

 Early Warning System

WB-P162850

Public Financial Management Improvement Project



### Quick Facts

Countries	Palestine, West Bank, Gaza
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	C
Voting Date	2018-06-01
Borrower	Ministry of Finance and Planning
Sectors	Finance, Technical Cooperation
Investment Type(s)	Advisory Services
Project Cost (USD)	\$ 3.50 million



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## Project Description

The objective of the project is to enhance the expenditure controls, financial accountability and procurement management of the Palestinian Authority. There are four components to the project;

1. Improving budget expenditure management and control. This component will address core weaknesses with the current expenditure management and control mechanisms through four subcomponents:
  - i. improving budget expenditure management, financial control and cash planning,
  - ii. establishing medical e-referrals system linkages with commitment control system,
  - iii. enhancing MoFP management of intergovernmental fiscal transfers, and
  - iv. enhancing the wage bill establishment control.
2. Improving financial accountability of the PFM system. This component will address the core weaknesses with the current financial accountability of the Palestinian system through four subcomponents:
  - i. aligning accounting/reporting with international standards,
  - ii. improving the bank reconciliation process,
  - iii. reducing the backlog of financial statements of the PA, and
  - iv. enhancing SAACB's capacity to audit bank's projects on a pilot basis.
3. The third component is the modernizing public procurement. This component will support the implementation of key aspects of the 2014 Public Procurement Law (PPL) by the High Council of Public Procurement Policies (HCPPP), in coordination with the two central procuring entities; namely Ministry of Public Works and Housing, Central Tendering Department (MoPWH-CTD) and Ministry of Finance and Planning, General Supplies Department (MoFP-GSD), and other procuring entities at the central and local levels. This component has three subcomponents as follows:
  - i. institutional strengthening of HCPPP,
  - ii. development of modern procurement tools, and
  - iii. capacity building of the procurement workforce and other stakeholders
4. Project Implementation Support and Management Costs



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### Investment Description

- World Bank (WB)

The Project is an Investment Project Financing (IPF) and will be financed by a Special Financing Grant in the amount of US\$3 million from the Trust Fund for Gaza and West Bank (TFGWB). The Project is expected to be complemented by co-financing from the Multi-Donor Trust Fund (MDTF) in the amount of US\$0.5 million. The MDTF was established with confirmed contributions from the EU and Denmark.



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## Contact Information

### **Borrower:**

Ministry of Finance and Planning

### **Implementing Agency:**

Ministry of Finance and Planning

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## **ACCOUNTABILITY MECHANISM OF WORLD BANK**

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You can learn more about the Inspection Panel and how to file a complaint at:

<http://ewebapps.worldbank.org/apps/ip/Pages/Home.aspx>.



### Bank Documents

- [West Bank and Gaza - Improve Public Financial Management of the Palestinian Authority \(English,Arabi Source\]](#) [Original
- [West Bank and Gaza - Improve Public Financial Management of the Palestinian Authority : Concept Inte Source\]](#) [Original
- [West Bank and Gaza - Public Financial Management Improvement Project : Project Information Document- Source\]](#) [Original