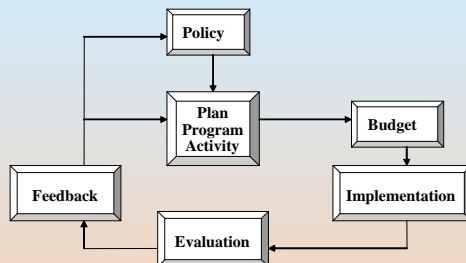


1. Public Financial Management

(Broad Sense) –General National Management

“Cyclical Management Process.” in Government Sector



(Narrow Sense) National Financial Control

- ◇ Aid & Debt Management (ADM)
- ◇ Revenue & Expenditure Management (REM)

➤ Assistance by JBIC

2. Basic Financial Structure of ADM

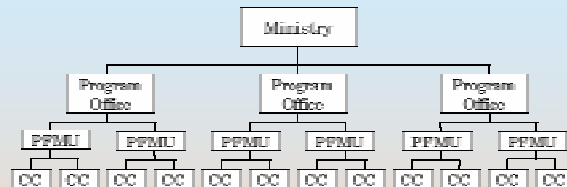
I	Debt Beginning Balance		20,000
II	Aid Receipt [In]		
	(1) Loan	60,000	
	(2) Grant	40,000	100,000
III	Debt Service Payment [out]		
	(1) Loan Principal Repayment	20,000	
	(2) Debt Relief	10,000	
	(3) Payment of Interest & Service Charges	1,000	31,000
IV	Net Aid Inflow (-)		69,000
V	Debt Ending Balance		
	(+) - (+)		50,000

3. Basic Financial Structure of REM

I	Revenue			
	(1) Internally Generated Fund		700	
	(2) Government Fund		1,000	
	(3) Aid Fund		1,300	3,000
II	Expenditure			
	(1) PRS Implementation			
	Rural Water Facilities	900		
	Farm Roads	800		
	Warehouses	1,000		
	Farmers' Organization	800	3,500	
	(2) Others		500	4,000
III	Increase in Cash (-)			- 1,000
IV	Cash Beginning Balance			7,000
V	Cash Ending Balance (+)			6,000

3

4. Typical Hierarchy of Ministerial Financial Management Information System



PFMU : Project Financial Management Unit

CC : Cost Center

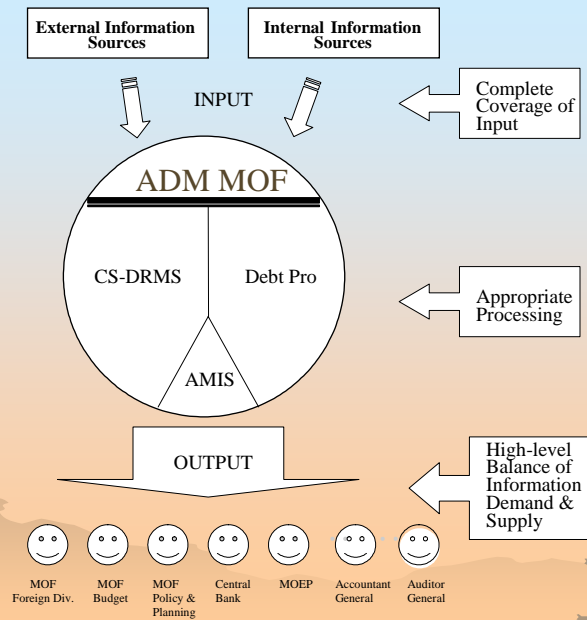
Need for establishing

“Consolidated Financial Management Information System”

at Ministerial Level
and National Consolidation

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5. ADM Information System



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6. Typical Weaknesses in ADM

Input Stage

Incomplete Data Capture of
“Disbursement Received”

Output Stage

Under-utilization of ADM Outputs in
Macro Decision Makings and Analyses in
“General National Management”

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7. Types of Disbursement and Characteristics

Types of Disbursement	Cash Movement		Documentation for Disbursement		Zone	Completeness of Data Capture
	On-shore	Off-shore	With	Without		
Special Account						
Reimburse						
Tranche						
Transfer						
Commitment						
Dispatch of Experts						✗
Overseas Technical Training						
Development Studies						
In-kind Donation						
Performance Reward to Officials						

Expected to be captured completely

Expected to be captured almost completely

Some extent of omission occurs

✗ Mostly omitted

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8. Levels of System Improvement for Complete Information Coverage

Level 1

Establishment of official rules and procedures for documents delivery within MOF.

Level 2

Establishment of official rules and procedures for aid information submission from recipient Ministries to ADM Div. of MOF.

Level 3

Periodical questionnaire survey by recipient Ministries to Donors about disbursements performed.

Level 4

Establishment of official rules to define scope of "Aid Received," and to attach value on disbursements whose amounts are unknown.

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