program:** The program is divided into two components, each with targets related to changes in the relevant legal framework as well as procedures and/or instruments necessary to achieve the desired goals.
- 3.2 The present operation, the first of the programmatic series, represents the initial step towards the achievement of the overall program objectives, laying the foundation for the rest of the program. The conditions prior to disbursement of the loan for each component are still under discussion with the authorities and may be subject to modification, including simplification.
- 3.3 **Component I: Expenditure Management.** Under this component the program aims at improving the efficiency of expenditure management by enhancing the legal framework for fiscal responsibility and debt management, and addressing critical public financial management and procurement issues identified in the CFAA/CPAR. Specifically, the program interventions and targets under this component are:
- a. **Fiscal Responsibility:** To enhance accountability, transparency and sustainability in debt and medium term fiscal management the program will seek the

simplification and harmonization of regulations and, legislation for debt management, and the development and adoption of a fiscal responsibility act. **As a condition for disbursement of the first loan, the GoJ will** develop and submit to Cabinet the fiscal responsibility framework and the proposal for the simplification and harmonization of the legal framework for debt management.

- b. **Public Financial Management:** Program emphasis will be on critical elements for improving the effectiveness of Public Financial Management, such as the enhancement of the legal framework and supporting systems and instruments. This includes: (i) amendment of the Financial Administration Act to include an enhanced framework for internal audit and control and the adoption of improved instruments to perform these functions; (ii) modernization of the financial management instruments, including the adoption of a new Chart of Accounts and budget classification system, and the operation of an effective integrated financial information system (IFMIS). **As a condition for disbursement of the first operation, the GoJ will:** (i) table in Parliament the FAA act amendment that includes enhanced framework for internal audit and control; (ii) have initiated a needs assessment for IFMIS; and (iii) have issued the internal audit quality assurance manual and made its use mandatory.
- c. **Public Procurement:** To improve efficiency and transparency in public procurement the program will focus on reforms to support standardization and enforcement of policies and procedures. In this regard the program will seek (i) the issuance of the new regulations for procurement that include sanctions for non-compliance; (ii) the modification of the procurement thresholds and the adoption of improved procedures and instruments for public procurement; and (iii) the introduction of e-tendering as a first step of an e-procurement solution. **As a condition for disbursement for the first loan the GoJ will:** (i) have issued (or tabled in parliament) new regulations for public procurement that include sanctions for non-compliance; (ii) have raised procurement thresholds; (iii) have officially approved standard bidding documents and a revised procurement handbook and made their use mandatory; and, (iv) have approved by the MFPS an e-procurement strategy.

3.4 **Component II: Performance Management.** Under this component the program aims at establishing a Performance Management and Evaluation System (PMES) and enhancing the accountability framework for the improved functioning of the Executive Agency (EA) and Performance Based Institutions (PBIs) models. Specifically, the program interventions and targets under this component are:

- a. **Performance Management:** The program will focus on key elements for enhancing performance management including: (i) the development and initial implementation of a PMES, and the establishment of a Unit in Cabinet Office to lead system implementation; (ii) the implementation of the first phase of the MTAP; and, (iii) the improvement of instruments to better link the planning and budgeting functions of government. **As a condition for disbursement of the first loan the GoJ will:** (i) have fully implemented the pilot Performance Monitoring and Evaluation System (PMES) in the Ministry of Transport and Works; (ii) have officially approved Medium-Term Action Plan for Managing for

Results (MTAP) and initiated its implementation; and, (iii) have approved by Cabinet an enhanced system for project prioritization.

- b. **Accountability framework for EA and PBIs: Performance management** relies on improving the accountability framework, consequently the program focus is on: (i) the issuance of regulations for the Executive Agencies Act; (ii) development and approval of a detailed framework for improved performance and contract agreements for Permanent Secretaries (PS)s and CEOs of EA and PBIs, and; (iii) development of an improved governance and accountability framework for the Regional Service Delivery System. **As a condition for disbursement for the first operation, the GOJ will** develop and approve a detailed framework (including a monitoring system) for improved performance and contract agreements for Permanent Secretaries (PSs) and CEOs of Executive Agencies and PBIs.
- 3.5 **Sector Knowledge:** The present operation derives from the “*Medium Term Action Plan - Government at your Service*”, and the “*Integrated Framework for Management for Results of the Government of Jamaica*”, the updating and preparation of which were supported by the PRODEV I TC. Other relevant inputs for the operation are drawn from, among other things, the findings of the Public Sector Modernization Program (PSMP) and the CFAA/CPAR.

IV. SAFEGUARDS AND FIDUCIARY ISSUES

- 4.1 Given the nature of the program involving institutional strengthening activities, no social or environmental issues are foreseen. Based on the afore-mentioned, according to Policy Directive B-13, and based on the results of the Safeguard Policy Filter Report, no classification is required for this Program.

V. OTHER ISSUES

- 5.1 The European Union (EU) is preparing a budgetary support operation “Debt Reduction and Growth Enhancement Program”. The present Program supports GOJ efforts to achieve some EU Program conditionalities related to debt management and fiscal responsibility.

VI. RESOURCES AND TIMETABLE

- 6.1 To complete program preparation, the following schedule for 2008 is proposed: orientation mission (late July/early August) and analysis mission (late September). It is expected that the POD will be sent to QRR by September, and the operation will be approved by late October. The total administrative resources needed for project preparation are US\$137,600. Five consultancies will be contracted for a total of US\$110,600 (of which US\$36,000 has already been committed). The estimated cost for Missions is US\$27,000 (of which US\$12,600 has already been spent). The staff needed for project preparation are, up to June 1, 2008, three specialists from HQ and two thereafter, two specialists from COF/CJA, one attorney, and one project assistant (see Annex IV for details).

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ANNEX I

SAFEGUARD POLICY FILTER REPORT

PROJECT DETAILS	IDB Sector	Reform/Modernization of the State
	Type of Operation	Policy Based Loan (PBL)
	Additional Operation Details	
	Country	Jamaica
	Project Status	New Operation
	Investment Checklist	Institutional Development Investment
	Team Leader	Gonzalo Afcha
	Project Title	Public Financial and Performance Management
	Project Number	JA-L1003
	Safeguard Specialist(s)	<i>To be completed by assessor</i>
	Assessment Date	2008-05-28
	Assessment Number	2008-05284138-2
	Additional Comments	

SAFEGUARD POLICY FILTER RESULTS	Type of Operation	Policy Based Loan (PBL)	
	Safeguard Policy Items Identified (Yes)	In-country systems are being used.	(B.16)
	Potential Safeguard Policy Items (?)	No potential issues identified	
	Recommended Action	<p>Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s), including B13, for guidance. No project classification required. Submit Report and PCD (or equivalent) to CESI Secretariat; CESI meeting may be required.</p> <p><i>Policy Directives can be accessed from the Resources tab on the Toolkit home page.</i></p>	
	Additional Comments		

ASSESSOR DETAILS	Name of person who completed screening:	
	Title	
	Date	2008-05-28

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ANNEX II

ENVIRONMENTAL AND SOCIAL STRATEGY

- 1.1 The institutional and policy reforms supported by the operation will not have adverse direct environmental impacts. The program is expected to have positive social impacts by supporting improved mechanisms for more effective and efficient use of public resources. According to the Environmental and Safeguard Compliance Policy (OP-703, B.13) this operation does not have an impact on the environment and does not require to be classified.

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ANNEX III - Index for Completed and Proposed Sector Work

Issues	Description	Expected Dates	References & hyperlinks to Technical files
Technical options and design	<p><i>Completed Sector Work and Other Background Documents</i></p> <p><i>Sector Work:</i></p> <ol style="list-style-type: none"> 1. Government of Jamaica (2002), Public Sector Modernization Vision and Strategy 2002-2012. 2. “Government at Your Service. Comprehensive Review of Ministry Paper No. 56/2002 Medium Term Action Plan for Managing for Results, Government of Jamaica, September 2007. 3. Joint Country Financial Accountability Assessment and Country Procurement Assessment Report completed in June 2005 by the World Bank and IDB (Joint CFAA/CPAR). 4. Program to support the implementation of the GOJ’s Medium Term Action Plan to Manage for Results, PRODEV II, Inter-American Development Bank, May 2008. 5. Jamaica’s Debt: Exploring Causes and Strategies. Caribbean Policy Research Institute, Working Paper , March 2008. 	Completed	

Issues	Description	Expected Dates	References & hyperlinks to Technical files
	<p><i>Other Background Documents</i></p> <ol style="list-style-type: none"> 1. Inter-American Development Bank, (2002) Fiscal Policy Issues in Jamaica: Budgetary Institutions, the Tax System and Public Debt Management, Washington D.C. 2. Government of Jamaica (2005), Public Sector Reform Unit of Cabinet Office, Consultation Code of Practice for the Public Sector. 3. Government of Jamaica, The Executive Agencies Act 2002, Jamaica. 4. Government of Jamaica, The Public Bodies Management And Accountability Act, Jamaica. 5. World Bank (2004), Jamaica: Fiscal Consolidation for Growth and Poverty Reduction-A Public Expenditure Review, Washington D.C. 6. World Bank (2004), Public Sector Modernization Project, Implementation Completion Report, Washington D.C 7. Independent Economic Assessment, IDB, February 2008. 8. Government of Jamaica, Access to Information Act (2002, modified 2003 9. Government of Jamaica, Financial Instructions to Executive Agencies 10. World Bank (2001), Jamaica Country Financial Accountability Assessment, Washington D.C 11. CARICOM/IDB, Country Procurement Assessment Report (CPAR), Jamaica, 2004 12. Public Sector Modernization Program II. Public Sector Reform Unit, Cabinet Office, Jamaica, November 2007 		

Issues	Description	Expected Dates	References & hyperlinks to Technical files
	<p><i>Sector Work in progress and Proposed.</i></p> <ol style="list-style-type: none"> 1. Guiding principles for a Fiscal Responsibility Framework for Jamaica. (in progress) 2. Review of the Institutional framework for Public Project Investment Prioritization 3. Proposed framework for enhancing accountability of CEOs of Executive Agencies and PSs. 4. Drafting regulations for the Executive Agencies Act. 5. Debt Management : review of the legal framework for simplification and harmonization. 	<p>August 2008</p> <p>September 2008</p> <p>September 2008</p> <p>September 2008</p> <p>September 2008</p>	
Analysis of project cost and economic viability	No detailed program cost-benefit analysis will be undertaken.	N/A	
Financial management/fiduciary issues and control environment	No special fiduciary issues are anticipated	N/A	
Data collection and analysis for reporting on results	Identification of proposed indicators to measure impact of program will be performed during the orientation mission.	July-August 2008	

Issues	Description	Expected Dates	References & hyperlinks to Technical files
Institutional analysis/personnel, procedures other aspects of implementation capacity	Preparation of the technical assistance document that will support the GOJ set-aside fund.	July-August 2008	
Stakeholders and political environment	Policy dialogue Meeting (workshop) on fiscal responsibility (participation of IDB experts)	Aug-Dec 2008	
Social and environmental safeguards	Given the nature of the program no adverse social and environmental effects are expected.	N/A	
Other key issues, such as donors, gender, sustainability, country/sector issues	Background document for the “Debt Reduction and Growth Enhancement Program”. The European Union, a budgetary support operation, November 2007.	Completed	

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ANNEX IV

TIMELINE AND RESOURCES FOR PROJECT PREPARATION

CONSULTANCY	COST		FINAL REPORT ESTIMATED DATE
	US\$	FUND	
1. Fiscal Responsibility Framework (already contracted)	28.600	ADM	August
2. Debt Management simplification and harmonization	20.000	ADM	September
3. Accountability Framework for CEOs and PSs.	20.000	ADM	September
4. Institutional framework for prioritization of public project investment	20,000	ADM	September
5. PFM /M&E consultant	22,000	ADM	September
Total	110.600		

MISSIONS	COST		ESTIMATED DATE	EXECUTED
	US\$	FUND		
1. Identification	3,600	ADM	December 2007	EXECUTED
2. Identification	3,600	ADM	January, 2008	EXECUTED
3. Identification	5,400	ADM	May, 2008	EXECUTED
4. Orientation	3,600	ADM	July, 2008	
5. Special	5,400	ADM	August, 2008	
6. Analysis	5.400	ADM	September, 2008	
Total	27.000			

CATEGORY	TOTAL COST	
	US\$	FUND
Consultancies and Missions	137.600	ADM

TEAM MEMBER	DAYS OF WORK	FTE
Team Leader (ICF/ICS)	85	0.41
Sector Specialist (ICF/ICS) – up to June, 2008	60	0.29
Sector Specialist (ICF/ICS) – Jorge	70	0.33
Country Specialist CCB/CJA	40	0.19
Procurement Specialist PDP/CJA	10	0.04
Attorney	20	0.09
Project Assistant	25	0.12
Total	310	1.47

TIMELINE FOR PROJECT PREPARATION (2008)

[illegible]

**JAMAICA: PUBLIC FINANCIAL AND PERFORMANCE MANAGEMENT PROGRAM
(JA-L1003)**

Annex V - DRAFT – Proposed Policy Matrix for a Programmatic PBL Loan

Objective	First Loan Targets	Second Loan Triggers	Third Loan Triggers
1. Enhanced macroeconomic Stability	The macroeconomic framework of the borrower is consistent with the objectives of the program	The macroeconomic framework of the borrower is consistent with the objectives of the program	The macroeconomic framework of the borrower is consistent with the objectives of the program
2. Improve the efficiency of expenditure management by enhancing the legal framework for fiscal responsibility and the mechanisms for public financial management and procurement.	<u>Fiscal Responsibility</u> MOF proposal for the simplification and harmonization of the legal framework for debt management submitted to Cabinet.	Debt Management Law tabled in Parliament	Draft regulations of the Debt Management Law issued. New debt contracted in accordance to the new debt management act.
	Framework for Fiscal Responsibility legislation submitted to Cabinet.	Draft Fiscal Responsibility Act tabled in Parliament.	Regulations of the Fiscal Responsibility Act issued
	<u>Public Financial Management</u> Needs assessment for IFMIS initiated (includes RFP preparation)	IFMIS: procurement of a new solution or start implementation of a new system. Chart of Accounts and budget classification revised to comply with international accounting standards.	New PFM information system fully operational. Central govt. financial reports available on MOF web site. Financial instructions issued for new budget classification and Chart of Accounts. New accounting manual issued by the MOF
	FAA Act amendment that includes an enhanced framework for internal audit and control tabled in Parliament.	Regulations for the amended FAA Act tabled in Parliament	

Objective	First Loan Targets	Second Loan Triggers	Third Loan Triggers
	Internal audit quality assurance manual issued and its use made mandatory;	(i) A mechanism for monitoring performance of the internal audit units is fully operational at the MOF; (ii) Internal audit guidelines and standards for IT and value for money (VFM) audits issued by MOF.	IT and VFM audits performed in major spending ministries and Executive Agencies
	<u>Public Procurement</u> (i) New regulations for public procurement that include sanctions for non-compliance issued; (ii) Procurement thresholds raised.	General secretariats of NCC and Office of the Contractor General separated	Draft procurement law sent to parliament (includes provisions compatible with ongoing trade negotiations, separation of roles of NCC and Office of Contractor General, Cabinet intervention limited to exceptional cases).
	(i) Revised procurement Handbook approved by Cabinet (ii) e-government procurement strategy approved by MOF; (iii) Standard bidding documents adopted.	(i) E-tendering solution procured or implementation begun. (ii) Standard bidding documents used for all government procurement.	Establish and begin operations of an e-tendering system. The system should be enforceable for all government procurement above a certain ceiling
3- Establish a public sector Performance Management and Evaluation System and enhance the accountability framework for the improved functioning of the Executive Agency and PBIs models.	<u>Performance Management</u> Medium Term Action Plan for Management for Results officially approved and implementation initiated	Implementation progress of MTAP service delivery activities on schedule as agreed with the Bank ¹ .	Implementation progress of MTAP service delivery activities on schedule as agreed with the Bank.
	Full implementation of pilot PMES in the Ministry of Transport and Works	(i) Framework for the PMES approved by Cabinet; (ii) PMES Unit established at the Cabinet Office to lead implementation of the system;	(i) PMES implemented in two additional pilot Ministries (ii) At least 2 independent evaluations contracted in compliance with the PMES; (iii) Progress report on PMES implementation submitted to cabinet; report includes an assessment of the effectiveness of the PMES based on the pilots

¹ For example, detailed plan approved by Cabinet to provide services through multi-service one-stop shops, local service delivery centers, and/or alternative systems

Objective	First Loan Targets	Second Loan Triggers	Third Loan Triggers
	Enhanced system for project prioritization for public investment approved by Cabinet.	Clear criteria and standards for public investment analysis and prioritization established	Three-year Public Investment Program prepared following new standards and regulations.
	<u>Enhancing the Governance and Accountability Framework</u> Cabinet approval of a detailed framework (including a monitoring system) for improved performance and contract agreements for PSs and CEOs of Executive Agencies and PBIs (accountability for outputs and resources within their control and reflect agreed performance targets).	100% of new or renewed PS and CEOs contracts in compliance with new framework as reported by Cabinet Office	Results of performance agreements for PSs and CEOs of Executive Agencies monitored according to the framework.
	Drafting instructions for the Regulations of the Executive Agencies Act submitted to Cabinet.	Executive Agencies Act regulations issued.	Modernization plans developed for at least three performance based institutions with framework documents reflecting requirements of the new regulations
		Corporate Governance Framework which includes procedures for appointing Boards of Directors and principles to improve accountability structures, capacities and responsibilities of Boards designed	Corporate Governance Framework approved by Cabinet and implementation initiated
		Proposed framework for improved governance and accountability framework for the Regional Service Delivery System submitted to Cabinet.	Improved framework for Regional Service Delivery System approved by Cabinet and implementation initiated.

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ANNEX VI

CONDITIONS PRIOR TO DISBURSEMENT OF THE FIRST LOAN

COMPONENT	INTERVENTION	CONDITIONS PRIOR TO DISBURSEMENT OF THE FIRST LOAN
Component I: Expenditure Management	1.a. Fiscal Responsibility	1.a. The GoJ will develop and submit to Cabinet the fiscal responsibility framework and the proposal for the simplification and harmonization of the legal framework for debt management.
	1.b. Public Financial Management	1.b. The GoJ will: (i) table in Parliament the FAA act amendment that includes enhanced framework for internal audit and control; (ii) have initiated a needs assessment for IFMIS; and (iii) have issued the internal audit quality assurance manual and made its use mandatory.
	1.c. Public Procurement	1.c. The GoJ will: (i) have issued (or tabled in parliament) new regulations for public procurement that include sanctions for non-compliance; (ii) have raised procurement thresholds; (iii) have officially approved standard bidding documents and a revised procurement handbook and made their use mandatory; and, (iv) have approved by the MFPS an e-procurement strategy.
Component II: Performance Management	2.a. Performance Management	2.a. The GoJ will: (i) have fully implemented the pilot Performance Monitoring and Evaluation System (PMES) in the Ministry of Transport and Works; (ii) have officially approved Medium-Term Action Plan for Managing for Results (MTAP) and initiated its implementation; and, (iii) have approved by Cabinet an enhanced system for project prioritization.
	2.b. Accountability framework for EA and PBIs	2.b. The GOJ will develop and approve a detailed framework (including a monitoring system) for improved performance and contract agreements for Permanent Secretaries (PS)s and CEOs of Executive Agencies and PBIs.