

Technical Meeting with MDTF DPs

November 13, Tuesday

Meeting Minutes

1. IPFMRP Implementation Status

Franck started the meeting by informing everyone on the implementation status of IPFMRP. On Nov 1 and 2, the Bank FM and procurement team were invited to participate in a residential workshop in Dhulikhel that the PEFA Secretariat organized with all implementing agencies to discuss IPFMRP's implementation. Franck joined the first morning. The workshop was successful, and it was nice to notice PEFA play its coordinating role. MOFAGA, PPMO, OAG were among the agencies represented. Franck also shared that a first disbursement of US\$ 1 million has been processed, under the IPFMRP, with a value date of 26 October.

The Aide Memoire and the agreed actions were discussed in the meeting. The next implementation supervision mission will take place in the first quarter of 2019. Besides these missions that take place twice a year, the Bank team will organize frequent technical meetings for MDTF partners and share updates via emails.

2. FM Information System and SUTRA

Franck informed that a three-member committee comprising of Joint Secretaries of the Budget division, IECCD and PEFA Sec was formed to come up with a concept paper which outlines vision of the Government on IT based financial management. This vision is short term, medium term and long term. The paper was approved by the Minister of Finance. It was identified in this concept paper that the immediate need at the local level was to roll out SUTRA to the remaining 60%. For this, GoN is planning to use the same arrangement than the one used for initial development and roll-out. This needs to be done fairly quickly and MDTF supports this stop gap measure. At the same time, we don't underestimate the issues of connectivity, user friendliness of modules etc. Also, immediately at the province level they want to use the existing system of the federal level such as TSA, CGAS, TABUCS etc and upgrade them to make it usable by provinces shortly. MDTF management will coordinate between DFID, USAID and the government to make sure the immediate needs for local government budgeting, accounting and reporting are fully met in a timely manner, that a short-term plan of action is agreed, and that progress is shared real-time between those directly involved and with other MDTF partners.

All this has positively contributed to the IFMIS study as this now involves MoF IT and FCGO IT teams. Although most part of this involves behavioral change and depends on the personalities driving these reforms, there is now hope that the IFMIS study will inform the various options towards an ERP-based IFMIS system.

USAID informed in the meeting that the GoN has asked them to work in three areas as they want to meet the next year planning / budgeting cycle:

- Roll out SUTRA (including refresher training; set up helpdesks)

- Roll out and upgrade LMBIS (to federal and province ministries and agencies)
- TA for integration of TSA and LMBIS

3. VFM Framework:

DFID has requested all donors to send their comments by email to Dharana on what they think of the VFM framework and if they have any major comments. We will discuss this in depth when we meet for the next meeting.

4. Agreed Steps:

1. Organize another technical meeting in next two weeks. We will discuss the Province 4 field trip notes in this meeting.
2. Request PEFA Sec for consolidated year 1 work plan and agree on a reporting template
3. Create a working group on Sutra to design with the government a time-bound action plan.

Attached: Attendance sheet, Aide Memoire, VFM Framework and province 4 Field trip Note