Somalia PFM Education and Training Programme

Professional training in a post conflict environment

April 2016
Overview of presentation

- Context of Somalia
- PFM reform plan
- PFM Education and Training Programme
Somalia: the Context
Somalia - Context

- Emerged from Civil War in 2011
- New government 2012
- Federal structure
- Continuing security problems
- Institutions of government are being established
Problems achieving good governance within Somalia

- Continuing security issues
  - Frequent attacks by Al Shebab
  - US and UK governments advise against all travel to Somalia

- Federal structure and role of states still evolving
  - No single financial management system for Federal and state level

- Weak infrastructure
  - Result of years of conflict
  - But economy now growing rapidly

- Limited human resources
  - Limited PFM knowledge or skills
The PFM Reform Plan
PFM Self Assessment 2013

• Inadequate **controls for revenue** management
• Absence of **long term planning and policy analysis**
• **Budget execution and procurement processes** lack adequate transparency and efficiency
• Inadequate **banking supervision mechanisms**
• Lack of comprehensive **reporting** on the use of resources
• Weak **Parliamentary oversight** over PFM functions
• Absence of a truly **independent Auditor General**
• Inadequate **PFM legal framework** requires modernization
• **Human resource and logistics challenges**
PFM Education and Training Programme

Strategy and Action Plan

- Improved transparency of budget process
- Enhanced fiscal discipline
- Focused public expenditure
- Efficient and effective public expenditures
- Financial management & accountability

Human resources key to achieving goals
PFM Education and Training Programme
The need for PFM training

PFM Self-Assessment Report, April 2013:

• Low PFM capacity across institutions
• Lack of PFM training opportunities
• Lack of definition of roles and responsibilities of finance staff
Challenges of PFM Training

• Lack of initial PFM skills within government or universities
  – Training must be externally supported
• Need for external certification
  – Provide credibility
  – Ensure international standards
  – Motivate students
• Security issues
  – Remote delivery of training
• Requirement to build sustainability
  – Universities are functioning institutions
  – But lack PFM training skills
PFM Education and Training Programme

Concept

• To create a core group of trained and internationally qualified PFM professionals within government

• Use of universities as existing training institutions to enable sustainability

• Extensive use of web-based approaches to overcome security issues
Concept of professional training

Task related training

- Training for specific tasks
- No conceptual knowledge required
- Direct and measurable impact
- Knowledge not easily applicable to other tasks

Professional training

- Generic coverage of all tasks within a professional sphere
- Not specific to any one organisation or situation
- Practical skills developed for generic situations
- Understanding of concepts
- Process of certification indicates levels of knowledge

Academic education

- Theoretical
- Broad conceptual knowledge
- No direct practical application
- Focus on debate and issues
Why professional PFM training for Somalia

• Address problem of lack of PFM expertise
• Create cadre of PFM experts
• Ensure knowledge acquired meets current international standards
• Certification process measures acquisition of PFM knowledge and skills
• Acquiring a professional qualification motivates students
• Process of professionalisation develops ethical standards specific to the profession
Why CIPFA?

• The only PFM specialist international professional body
• CIPFA International PFM (IPFM) a ready made programme
• Leads to professional membership of CIPFA
• Syllabus consistent with IFAC Educational framework and standards
• CIPFA’s international training experience and resources
• A specialist public sector qualification locks successful students into the public sector
CIPFA IPFM Qualification Structure

Levels planned for Somalia

- **Student**
- **Certificate level**
- **Associate**
- **Diploma level**
- **Full member**
- **Advanced Diploma**
- **Professional**
Design of Training and Education Programme

- Target group – existing government staff (Federal, State, Local)
- Delivery through Somalia universities
  - Create PFM academies within the universities
- Web based delivery of materials and support:
  - Administration
  - Course manuals, teaching materials, practice material and tests
  - Online query and discussion forum
  - Webinars
- Examination and assessment by CIPFA
PFM Education and Training Programme

Management Structure

External Support
Multi donor trust fund administered by the World Bank

Federal Government of Somalia
Project coordination

State Governments
Programme management within State

Managing Consortium
- WYG (lead firm)
- CIPFA
- Michael Parry Consulting

Project Steering Committee

Participating Universities
- Mogadishu
- SIMAD
- PSU
- EAU

Students
The PFM Education and Training Programme

Students selected by Federal/State governments
- All gov’t employees
- Graduates
- Tested for English and basic skills

Enrolled in 1 of 4 participating universities
- University tutors trained outside Somalia
- Universities establishing PFM Academies

Tuition by universities
- Supported by:
  - Learning material
  - Tutor mentors
  - Webinars
  - Discussion forums

CIPFA exams sat at universities
- Universities accredited as CIPFA exam centres
- Goal of becoming CIPFA training partners

Exam scripts marked by CIPFA
- Scripts physically sent to UK
- Results announced by CIPFA

Web-based system provides
- Student registration
- Material distribution
- Discussion forum
- Exam registration and recording of results
Parallel procurement training

• Parallel programme of procurement training
  – Provided by International Training Centre of the International Labour Organisation (ITC-ILO: a UN body)
• Also administered by consortium
  – Uses same web-based management system
PFM Education and Training Programme

Structure

- All students
  - Introductory course
    - CIPFA IPFM Certificate Level
      - Financial Accounting
      - Management Accounting
    - Somalia Specific
      - PFM for Somalia
    - ITC-ILO Certificate in Procurement
      - Legal framework of public procurement
      - Institutional aspects of public procurement
      - Management of the public procurement process

  - PFM Stream
    - CIPFA IPFM Diploma Level
      - IPFM Public Sector Financial reporting
      - IPFM Managing Organisations
      - IPFM Managing Finance
      - IPFM Audit and Assurance
    - Somalia Specific
      - Public sector fiscal management and systems
      - Strategic public procurement management

  - Procurement Stream
    - ITC-ILO Diploma in Procurement
      - Procurement of goods and physical services
      - Procurement of works
      - Procurement of professional services
Experience from first CIPFA exams

• First exams November 2014
  – Disappointing results - low pass rates
• Identified issues
  – University tutors themselves PFM students
  – Students had inadequate knowledge to start course
    • Limited English language skills
    • Inadequate selection process
  – Lack of examination experience
  – Security problems
    • Students unable to attend lectures and/or exams
  – Poor internet connectivity
Addressing the issues

• More rigorous selection of students
• Introductory course as preliminary to CIPFA Certificate
  – Pass compulsory before starting Certificate programme
• Improved tutor capacity
  – Extended training of trainers
  – Support by tutor mentors (qualified accountants resident in Somalia)
• Increased support to tutors and students
  – Webinars
• English language training by universities
• Improved internet connections
Impact of changes to programme

• Improvement in pass rate from 5% to 44% between November 2014 and June 2015
• Several universities achieving 70% or higher pass rates
• 39 students have achieved CIPFA IPFM certificate – more than 90 expected to achieve certificate in June 2016
PFM Education and Training Programme

Achieving sustainability

• PFM Academies being established in each University
  – Based on tutors trained by PFM Education and Training Programme
  – Goal of becoming CIPFA training partner institutions
• Programme administration
  – In process of transfer to Somalia universities
• Website
  – Being developed as multi year system for ongoing use by universities and government
• Scheme for PFM cadre of service
  – Plan developed for recognising PFM qualifications within government scheme of service
Next steps

• CIPFA certificate programme completed by end 2016
• Diploma level training
  – Planned to commence July 2016
  – Separate streams for PFM (CIPFA) and procurement (ITC-ILO)
Lessons learned

- Even in a post conflict situation with major ongoing security issues students are committed to obtain professional qualifications
- Takes longer than expected
  - Certificate programme was expected to be completed by end 2015 now end 2016
- Web-based delivery a viable option for course delivery
  - Scope to increase use of web-based training tools
- Level of support required by universities and students should not be under-estimated
- CIPFA provides an appropriate route for building a core of PFM expertise