



Marshall Islands: Public Financial Management Project (additional financing)

Project Name	Public Financial Management Project (additional financing)	
Project Number	50295-002	
Country	Marshall Islands	
Project Status	Approved	
Project Type / Modality of Assistance	Grant	
Source of Funding / Amount	Grant 0658-RMI: Public Financial Management Project (additional financing) concessional ordinary capital resources lending / Asian Development Fund US\$ 500,000.00	
Strategic Agendas	Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships	
Sector / Subsector	Public sector management - Public expenditure and fiscal management - Reforms of state owned enterprises	
Gender Equity and Mainstreaming	Some gender elements	
Description	The Asian Development Bank (ADB) is supporting the Government of the Marshall Islands through a project grant to strengthen public financial management (PFM). The additional financing will scale up and extend the benefits of the ongoing project by further helping the Ministry of Finance (MOF) to prioritize and implement reforms to strengthen PFM in line with the scope of the ongoing project. The outputs of the proposed additional financing will remain the same as the ongoing project: (i) the MOF's institutional capacity to implement the PFM Reform Roadmap strengthened, and (ii) the MOF's institutional capacity to implement SOE reforms strengthened.	
Project Rationale and Linkage to Country/Regional Strategy	The rationale of the ongoing project remains valid. The RMI faces significant challenges stemming from its geographical remoteness and dispersion. Exposure to external shocks and heavy reliance on development assistance compounds fragility. Economic provisions under the Compact of Free Association with the United States are slated to expire in 2023, and long-term fiscal sustainability amid substantially lower grant assistance inflows will be a major challenge. Weak PFM and inefficient state-owned enterprises (SOEs) are critical constraints to strengthening the fiscal position and improving strategic resource allocation.	
Impact	More effective governance achieved	
Project Outcome		
Description of Outcome	Public financial management improved	
Progress Toward Outcome		
Implementation Progress		
Description of Project Outputs	The MOF's institutional capacity to implement the PFM Reform Roadmap strengthened The MOF's institutional capacity to implement SOE reforms strengthened	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Nation-wide	
Safeguard Categories		
Environment	C	
Involuntary Resettlement	C	
Indigenous Peoples	C	
Summary of Environmental and Social Aspects		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
Stakeholder Communication, Participation, and Consultation		
During Project Design		
During Project Implementation		
Business Opportunities		

Consulting Services	Accountant (Chart of Accounts Mapping) (One Individual International Consultant: 90 person-days based in Majuro) Tax Expert (Legal) (One Individual International Consultant: 75 person-days based in Majuro) Tax Expert (Technical) (One Individual International Consultant: 120 person-days based in Majuro) Legal Expert for Fiscal Responsibility Legislation (One Individual International Consultant: 60 person-days based in Majuro) Human Resources Expert (One Individual International Consultant: 40 person-days based in Majuro)
Procurement	Nil.

Responsible ADB Officer	Ananya Basu
Responsible ADB Department	Pacific Department
Responsible ADB Division	PASP
Executing Agencies	Ministry of Finance P.O. Box D, Majuro MH 96960 Republic of the Marshall Islands

Timetable	
Concept Clearance	-
Fact Finding	-
MRM	24 Jul 2019
Approval	17 Sep 2019
Last Review Mission	-
Last PDS Update	17 Sep 2019

Grant 0658-RMI

	Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	0.50		Cumulative Contract Awards			
ADB	0.50	-	0.00	0.00		%
Counterpart	0.00		Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00		%

Project Page	https://www.adb.org/projects/50295-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=50295-002
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