

NewsFlash

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Consultation Draft for Updating the PEFA Indicators, August 7, 2014

Dear Stakeholders,

The Public Expenditure and Financial Accountability (PEFA) Program, launched in 2001, has created a credible and comprehensive framework for assessing PFM functionality, which has been applied in a large number of countries since 2005—countries with different income levels, different administrative heritages, and in different geographical regions.

The PEFA Framework continues to be relevant and applicable in a wide range of contexts; however, after 9 years with only limited changes, it is time to update it. The PEFA Partners have no intention of changing the purpose of the Framework; rather, the update is intended to reflect the various developments in the PFM landscape over the past decade, strengthen several areas of acknowledged weakness, and extend coverage to new areas such as fiscal strategy, use of performance information, public investment, and public asset management. Thus the update aims to enhance the relevance of the PEFA indicators while preserving their comparability over time, to the extent possible. The Partners expect that a PFM systems assessment undertaken on the basis of the updated PEFA Framework will provide an improved basis for monitoring PFM performance and for discussing and designing reform priorities for the future—and thus enhance its usefulness for governments and other users.

Over the life of the Framework, PFM experts have offered numerous suggestions to modify various indicators. The Partners now seek to exploit this expertise by requesting feedback on the draft update from any interested party: government PFM specialists and reform managers, PFM/PEFA practitioners, regional networks and technical assistance providers, entities that are developing and maintaining assessment tools, PFM standards setters, think tanks, and academia.

The PEFA Partners are pleased to present the draft updated PEFA indicator set for public consultation, along with a note that uses a question-and-answer format to describe the

background of and process for the update. To provide feedback—a crucial element in finalizing this important work—please complete the short questionnaire (attached) and/or provide more general comments and suggestions, by October 31, 2014. The Partners are grateful for your participation.

Following the consultation period, the draft Framework will be modified as necessary to reflect the comments and to ensure that it remains applicable across a wide range of country contexts and administrative heritages. The updated PEFA Framework is expected to be released in 2015.

PEFA Secretariat

The consultation package comprises three documents:

- [Accompanying note](#)
- [The Draft Update of the PEFA Indicators for Public Consultation](#)
- [The stakeholder questionnaire \(“Questions for Consultation”\)](#)