

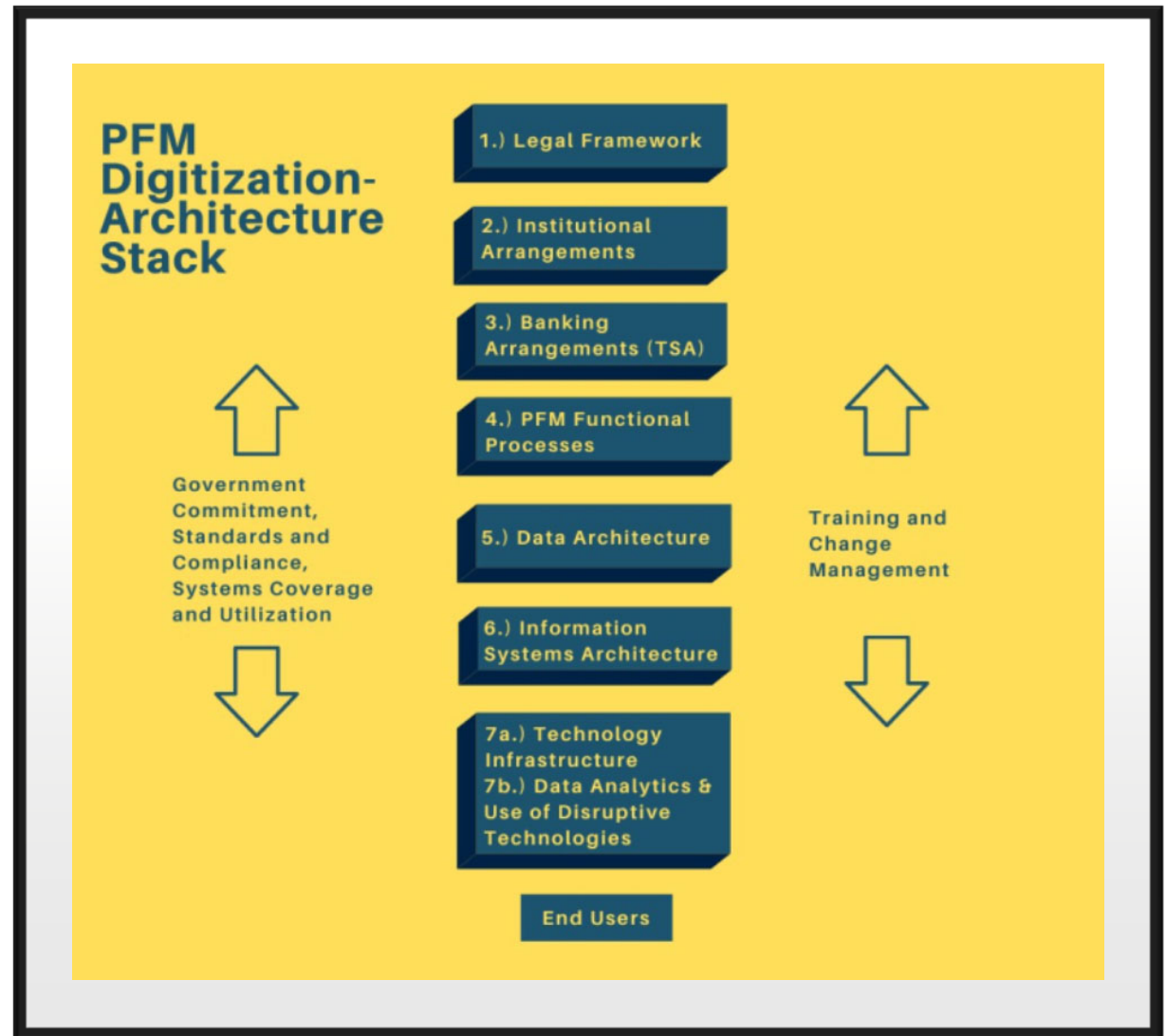
Digitization of Public Financial Management for Fiscal Control and Service Delivery

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A Stacked Layer Model Approach to PFM Digitization

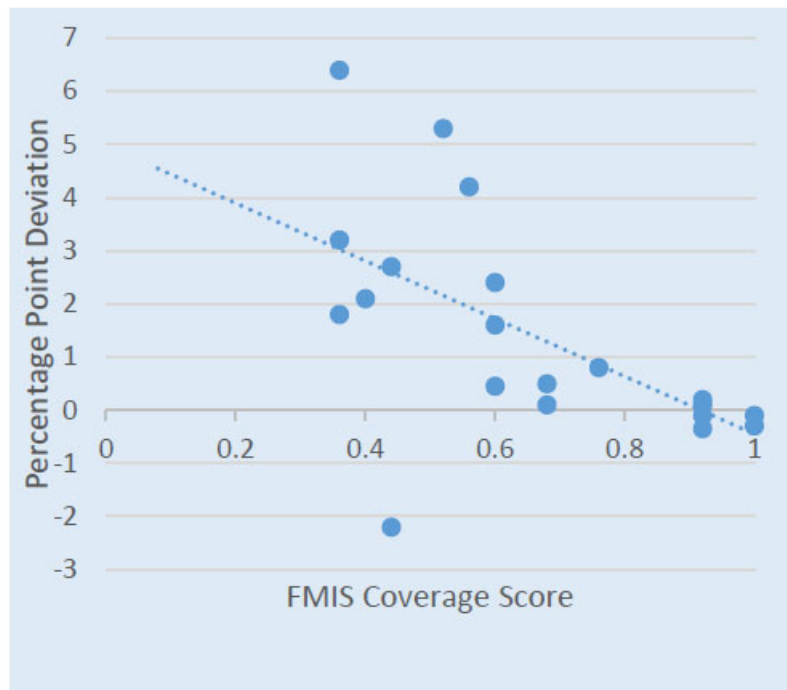
- Where does technology come in? where not?
- Why does it matter?
- How can it affect expenditure control and service delivery?



Source: IMF. 2020. [Stacked Layer Approach to PFM Digitization](#)

FMIS for Expenditure Control Requires Utilization

FMIS utilization and deviation from planned deficit

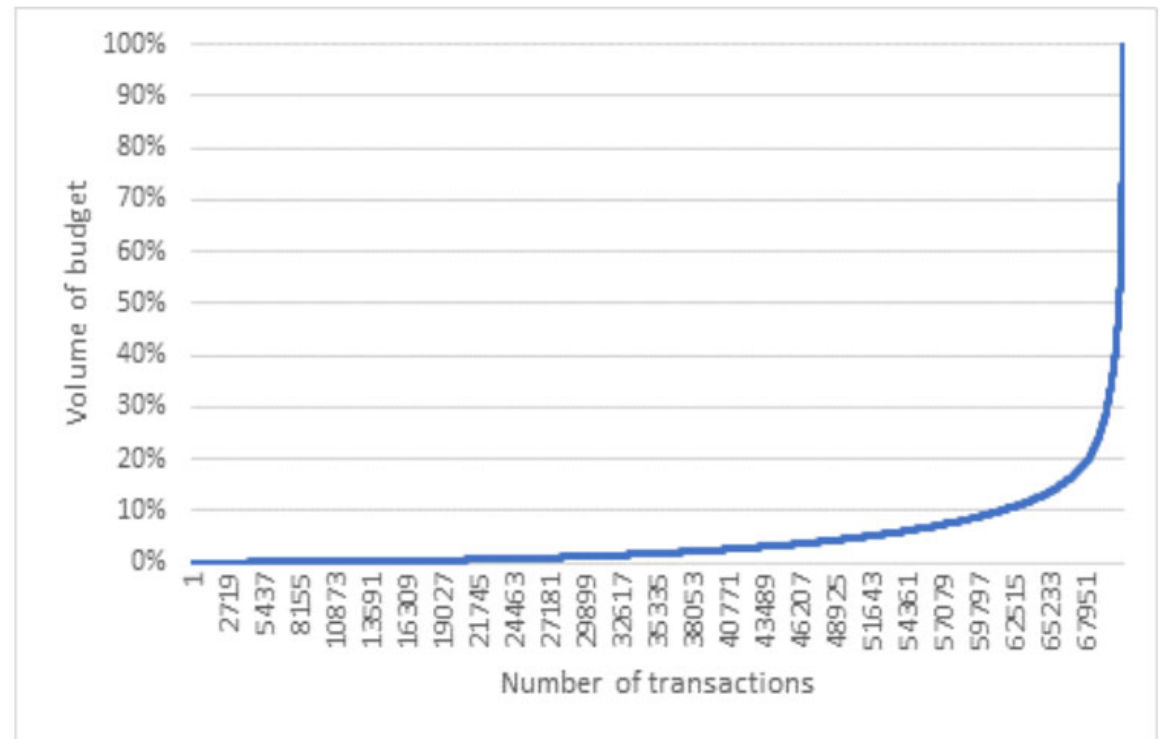
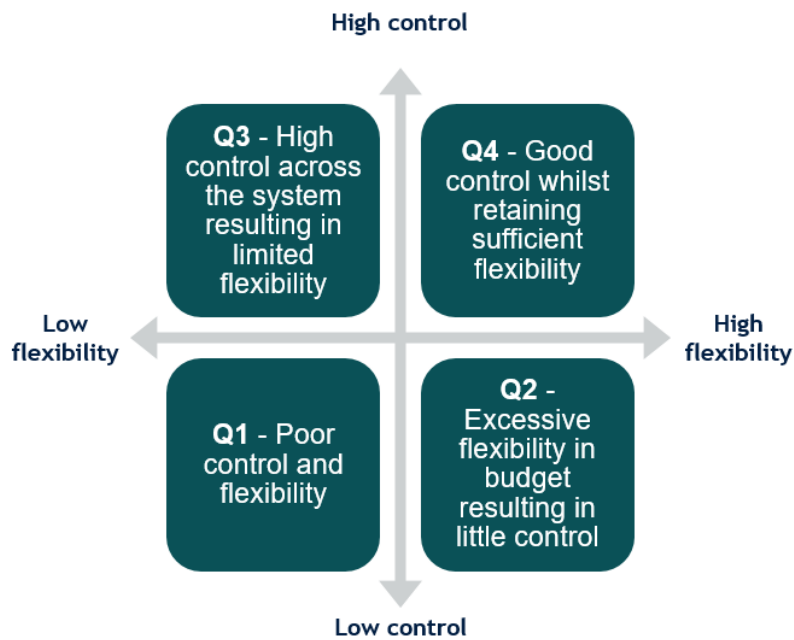


- What is the marginal impact of FMIS investments?
- How does it support expenditure control?
- How does it support service delivery?
- Take a data driven approach to assess FMIS effectiveness
- Leverage technology for decision making

Source:

- ✓ [Piatti-Fünfkirchen et al \(2017\)](#).
- ✓ [Hashim et al \(2020\)](#).

Take a Risk-Based Approach to Expenditure Management



Source:

Hashim, A., et al. 2019. [*The Use of Data Analytics Techniques to Assess the Functioning of a Government's Financial Management Information System: An Application to Pakistan and Cambodia.*](#)

Take Advantage of Maturing Technologies to Foster Efficiency, Reach and Accountability in Service Delivery

Examples from the health sector

Blockchain for verification of services

- What services were delivered?
- What outputs achieved?
- Who received services?
- Confidence in data providence
→ *Inform budget allocation decisions*

Use of mobile money to initiate payment

- Facilitate G2G transfers to remote providers
- Digitization of transactions
- Improved cash management
- Improved facility autonomy
→ *Efficiency and accountability*

Source:

World Bank. 2019. [Balancing control and flexibility: using banking sector innovations for improved expenditure control and effective service delivery.](#)

References

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- Hashim, A. and M. Piatti-Fünfkirchen. 2018. [*Lessons From Reforming Financial Management Information Systems: A Review of the Evidence.*](#) World Bank Policy Research Working Paper; No. WPS 8312. Washington, D.C.: World Bank Group.
- Hashim, A. and M. Piatti-Fünfkirchen. 2016. [*A Diagnostic Framework to Assess the Capacity of a Government's Financial Management Information System as a Budget Management Tool.*](#) IEG Working Paper
- Piatti-Fünfkirchen, M. and A. Hashim. 2020. [*A Stacked Layer Approach to PFM Digitization.*](#) International Monetary Fund
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- Piatti-Fünfkirchen, M. and A. Hashim. 2017. [*Using Financial Management Information Systems \(FMIS\) for Fiscal Control: Applying a Risk-Based Approach for Early Results in the Reform Process.*](#) IPMN Conference paper.

Thank you

