

**MINISTRY OF FINANCE
RESEARCH AND DELIVERY DIVISION**

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Public Financial Management Reform: Practitioners' Perspectives on the Effectiveness of PFM Oversight Structures in Sierra Leone



Generating Evidence to Inform Policy Formulation and Implementation

Key Recommendations

- There is a need for PFM practitioners to fully utilise and understand the contents of the PFM Act 2016, its simplified version, the PFM Strategy (2018 - 2021), and other related documentation.
- Strengthen the implementation of activities owned and spearheaded by the Thematic Technical Working Groups (TTWGs), the PFM Technical Committee, and the PFM Steering Committee. Reform activities under each thematic area should be properly sequenced and prioritised, with routine and strategic meetings conducted, effective follow-up on actions pursued and, periodic reports.
- The Public Financial Management Reform Division should reinforce its PFM monitoring function. The conduct of periodic independent evaluations of PFM reforms would help to generate evidence on performance and stimulate the need for more action.
- PFM oversight structures should leverage the existing PFM laws and regulations; conform to international accounting standards; avoid budget deficiencies; expand PFM capabilities and skills, and develop good communication and strategic partnerships among stakeholders.
- Ensure the provision of adequate financial resources to service delivery units. This exercise of resource mobilization should be complemented by improved donor coordination; proper linkage between policy and budgeting; cost estimation of all thematic areas in the broader PFM Strategy; strategic prioritization and delivery of services.
- There is a need for a more effective scrutiny role of Parliament and increased participation of Non-State Actors across the public financial management space.
- Ensure fully functional Audit Committees.

Context

The Ministry of Finance is mandated to ensure prudent, effective, efficient, and transparent use of public funds. In addition to its public financial management and oversight role, the Ministry is guided by principles of transparency and accountability in the budgeting and expending process. Further to the internal restructuring of the Ministry, it is undertaking measures to strengthen policy formulation process.

Volume 1 of this Policy Brief Series examines practitioners' views on the status, achievements, and challenges surrounding Public Financial Management Oversight, Internal Audit functions, and Budget Management. Practical recommendations are proffered for discussion during the Ministry's Policy Clinics to guide implementation.

Introduction

A review of PFM literature suggests that there is no universally accepted definition of Public Financial Management (PFM). According to Allen et al (2004), PFM constitutes the legal and organisational framework for the preparation and scheduling of the budget and ensuring its execution, accounting, control, monitoring and reporting. Lawson (2015) provides a simple explanation and defines PFM as a combination of laws, rules, arrangements and processes applied by countries to raise revenue, allot, distribute and spend public resources, ensure accountability for the use of public funds, and audit outcomes. PFM thus comprises a wider scope reflecting different stages in the budget cycle to include: policy design; budget formulation by the executive; budget approval by the legislature; budget execution; and budget scrutiny.

Strong PFM is fundamental to achieving the development aspirations of countries. PFM is essential for maintaining fiscal discipline, ensuring prudent allocation of resources and the efficient delivery of public services. It also creates a platform that ensures accountability and transparency in the use of public finances and provides the needed confidence to donors.

Global discussions such as the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action both stress the need for the use of country systems and procedures to strengthen Public Financial Management. In Sierra Leone, joint efforts by the Government and Development Partners to strengthen PFM practices in the country saw the enactment of the Public Financial Management (PFM) Act 2016, following the repeal of the Government Budgeting and Accountability (GBA) Act 2005.

The PFM Act 2016, sets the oversight structure, rules on planning and budgeting, budget execution and expenditure control, audit, and reporting and accountability responsibilities. In addition, the implementation of the 2018 – 2021 PFM Reform Strategy places enormous operational responsibilities on each stakeholder in the PFM process.

Over the years, the Government has implemented several reforms including the introduction of the Medium-Term Expenditure Framework (MTEF) in 2001; the enactment of a new PFM legal framework in 2016; strengthening of budget management and expenditure control; roll-out of the Integrated Financial Management System (IFMIS); improvement in internal audit capacity; strengthening of procurement systems; introduction of the Treasury Single Account (TSA); automation of the Government payroll; preparation and the publication of the annual Government statement of accounts. Nonetheless, these reforms have not occurred without challenges and like previous editions, the 2018 Audit Report published by the Auditor-General cites the need for increased efforts from oversight bodies in the PFM process to ensure that financial impropriety and irregularities in the public sector are moderated.

Key Issues

- Some PFM practitioners have the view that some of the laws are not strong enough to produce desired outcomes, and they do not sufficiently support their institutions in the conduct of oversight.
- The majority of respondents agree that limited punitive measures, lack of political will, inadequate funding, and poor coordination are the challenges that generally affect PFM implementation.
- It was cited from the survey that low cooperation from PFM stakeholders; poor coordination; confusion about the roles of PFMRD and the TTWGs; lack of strategic leadership; and limited information sharing are conspicuous challenges within the PFM architecture.
- There are concerns that donor coordination has faced some gaps that have led to duplication of efforts; inadequate flow of information; and lack of sustained support to PFM initiatives.
- The absence of consistent monitoring of PFM progress and independent evaluations constrain PFM implementation. Even though the PFMRD publishes PFM progress reports, there is a picture of a low level of awareness about among PFM players.
- There are diverging views about how effective the Ministry of Finance is in ensuring ‘comprehensiveness and transparency’, ‘policy-based budgeting’ and ‘proper accounting, recording and reporting’. This is the same for the role of Audit Service Sierra Leone and Parliament in ensuring ‘external scrutiny and audit’.

Methodology

The Research and Delivery Division (RDD) and the Public Financial Management Reform Division (PFMRD) designed a questionnaire that was administered through an online platform as the key instrument for data collection. The semi-structured questionnaire targeted nine categories of stakeholders, and forty-seven responses were received. The RDD supervised the administration of the survey, collated and analysed the results culminating in this brief. The research focused on the following areas of PFM Oversight: *Knowledge of the PFM Regulatory Environment; Implementation of PFM Laws and Regulations; Effectiveness of PFM Oversight Structures, PFM Resources, Systems, and Processes.*

Key Findings

Knowledge of the PFM Regulatory Environment

The PFM Act 2016 and the PFM regulations 2018 provide the necessary guidelines for the management of public finances, mobilisation of revenue, expenditure control and management, reporting, and accountability.

All respondents confirmed their awareness of the existence of the PFM Act 2016, with only 4.3 per cent indicating that they are unaware of its main contents relating to the oversight role of their institutions. An overwhelming majority (93.6 per cent) of the respondents know about the existence of the 2018 PFM Regulations, and 87.2 indicated that they are aware of the role of their institutions within the context of the PFM Regulations.

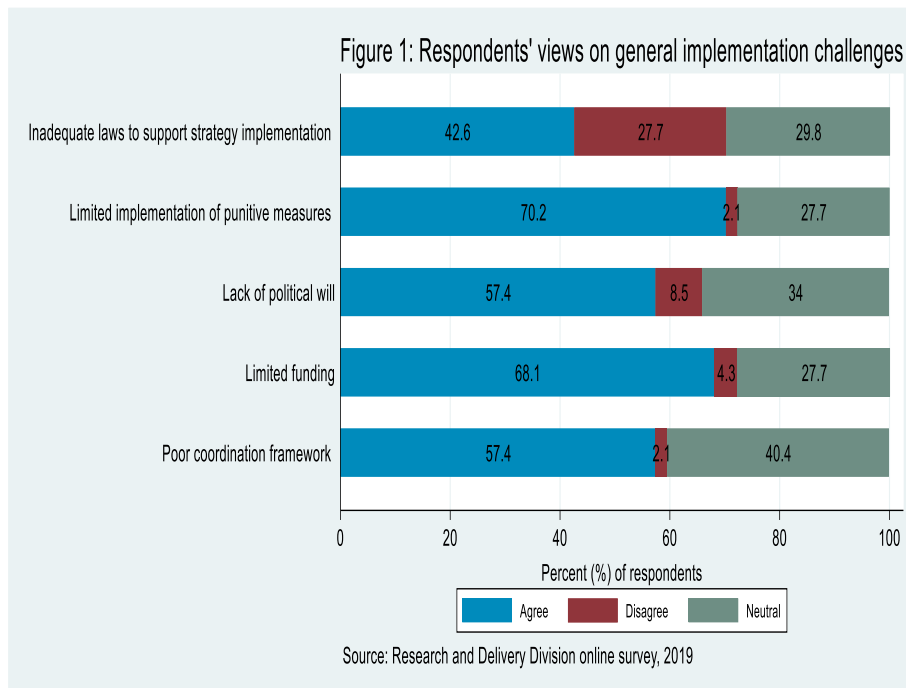
However, 27.7 per cent of respondents do not believe that these laws are strong enough to address PFM issues, and 21.3 per cent cited that the existing PFM laws and regulations do not adequately empower their institutions to effectively carry out oversight duties. Several reasons were provided for the deficiencies in these laws and regulations which include the following:

- Internal Auditors* mentioned the non-existence of effective Audit Committees to handle the reports of the Internal Audit Division; lack of provisions for enforcement mandate to ensure adherence to systems and processes; non-allocation of funds for audit committee activities; and the absence of penalties for failure to respond to internal audit reports.
- Local Council Staff* mentioned that the laws need to incorporate a provision for the use of a Local Council Financial Regulation Manual.
- Audit Sierra Leone staff* commented that PFM policies and regulations should be detailed enough and specify procedures clearly on issues such as the utilisation of fuel, overseas travel and fleet management.

Regarding the accessibility of regulatory instruments to PFM practitioners and the public, only 29.8 per cent of the respondents stated that they are “very accessible”. 63.8 per cent and 6.4 per cent said that these instruments are “somewhat accessible” and “not accessible” respectively.

Implementation of PFM Laws and Regulations

The successful implementation of PFM reforms requires an efficient institutional framework that encompasses legislation, processes, and supportive organisational culture (Tkachenko, 2020). 61.7 per cent of the survey participants reported that the 2014 -2017 PFM Reform Strategy covered the key reform objectives of the Government's PFM system. The remaining 38.3 per cent, who hold a contrary view believe that the following were not covered adequately in the strategy: adherence to meet PFM reporting deadlines; fiscal risk management; treasury and cash management; payroll harmonisation; creation of a Stores Directorate for the centralised management of public assets; and monitoring and evaluation of PFM progress. Figure 1 shows the pattern of respondents' views on some of the general challenges faced in the course of implementing PFM reforms.



Furthermore, the second tier of challenges reported while implementing PFM reforms relates to the direct actions and inactions of the different PFM players at the operational level, as shown in Table 1.

Survey participants also highlighted several other factors which affect the successful implementation of PFM laws, and these include the following:

- Unspecified timeframe for the implementation of Audit recommendations and lack of clarity in some of the laws required to address these recommendations quickly;
- Limited capacity and inadequate training of PFM staff including Finance Officers at Local Councils and other MDAs;
- Lack of will and integrity on the part of some stakeholders to drive PFM reforms.

Table 1: Respondents' views on implementation challenges across units in the PFM architecture

PFM Implementation challenges	Agree	Disagree	Neutral
Low cooperation from PFM stakeholders	63.8%	8.5%	27.7%
Poor coordination and follow-up from PFM Coordinators	70.2%	8.5%	27.7%
Confusion about respective roles of PFMRD and the TTWGs	40.4%	10.6%	48.9
Lack of strategic leadership and oversight on the part of the PFM Steering Committee	53.2%	8.5%	38.3%
Poor information and report sharing among PFM oversight stakeholders	66.0%	4.3%	29.8%

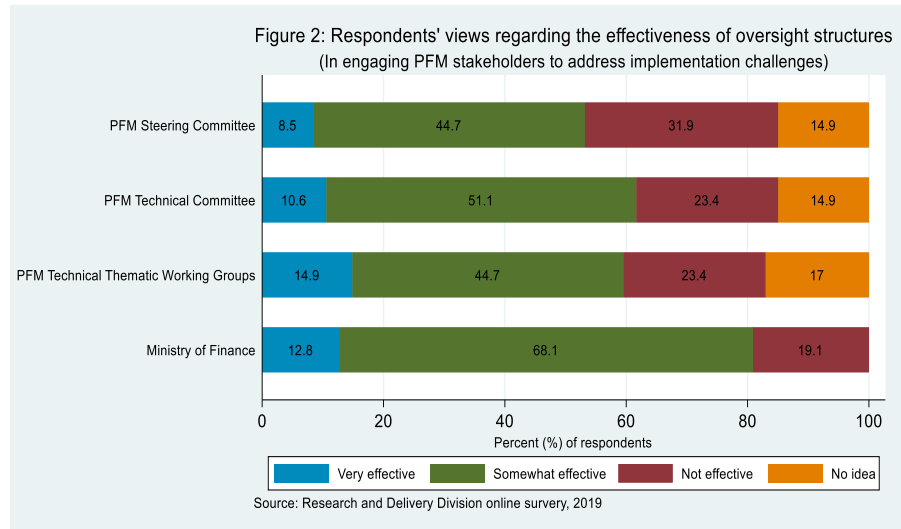
Source: Research and Delivery Division online survey, 2019

Effectiveness of PFM Oversight Structures

The effectiveness of PFM oversight structures was assessed in terms of overall coordination strength, the capacity of the Public Financial Management Reform Division (PFMRD), Development Partners' coordination, and the monitoring and evaluation of PFM implementation.

Coordination Structure

The complex nature of instituting PFM reforms requires fervent actions of the oversight structures in leading the coordination of PFM stakeholders, and monitoring and evaluating progress made at each stage of the PFM cycle. From Figure 2, it can be seen that most of the respondents believe that the current oversight structures are 'somewhat effective', leaving room for improvement. The PFM Steering Committee is the strategic Committee chaired by the Minister of Finance with membership, including the Financial Secretary, the Principal Deputy Financial Secretary, and Development Partners. Aggregate responses revealed that this Committee is perceived to be 'somewhat effective' by 44.7 per cent of the respondents. However, a 'key informant' revealed that this PFM Steering Committee has not met for a while now. This signals a potential widespread misunderstanding of the terms of reference of the different oversight structures and their effectiveness.



Respondents also highlighted some issues associated with the performance of oversight structures, as shown in Table 2. Several of the issues are prevalent across most of the structures.

Table 2: Other issues across oversight structures highlighted by survey participants

Issues	PFM Steering Committee	PFM Technical Committee	PFM Technical Thematic Working Groups	Ministry of Finance
Limited visibility and technical capacity of oversight structures	✓	✓	✓	
Lack of sensitisation of the PFM process and coordination of relevant stakeholders	✓	✓	✓	✓
Weak monitoring of the PFM reform agenda	✓	✓	✓	
Low level of funding to finance PFM related activities				✓
Unfavourable influence of political dynamics on PFM players				✓

Source: Research and Delivery Division online survey, 2019

Development Partners' Coordination

In a review of recent literature on donor support to strengthen PFM in partner countries, (Mills, 2018) found evidence of inadequate donor support and paucity in coordination. 51 per cent of respondents who opined that donor assistance is not well-coordinated highlighted the following issues: funding misalignments; incomplete needs assessment across sectors of Government to inform an organised donor intervention strategy; duplication of efforts from development partners; non-selection of Development Partners as co-chairs of Steering and Technical Committees; inadequate information-sharing by some Development Partners; and lack of sustained support to PFM initiatives.

Monitoring and Evaluation of PFM Implementation

A Government's approach in coordinating PFM reforms should include a smart monitoring framework and constructive system of assessing performance against

benchmarks of efficiency, effectiveness, impact, relevance and sustainability, which should be part of a learning and adaptation process (Lawson, 2012). Regarding knowledge of the existence of a dedicated monitoring and evaluation (M&E) function of PFM implementation, slightly more than half (55 per cent) of the respondents reported that they are uninformed of such a role; 36 per cent are aware, with only 9 per cent claiming that there is no M&E role in PFM.

Capacity of the PFMRD

Respondents also shared perspectives on the capacity of the PFMRD in the Ministry of Finance as it relates to technical capability, convening power, oversight capacity, and coordination capacity. The majority of them reported that for all these elements, the capacity of the PFMRD is "somewhat strong". However, there were concerns around the PFMRD's monitoring function. 6 out of 10 respondents

reported that the current system of monitoring PFM reforms is not "effective". Additionally, as many as 8 out of 10 respondents mentioned that they are not aware of the production of monitoring

reports on the implementation process of PFM reforms which are coordinated by PFMRD.

Effectiveness of 'Oversight' in terms of Key PEFA Pillars

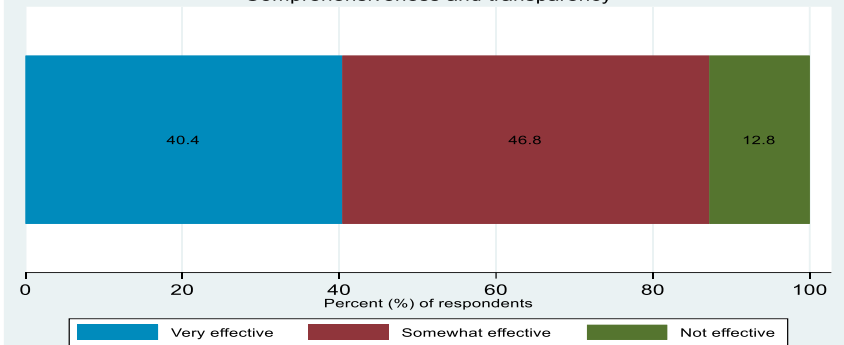
The survey also solicited views from participants regarding the effectiveness of the oversight functions of key players in the PFM structure for some of the critical pillars in the PFM assessment framework developed by the Public Expenditure and Financial Accountability (PEFA) Secretariat, the World Bank, and the IMF. These pillars include 'comprehensiveness and transparency', 'policy-based budgeting', 'accounting, recording and reporting', and 'external scrutiny and audit'. According to the Association of Chartered Certified Accountants (2010), the framework enables an integrated evaluation of the performance of PFM systems; indicates an improvement of PFM performance over time; and also promotes evidence-based monitoring.

Comprehensiveness and transparency of the budget refer to the full capture of all projected revenues and expenditure of entities that implement government activities. It also includes extrabudgetary funds, resources from donor partners, and all fiscal risks. Budget and fiscal information should also be accessible to the public. All of these functions fall within the scope of the Ministry of Finance, which oversees PFM-related activities and handles economic and budget policy management. The views of practitioners in terms of how effective the Ministry of Finance is in ensuring *comprehensiveness and transparency* are mixed.

The function of ensuring *policy-based budgeting* is also anchored in the Ministry of Finance. Laing (2020) notes that *policy-based budgeting* is defined as a process where "the fiscal strategy and the budget are prepared with due regard to government fiscal policies, strategic plans, and adequate macroeconomic and fiscal projections". Nearly 6 in 10 (59.6 per cent) of the respondents do think that the Ministry of Finance is very effective in ensuring *policy-based budgeting*.

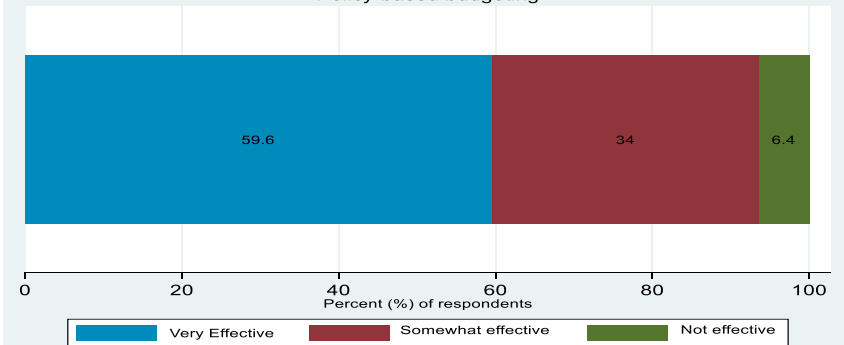
The Ministry of Finance has a direct role to play in guaranteeing the timeliness and orderliness of accounts reconciliation; the quality and timeliness of in-year budget reports and annual financial statements; and providing information at all service delivery levels. Respondents had varying views regarding the efficacy of the Ministry in ensuring proper *accounting, recording, and reporting*, with slightly more than half citing that it is 'somewhat effective'. This finding may not be unconnected with some of the issues identified in the 2017 PEFA Assessment, including inconsistencies in reconciliation and late publication of in-year budget reports and annual financial statements of the Government of Sierra Leone.

Figure 3: Respondents' views on the effectiveness of the Ministry of Finance in ensuring 'Comprehensiveness and transparency'



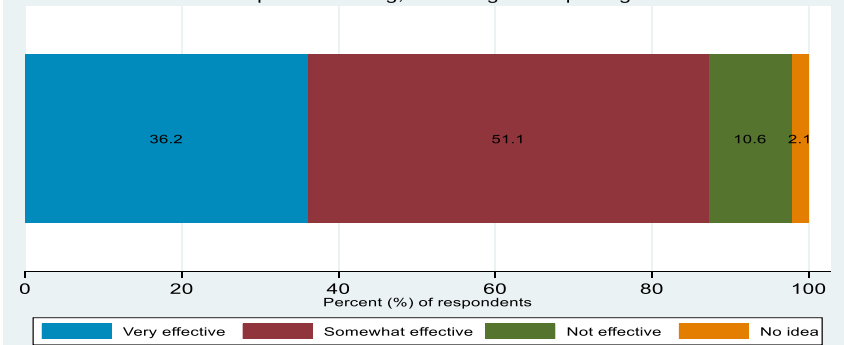
Source: Research and Delivery Division online survey, 2019

Figure 4: Respondents' views on the effectiveness of the Ministry of Finance in ensuring 'Policy-based budgeting'



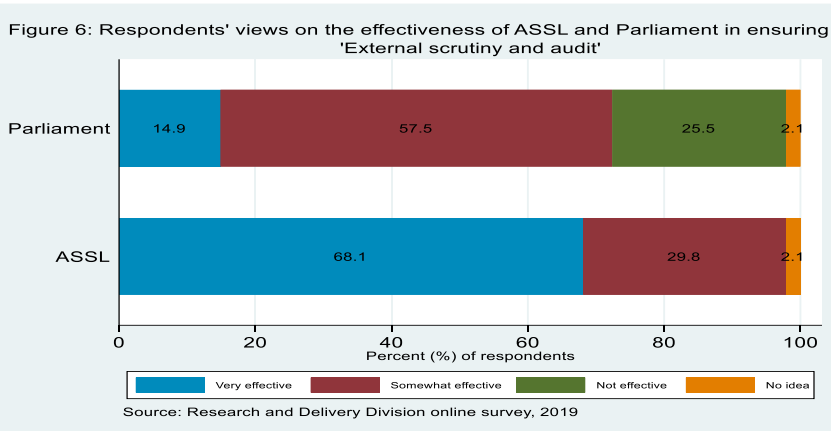
Source: Research and Delivery Division online survey, 2019

Figure 5: Respondents' views on the effectiveness of the Ministry of Finance in ensuring 'Proper accounting, recording and reporting'



Source: Research and Delivery Division online survey, 2019

In terms of ensuring *external scrutiny and audit*, Section 16 (1) of the Public Financial Management Act 2016 empowers the Auditor General to audit the accounts of all public entities, prepare, submit to Parliament, and publish an audit report. Nearly 7 out of 10 survey participants claim that Audit Service Sierra Leone is very effective in ensuring *external scrutiny and audit*. On the side of the legislature, their role in the budget process is both ex-ante (approval of the budget) and ex-ante (oversight). Based on the responses of survey participants, 57.5 per cent view that Parliament's function in ensuring *external scrutiny and audit* is 'somewhat effective'.



PFM Resources, Systems, and Processes

According to Andrews et al. (2014), the achievement of successful PFM outcomes is anchored on prudent fiscal decisions, budget credibility, and reliability, reliable and efficient flows of funds and transactions and accountability systems within institutions. Survey participants were therefore asked to comment on the extent to which players in the PFM institutional architecture support various elements of the PFM process. Respondents had the option to rank the institutions in this PFM ecosystem in terms of the degree of support by selecting "to a large extent", "minimal" and "no impact".

55 per cent of respondents believe that to 'a large extent', the existing PFM system in the Ministry of Finance supports the achievement of aggregate fiscal discipline, strategic allocation of resources, and efficient service delivery. In contrast, 38 per cent believe that this support is only 'minimal'. 53 per cent of respondents believe that 'to a large extent' the Legislative and External Audit structures are supportive. In comparison, 42 per cent think their support to PFM systems and processes is 'minimal'. On the other hand, 40.4 per cent believe that the support of Non-State Actors is 'minimal', and 15 per cent think that Non-State Actors have no impact on PFM systems and processes.

Regarding the level to which PFM systems, processes, and institutional leadership give sufficient authority to various bodies to adequately carry out PFM oversight functions, 57.4 per cent of respondents believe that existing PFM systems give "minimal" authority to the various institutions to carry out PFM oversight functions adequately. On the other hand, 34 per cent reported that "to a large extent" existing systems give sufficient authority to the various Oversight Structures, while 8.5 per cent believe they have 'no impact'.

Given the mandate of the various Oversight Structures and considering the competency required to deliver on PFM oversight requirements, 42.6 per cent of respondents reported that their staff have only "minimal" training. 36.2 per cent believe that their staff are "to a large extent" adequately trained, while 21.3 per cent think that their staff are not trained to carry out oversight functions.

Significant Challenges affecting the effectiveness of Oversight Structures

The following are the key challenges highlighted by Respondents:

- Inadequate resources (financial, working tools, and human resources).
- Weak coordination and commitment from PFM stakeholders.
- Ineffective monitoring mechanism.
- Non-implementation of audit recommendations.
- Delays in Parliamentary scrutiny of Audit Reports and publication for the general public.
- Non-state Actors' inability to adequately follow-up on PFM issues.
- Lack of adequate training and sensitisation on PFM Laws and Regulations.

Fact Box A

The 2017 Public Expenditure and Financial Accountability (PEFA) Assessment

In 2017, an assessment of Sierra Leone's PFM performance was requested by the Ministry of Finance and supported by the UK Government and the European Union, using both the 2014 and 2016 PEFA framework. The assessment report which was published in 2018 evaluated the strengths and weaknesses of PFM in Sierra Leone across 7 pillars and 31 indicators. Table 3 shows the comparison between the 2014 and 2017 assessments.

PFM Dimension	PFM Performance Indicators	2014	2017	Change in Performance
Budget Reliability	Aggregate expenditure outturn compared to original approved budget	D	C	
	Composition of expenditure outturn compared to original approved budget	D+	D+	
	Aggregate revenue outturn compared to original approved budget	D	A	
Transparency of Public Finances	Classification of the budget	C	A	
	Comprehensiveness of information included in budget documentation	A	B	
	Extent of Unreported Government Operations	D	D	
	Transparency of Inter-Governmental Fiscal Relations	B	A	
	Public Access to Key Fiscal Information	B	B	
Management of Assets and Liabilities	Oversight of Aggregate Fiscal Risk from other Public Sector Entities	C+	C+	
	Recording and Management of Cash Balances, Debt and Guarantees	C+	B	
Policy-based fiscal strategy and budgeting	Orderliness and Participation in the Annual Budget Process	C	A	
	Multi-Year Perspective in Fiscal Planning, Expenditure Policy and Budgeting	C	C	
	Legislative Scrutiny of the Annual Budget Law	D+	C+	
	Effectiveness in Collection of Tax Payments	B+	D+	
Predictability and control in budget execution	Effectiveness of Measures for Taxpayer Registration and Tax Assessment	B+	B	
	Transparency of Taxpayer Obligations and Liabilities	B	B	
	Predictability in the Availability of Funds for Commitment of Expenditures	D+	D+	
	Stock and monitoring of expenditure payment arrears	B+	D	
	Effectiveness of Payroll Controls	D+	D+	
	Transparency, Competition and Complaints Mechanism in Procurement	C	C	
	Effectiveness of Internal Controls for Non-Salary Expenditure	C	C+	
	Effectiveness of Internal Audit	D+	C	
Accounting and Reporting	Timeliness and Regularity of Accounts Reconciliation	B	B	
	Quality and Timeliness of In-Year Budget Reports	B+	D+	
	Quality and Timeliness of Annual Financial Statements	D+	C+	
External scrutiny and audit	Scope, Nature and Follow-Up of External Audit	C+	C+	
	Legislative Scrutiny of External Audit Reports	C+	D+	

PEFA is a tool for assessing the status of a country's public financial management system and it measures the extent to which the PFM arrangement, processes and institutions contribute to the attainment of three desirable outcomes: aggregate fiscal discipline, strategic allocation of resources, and efficient service delivery. PEFA is designed to provide a snapshot of PFM performance at specific points in time using a methodology that can be replicated in successive assessments, giving a summary of changes over time.

Recommendations

The following policy recommendations have been outlined for consideration:

- PFM practitioners should make extensive use of PFM laws, regulations and activities, user-friendly versions of the PFM Act 2016, the PFM Strategy (2018 - 2021), and other related documentation which can be accessed on the website of the Ministry of Finance and which are usually shared by the PFMRD to stakeholders. Regular learning and knowledge sharing events of the key PFM reform regulations, processes, and practices can help to raise awareness. Adherence to these PFM policies and regulations can be ensured by instituting varying levels of measures for non-compliance.
- Authorities and Divisions responsible for the implementation of PFM reforms should take full ownership of their respective activities. The effectiveness of the PFM coordination structures can be improved by strengthening the implementation of activities owned and spearheaded by the Thematic Technical Working Groups (TTWGs), the PFM Technical Committee, and the PFM Steering Committee. Reform activities under each thematic area should be appropriately sequenced and prioritised. Effective follow-up on actions must be pursued, and periodic submission of reports to the leadership ensured, to create the correct supporting environment which will enhance progress in implementation. Strong political and managerial leadership is required to deliver on PFM outcomes.
- The current implementation of the PFM Strategy should include a robust and comprehensive monitoring and evaluation framework for all progress and performance indicators across the critical PFM reform thematic areas and components. To achieve this purpose, the PFMRD should consist of a dedicated team purposely deployed to not only lead coordination efforts but to also closely monitor progress. While it is recommended for the monitoring function of PFM progress to be anchored in the PFMRD, periodic evaluations of PFM reforms should be conducted by independent and specialised bodies to show whether the desired PFM outcomes are being met.
- To ensure high performance across the PFM pillars, critical players in the PFM environment can enhance their effectiveness by leveraging on the strengths and complying with the existing PFM laws and regulations; conforming to international accounting standards; avoiding budget deficiencies; expanding PFM capabilities and skills, and developing excellent communication and strategic partnerships among stakeholders.
- Effective parliamentary oversight and the role of Non-State Actors (NSAs) in monitoring PFM progress and service delivery and, ensuring accountability in the budget cycle are crucial. Parliament should reinforce the coverage of budget hearings; set-out measures for MDAs and Local Councils to comply with audit recommendations, and also monitor the progress of national priority policies and programmes. NSAs should revamp community-based monitoring in the delivery of services, and increase their involvement in the budget process through unrelenting engagement with key PFM stakeholders.
- Audit committees across MDAs should be properly constituted to reflect the right expertise and competence. They need to be independent, transparent, and thorough in discharging their functions. To enhance the required level of effectiveness, adequate funds must be made available for Audit Committees to hold regular sessions on issues that need to be addressed.
- The sourcing of adequate financial resources and the provision of such funds by the central Government to service delivery units is quite critical for the successful implementation of the PFM Strategy. This exercise of resource mobilisation should be complemented by improved donor coordination; proper linkage between policy and budgeting; cost estimation of all thematic areas in the broader PFM Strategy; strategic prioritisation and delivery of essential goods and services.

Conclusion

The role of each actor in the PFM process in ensuring effective oversight, transparency, and accountability are very crucial for the realisation of the Country's development objectives. If the efficacy of oversight institutions is weak, the core objectives of PFM system which includes maintaining fiscal discipline, ensuring efficiency in the allocation of public resources, and achieving maximum value for money would not be met. Several efforts are being invested in improving PFM outcomes in Sierra Leone and driving the PFM Reform Strategy 2018 – 2021. However, the plethora of challenges as highlighted by the views of different oversight structures in the PFM environment means that a lot more needs to be done at the policy and implementation levels.

The opinions of some respondents that the PFM laws do not adequately empower their institutions to carry out oversight duties may have severe implications in achieving the desired fiscal outcomes, especially when each player has a dynamic and unique role along the PFM cycle. While these views have been stated, the onus falls on all players in the PFM environment to comply with PFM laws and regulations, and strengthen implementation. The long-term sustainability of PFM reforms would be seriously jeopardised if implementation continues to be challenged by paucity in the laws, lack of political will, poor coordination among PFM stakeholders, inadequate funding, weak monitoring systems, and limited capacity.

In terms of the effectiveness of oversight structures across the pillars mentioned in this policy brief, there are concerns that this is considered limited. This suggests that more needs to be done by the Ministry of Finance to ensure that PFM reforms encompass full coverage of the budget and greater transparency in the availability and publication of budget and fiscal information. While the Medium-Term Expenditure Framework has been implemented for several years, there are still concerns regarding the extent to which it has enhanced the achievement of favourable fiscal outcomes.

There is also a strong need to prioritise proper planning, policy-driven actions, and a clear budgetary process in support of effective service delivery. The Ministry should strengthen efforts to improve the production of timely and dependable account records and reports. All these actions should be accompanied by the required external scrutiny and audit by the Audit Service Sierra Leone and the Parliament of Sierra Leone, to enhance transparency and accountability in the use of public resources.

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