

SO5: Ensuring effective project implementation, analytics and just-in-time support (<i>Addresses Part III of the Public Finance Development Strategy on "Implementation mechanism, M&E, and reporting"</i>). Flexibility for just-in-time support in emerging areas.	Output 5.1: Support to PFM Reform Secretariat Output 5.2: Availability of analytics and just-in-time support Output 5.3: Project management training delivered
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3.2 Indicative Activities

Activities related to Output 1.1

This output builds on activities started under the current Trust Fund and will support, inter alia: i) implementation of the State Budget Law provisions on budget planning and preparation, in particular those related to the implementation of State Budget and Policy Statement (SBPS) and the Medium-term Budget Plan (MTBP); ii) development and implementation of secondary legislation for prioritized areas of SBL and/or support to revisions of the SBL; iii) implementation of the Prime Ministerial Decree on budget formulation; and v) capacity building and piloting of gender budgeting.

Activities related to Output 1.2

This output will focus on, inter alia: i) identifying PFM bottlenecks in selected sectors, such as health, education and agriculture. In the education sector, this will include a Public Expenditure and Institutional Review (PEIR), analysis of FPM challenges and preparation of a financial management roadmap and provision of technical assistance; ii) capacity building and piloting of green budgeting; and iii) capacity building for the implementation of budget ceilings in line ministries.

Activities related to Output 1.3

This output will focus on, inter alia: i) preparing and publishing a citizens' budget and involving, to the extent possible, citizens in the budget cycle; ii) capacity building for the NA Planning, Finance and Audit Committee to strengthen their ability to review budget proposals and monitor budget implementation; iii) capacity building for the SAO for improved oversight of government expenditures; and iv) capacity building for MOF on auditing standards.

Activities related to Output 1.4

This output will provide capacity building for the implementation of the new integrated financial management information system (IFMIS), which is expected to go live nationwide in Q1 of 2024. As the IFMIS will be new to both the central and provincial levels, there will be a need for a lot of continuous training on using the system, next to awareness raising and refining the business processes introduced by the new system. Additional support for the implementation of the new chart of accounts in the FMIS will also be needed, at central and provincial level, but also in line ministries, as well as support for the transition towards using accrual- based accounting in line with the International Public Sector Accounting Standards (IPSAS) and technical assistance for the planned revision of the accounting law and its implementation

This output will also provide TA to the National Treasury (NT) and the BoL to further optimize the management of government revenues and cash balances through a unified structure of government bank accounts via a treasury single account (TSA) system. The GoL has established a TSA Committee to oversee this work and is reviewing a Technical Note prepared by the WB with a suggested renewed approach towards the TSA. Last but not least, this subcomponent will provide capacity building to the Debt Management Department of MoF. The objective will be to strengthen the capacities of MoF's debt management officers to use the upgraded DMFAS 6 system, which will be integrated with the IFMIS, by offering them capacity building on basic finance which will assist them in better executing their daily tasks. Topics will include: financial markets, financial instruments, debt securities, role of the yield curve, etc, as well as use of excel and practical exercises. This training will complement capacity building provided by UNCTAD in the context of the upgrade of the debt management system financed by the World Bank, as well as support by other donors.

Activities related to Output 1.5

This output will focus on: i) *Analytical work*: this will include the corporate governance and fiscal risk assessment of Lao Airlines, a horizontal review of SOEs using the integrated State-Owned Enterprises Framework (iSOEF),