

CAPACITY BUILDING FOR PUBLIC FINANCE MANAGEMENT STRENGTHENING PROGRAM (PFMSP)

Project period: January 2009 – January 2012

Project site: Ministry of Finance

Project outline: The Government of the Lao PDR released a “Governance Issue” Policy Paper in 2003. Under this principle, it initiated its Public Expenditure Management Strengthening Project (PEMSP) in an effort to build a system of public finance management with policy consistency, efficiency, transparency and job responsibility, by strengthening the framework and the capacity development of staff.

PEMSP changed its name to the Public Finance Management Strengthening Program (PFMSP), by adding revenue divisions. There have been various activities undertaken by cooperating donors to PFMSP, such as a formulation of new budget law, accounting laws and regulations, the introduction of a new accounting system (GFIS), a new chart of accounts and revisions to the chrematistics system. The development of the system has reached a certain level and now the capacity development of the entire staff of the Ministry of Finance (MoF), who is responsible for operation of these systems, has become a critical factor.



JICA provides a technical cooperation scheme to support progress of PFMSP through capacity building. The project aims to establish a mechanism to improve capacity of MoF staff in central and local authorities in relation to treasury and accounting. The objectives of the project will be achieved through the realization of the following 3 outputs:

1. Human Resource Development (HRD) Strategy and Plan are drafted in alignment with the current Public Financial Reform.
2. Develop trainer skills and materials in order to enhance the quality of treasury and accounting training at the MoF and local authority levels.
3. Internal framework for training management is consolidated for effective human resource development in the MoF.