

Dear Mr Daniel Greenberg CB

14 March 2022

I write to you on behalf of the [Partnership for Social Accountability Alliance \(PSA Alliance\)](#) that consists of Action Aid International, SAFAIDS, ESAFF and PSAM.

Ms. Julie Middleton, Ms. Rachel Gondo and Mr. Rongai Chizema of the Alliance participated in the SADC PF's CSO consultation on the draft Model PFM law that took place on 10 March 2022 when you kindly briefed attendees. Below please find submissions from the Alliance for consideration.

Yours faithfully



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Feedback on the latest iteration of the draft model PFM law as developed and circulated by Daniel Greenberg CB and dated 30 December 2021.

- 1) Within section 61 dealing with **Other international commitments and projects** it is proposed that the words “regional and” be included so that wherever it reads “international commitment” it would now read “regional and international commitment”

Rationale: The Alliance is mindful of regional commitments developed by the African Union that include the Malabo and Abuja Declarations that are not covered by the current version of section 61.

- 2) Within section 101(5) it is proposed that an additional sub-section be included to require reporting of expenditure related to the SDGs, regional and other international commitments. We suggest that the new sub-section read as follows:

c) ensure that the accounts include a statement of financial performance, a statement of financial position and a cash flow statement related to funds specifically allocated to respond to SDG goals; alongside regional and other international commitments.

- 3) We were unable to identify specific sections within the draft model PFM law that require detailed reporting on the use of **donor aid and other off budget** resources. We may have missed such provisions but if not, we would encourage the inclusion of clauses requiring reporting on such funds. The Alliance has found that for instance, country budgets for health and agriculture often receive international aid and this is an area that our partners have found difficult to monitor due to lack of easy access to budget information from such sources.
- 4) We suggest that the draft model PFM law place greater obligations on member states to provide administrative and functional level budget allocation and implementation details – sometimes referred to as **vote** details. We note that at section 55 there is reference to “prescribed divisions” with footnote 24 elaborating further that “Budget estimate divisions are commonly grouped as votes; but in order to avoid the model law becoming prescriptive as to individual legislative procedures and processes, the model law uses a neutral terminology.” Were the draft model PFM law to require clear obligations to budget and account at both an administrative and functional level, it would strengthen oversight in our view, including the ability to assess progress against regional and international commitments.

Our suggestion therefore is that the current section 54(3)(a) be revised to read as follows:

“accounts for all expected expenditure on or behalf of the Government disaggregated according to administrative and functional divisions”

In addition and for consistency purposes, it is proposed that the words “attributed to prescribed divisions” in section 55 be replaced with “*attributed to administrative and functional divisions*”.

We look forward to engaging further in the development of this model PFM law.