

Public Sector Financial Management Reform

Action Plan

2017



I - Budgeting

1. Improvement of Budget Management

1.1 Preparation of the draft annual budget law

Responsible Body: Budget Department, Macroeconomic Analysis and Forecasting Department, Public Debt and External Financing Department (the parties involved: spending agencies, the State Audit Office, the Government of Georgia, the Parliament of Georgia)

Performance Indicator:

2018 state budget draft law is prepared and submitted to the Parliament of Georgia within the period prescribed by law;

Draft state budget law is in line with the law of the fiscal parameters;

Budget documents are in line with standards set by the program budgeting methodology.

Period: January-December

1.2 Medium-Term Planning (MTEF)

Responsible Body: Budget Department, Macroeconomic Analysis and Forecasting Department (involved parties: Spending agencies, the Government of Georgia, the Parliament of Georgia)

Performance Indicator: The final version of the Basic Data and Directions document for 2017-2020 yy has been prepared and the primary and revised versions of the Basic Data and Directions for 2018-2021 has been prepared and submitted to the Government and the Parliament within the term prescribed by law and comply with legal requirements;

Ministries medium-term action plans are improved, it is consistent with the methodology developed by the Minister of Finance; Approved by the relevant ministries, the medium-term action plans include the relevant estimations;

Development of the cost estimation preparation instruction, on the based experience.

Period: January-July

1.3 Improvement of the Program Budgeting in Local Municipalities

Responsible Body: Budget Department, (the parties involved: local authorities, donors)

Performance Indicator: the preparation of program budgeting methodology is updated for autonomous republics and local self-governing units;

Piloting of the program budgeting revised methodology has been started in municipalities.

Period: January-July

1.4 Ensure the Transparency of the Budget Process



Responsible Body: Budget Department (the parties involved: the state budget spending units, the Government of Georgia, the Parliament of Georgia)

Performance Indicator: Information delivery mechanisms to the public in the budget process at all stages have been developed; Budget documents are on the Ministry of Finance's website (www.mof.ge);

The relevant measures to eliminate the shortcomings found while The Open Budget Survey process has been completed; Participation of Georgia in the IMF's fiscal transparency report development.

Citizens Guide for 2018 state budget is published on the website;

Period: January-December

1.5 Further Aligning of Fiscal Management Principles to International Standards

Responsible Body: Budget Department (the parties involved: the state budget spending units, the Government of Georgia, the Parliament of Georgia)

Performance Indicator:

Enforcement of the proper regulations for the protection of fiscal rules limit parameters set by the legislation.

Period: January-December

1.6 Annual and quarterly reports on budget execution, strengthening the accountability towards to the controller

Responsible Body: Budget Department (involved parties: Spending agencies, the State Audit Office, the Parliament of Georgia);

Performance Indicator:

2016 annual budget implementation report and the 2017 quarter reports of the budget are submitted to the Parliament within the term prescribed by law and consistent with the requirements of the legislation;

Information about the 6-month budget performance report and the performance of the mid-term review of the budget are prepared and submitted to the Parliament of Georgia;

2016 annual report on implementation of the budget with the the program budget review document are presented to Parliament, which includes the information about the indicators of the program implementation;

The preparation of the action plan as prescribed about the report of the state budget implementation considering the recommendations of the state audit is underway.

Period: January-December

1.7 Capital / Investment Projects Management Guide and Methodology Introduction

Responsible Body: Budget Department (involved parties: Macroeconomic Analysis and Forecasting Department, Spending Agencies, the State Audit Office, the Government of Georgia, the Parliament of Georgia)



Performance Indicator: Revised Capital / Investment Project Management Guide and Methodology; support of the introduction piloting of Capital / Investment Project Management.

Period: January-December

1.8 Budgets Complete Conversion of the Budget of Local Self-Government and its Sub-agencies / a non-commercial Envisaged by the Regulations of Georgian budget system

Responsible Body: Budget Department (involved parties: Spending agencies)

Performance Indicator: working on the proper module in public schools and in the early and pre-school upbringing and education institutions/other pre-school institutions for the implementation of a uniform standard budget execution and performance reporting. Budget execution and performance is reported under a uniform standard, from any source of funds received from the completed operations.

Period: January-December

1.9 The Budget Process Support with the Corresponding of the Relevant Legislation

Responsible Body: Budget Department, Legal Department (the parties involved: the state budget spending units, the Government of Georgia, the Parliament of Georgia)

Performance Indicator: The planned events in the frame of Public Financial Management Reform are supported by appropriate legislation and regulations.

Period: January-December

II - Taxation Policy and Custom Issues

1. Improvement of Legislative Base

1.1 The Income Tax Reform - Growth-oriented Tax System Formation

Responsible Body: Tax Policy Department

Performance indicator: enactment of the income tax new model, in purpose of its practical implementation to make a secondary legislation in compliance; the development and further improvement of the declaration form and its fulfillment regulation, completion of the taxation regime.

Period: January - December

1.2 Further Improvement of Tax Legislation

Responsible Body: Tax Policy Department

Performance indicator: the analysis of the presented legislative initiatives, the analysis of the issued found in the tax administration process, identification of the existing vague and ambiguous provisions and preparation of the draft law for their elimination, preparation of the project of the changes.



Period: January - December

1.3 Harmonization of the Tax Legislation with the EU Directives within the Framework of the Association Agreement

Responsible Body: Tax Policy Department

Performance indicator: preparation of the action plan for harmonization of the tax legislation with the EU directives within the frameworks of the EU Association Agreement, implementation of the comparative analysis of the EU directives to the tax law and preparation of the draft of the project of changes in the Tax Code of Georgia.

Period: January - December

1.4 International Tax Policy Improvement

Responsible Body: Tax Policy Department

Performance indicator: implementation of the procedures prescribed by law for the purpose of making an agreement about the double taxation avoidance of priority states income and capital;

Implementation of the procedures prescribed by law for the purpose of making an agreement about information exchange ("TIEA") about tax issues with priority countries;

For tax purposes according to a new (2016) methodology developed by the Global Forum about the Transparency and exchange of information, with the request the legislative change implementation in the frameworks of the second round of information exchange;

The relevant legislative amendments' implementation and further monitoring in purpose of implementation of the 4 minimum standards prepared within the framework of the Action Plan of reducing the tax base and transfer of income (BEPS) of G20 (OECD/G20) and Organization for Economic Cooperation and Development.

Initiative of legislation changes in the frameworks of "Accountability according to the Countries" (CbC).

Period: January-December

1.5 Preparing of the Customs Code and accompanying projects subsequent to the legislative acts of Georgia, also preparing the vested normative act draft related to the Customs Code

Responsible Body: Tax Policy Department

Performance Indicator: The project developed by the Customs Code; Of the Customs Code of the legislation designed to change the projects; Customs regulation issued by the Minister of Finance Decree projects

The draft of Custom Code is elaborated; Subsequent to the Custom Code, drafts of amendments in the legislative acts are also developed; Drafts are developed for order issued by Minister of Finance and for the government decree to regulate the Custom Code.

Period: January - December



2. Improvement of Tax and Customs System

2.1 The fight against the Avoidance of the Tax Payment

Responsible Body: The Revenue Service

Performance indicator: increase the number of tax audits. Shorten the audit period. Possibility of working on a large volume of data.

Period: January-December

2.2 Promotion of the EU Integration Process

Responsible Body: The Revenue Service

Performance indicator: The implementation of the measures determined by the agenda of association and the government's Action Plan.

Period: January-December

2.3 Improvement of the Standards of Service

Responsible Body: The Revenue Service

Performance indicator: equipping of the service areas with modern standards. The software modules' introduction in order to facilitate the services of the taxpayers. The improvement of the call center performance.

Period: January-December

2.4 Increase of the Tax Awareness of the Taxpayers

Responsible Body: The Revenue Service

Performance indicator: the tax board arrangement. The enactment of the project „pay taxes for a better future" in educational institutions.

Period: January-December

2.5 Improvement of Trade Facilitation Instruments and Implementation of Customs, Sanitary, Phytosanitary and Border control

2.5 trade facilitation instruments and customs, sanitary, phytosanitary border control enforcement

Responsible Body: The Revenue Service

Performance Indicator: Increase of the effectiveness of customs control implementation and acceleration of the customs procedures by the construction of infrastructure and the fulfillment of commitments according to the conventions.



Period: January-December

2.6 Analytical Center Establishment

Responsible Body: The Revenue Service

Performance indicator: B1 Software Module creation.

Period: January-December

III - Macroeconomic Forecasting and Analysis

1. Improvement of Macroeconomic Forecasting and Analysis

1.1 Improvement of the Analysis of the Macroeconomic Forecasting and the Increase of Analytical Information

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Improved forecasting; introduction of the results gained by the macroeconomic analysis (the establishment of the regular review system).

Period: January - December

1.2 Learning the new analytical indicators of economic activity on the basis of the information received from the administrative sources

1.2 Analytical indicators of economic activity in the new study, based on information obtained from administrative sources

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Expanding of the economic activity and analytical products.

Period: January - December

1.3 Periodic analysis and Periodic Dimensions of Economic Conditions

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Posting the periodic information on the economic situation on the official web-site of the Ministry of Finance.

Period: January - December

1.4 Periodic analysis of the Fiscal Policy

Responsible Body: Macroeconomic Analysis and Forecasting Department



Performance indicator: monitoring of quarterly deficit, the study of the structural deficit, the structural deficit methodology, the monthly deficit monitoring of the budget.

Period: January - December

1.5 Macroeconomic Modeling

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance indicator: technical specifications for dynamic stochastic general equilibrium model (DSGE), quarterly modification and specification of the macroeconomic model.

Period: January - December

1.6 Vulnerability Detection

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Study of international experience.

Period: January - December

2. Improvement of Revenue Forecasting and Analysis

2.1 Improvement of Budget Revenue Forecasting

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Improved prediction, introduction of the alternative methodology and its implementation, the study of the income elasticity's coefficients, the coefficient of elasticity of excise goods.

Period: January - December

2.2 Information Reception of the Accrued Taxes, Processing and Analysis

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance indicator: the use of data for analytical and forecasting purposes.

Period: January - December

3. Fiscal risk detection and assessment

3.1 Macroeconomic risk assessment

Structure Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: update of the macroeconomic risk analysis

Period: January - December



3.2 Assessment of the contingent liabilities of enterprises

Responsible Body: Macroeconomic Analysis and Forecasting Department

Performance Indicator: Creating the register of the State Enterprise contingent liabilities, assessment of the fiscal risks derived from them, improvement of the system of getting data/ questionnaire from the state enterprises

Period: January- December

IV – Public Debt Management

1. Improvement of the State Securities Market

1.1 Study of the Best Practices and International Experiences for further implementation

Responsible Body: Public Debt and External Financing Department

Performance Indicator: prepared recommendations related to the State Securities Market development

Period: January-December

1.2 Introduction of New Instruments to the State Securities Market

Responsible Body: Public Debt and External Financing Department

Performance indicator: release of the new term treasury securities (6 months); Start of benchmark Bonds emissions of a new type of securities.

Period: January-December

2. Increase of Effectiveness of Cooperation with Donors

2.1 Cooperation with Donors in order to implement the projects and programmes prioritized by the Government of Georgia

Responsible Body: Public Debt and External Financing Department

Performance indicator: held coordination meetings with donors about the current and future cooperation

Period: January-December

3. Eurointegration

3.1 Coordination of the Implementation of the Competence of the Ministry of Finance of Georgia provided by the documents of Deep and Comprehensive Free Trade Agreement (DCFTA) The Association Agreement (AA)

Responsible Body: Public Debt and External Financing Department



Performance Indicator: Coordination of the preparation of the report about the implementation of Action Plan strategies and according to the strategies, coordination of the preparation of the report about the implementation of Action Plan of the relevant years.

Period: January-December

V - Accounting and Reporting

1. Development of IPSAS standards related to the accrual concept

1.1 In the instruction of accounting and financial reporting IPSAS (IPSAS 1, IPSAS 5, IPSAS 9, IPSAS 14, IPSAS 16, IPSAS 36, IPSAS 37) public sector accountants' awareness about the requirement of standards, preparing the training programs and re-training.

Responsible Body: State treasury service, LEPT - The Academy of the Ministry of Finance

Performance Indicator: Since 2017, accountants of the budget organizations are using IPSAS 1, IPSAS 5, IPSAS 9, IPSAS 14, IPSAS 16, IPSAS 36, IPSAS 37 norms in accounting.

Period: January-December

1.2 Analytics of the Introducing Standards by the Detailed Action Plan 2018 (IPSAS 25, IPSAS 28, IPSAS 29, IPSAS 30, IPSAS 33) and Reflection of its demands in their Accounting and Financial Reporting Regulations

Responsible Body: Treasury Service

Performance Indicator: The project of changes has been designed that reflects the demands of selected IPSAS standards.

Period: July-December

1.3 Increase of Awareness of IPSAS Standards of Self-government Representatives

Responsible Body: Treasury Service

Performance Indicator: held seminars of the self-government representatives; the workshops and so on in order to know the meaning of IPSAS standards, also for identification of self-accounting and financial reporting specific issues, which will be considered for IPSAS strategy drafting for self-accounting units;

Period: January-December

1.4 Preparation of Draft Strategy for Developing IPSAS Standards for local authorities of self-government units

Responsible Body: Treasury Service

Performance indicator: draft strategy of developed IPSAS standards in local authorities.



Period: January-December

2. Development of the integrated informational system of the Public Finance Management

2.1 Management module evaluation / analytics of the incomes in the public organizations at the treasury single account

Responsible Body: State Treasury Service, Financial Analytical Service

Performance Indicator: Analytics business process of the income management in public organizations are prepared.

Period: January-December

2.2 Integration of the bookkeeping entries in the General Ledger of Treasury from a variety of modules

Responsible Body: State Treasury Service, Financial Analytical Service

Performance Indicator: The General Ledger of Treasury contains information about the different type of payments made from the budget

Period: January-December

3. Formation of the Reform of Cash Management

3.1 Cash Management Strategy Approval by the Treasury Service

Responsible Body: Treasury Service

Performance Indicator: Cash Management Strategy Project is approved.

Period: January-December

3.2 Training for Cash Management Department staff on financial markets issues

Responsible Body: State Treasury Service

Performance Indicator: Cash Management Department staff is trained.

Period: January-December

3.3 Development of Technical Reference of the Cash Management Module

Responsible body: the Treasury Service

Performance indicator: Technical Reference of cash management module has been developed.

Period: January-December



VI – Public internal control over financial reform

1. The development of public internal control

1.1 Public Internal Financial Control reform development planning, assessment and awareness raising

Responsible Body: Central Harmonization Unit

Performance Indicator: 1. State Internal Financial Control Development Strategy and Action Plan approved by the Government of Georgia; 2. Conducted a conference. 3. The annual report of state internal financial control reform 2016 is submitted to the meeting of the government of Georgia.

Period: January - December

1.2 Financial Management and Control system implementation and effective functioning promotion in the public sector

Responsible Body: Central Harmonization Unit

Performance Indicator: 1. Instructions about the terms and procedures of development the financial management and control system approved by the government. 2. The financial management and control system of the second stage: The establishment of managerial control instructions; 3. Reports, worked out to support the implementation of the financial management and control system instructions in sixteen ministries.

Period: January - December

1.3 Development of internal audit activities and promotion of effective functioning in the public sector

Responsible Body: Central Harmonization Unit

Performance Indicator: 1. approved the internal audit methodology and system audit manual; 2. Strengthened qualification of internal auditors with help of worked out training plans and conducted trainings; 3. enhancing the practical experience of internal auditors with help of at least in on financial or compliance pilot audit and four effectiveness or system pilot audit implementation; 4. The evaluation criteria developed for internal audit activities.

Period: January- December

VII - Informational Technologies

1. Development and Support of the Public Finance Management Integrated Information System

1.1 eBudget - System Development and Addition of New Features

Responsible Body: LEPL Financial-Analytical Service

Performance Indicator: It is planned to copy the main modules of the system to the new technology;



Extension of the functionality of dynamic documents by adding data filtering, grouping and adding of new capabilities; Extension of the functionality of balance planning (at the end and the beginning of the accounting period); system conversions automatic synchronization of relevant information and revenues planning in Treasury budget system, creation functional integration of specification and implementation of necessary process control for the Treasury.

Period: January - December

1.2 eTreasury - System Development and Addition of New Features

Responsible body: LEPL Financial and Analytical Service

Performance indicator: Creation of the budgetary management accounting module in the unified treasury system.

Period: January - December

1.3 eDMS - System Development and Addition of New Features

Responsible body: LEPL Financial and Analytical Service

Performance Indicator: Data exchange functional according to the new requirements about projects, programs and electronic components of the structure and the budgetary system. Upgrading of the implementation of the module of foreign debt. Integration to the National Bank for obtaining Treasury emissions; Automation of the necessary information for budgeting over the internal dept;

Period: January – December

1.4 eHRMS - System development and addition of new features

Responsible Body: LEPL Financial and Analytical Service

Performance Indicator: Harmonize eHRMS system to the standards worked out by the Civil Service Bureau; future integration of the eHRMS system to the independent system (hr.gov.ge, certification system, electronic record management system etc.); the continued system development according to the requirements (evaluation module, Self-Service module).

Period: January- December

1.5 Ensure the sustainability of ICT infrastructure of Ministry of Finance

Responsible Body: LEPL Financial and Analytical Service

Performance Indicator: Upgrade of Revenue Service system infrastructure a transition to a new platform; Complete update of backup system and transfer to the new platform; to strengthen server infrastructure and upgrade the Treasury and the Revenue Service systems;

Period: January - December

VIII – Resource Management



1. Development of strategies related documents

1.1 Implementation of the Socio-Economic Development Strategy of Georgia “Georgia 2020” and According to it Participation in Document Development

Responsible Body: Finance Ministry of Georgia / Macroeconomic Analysis and Forecasting Department

Performance Indicator: Submission and development of the document/legislative acts to the appropriate bodies; among them, the working on issues related to deposit insurance system.

Period: January-December

1.2 Within the competence participation in the country's pension reform (including the development of the strategy and action plan)

Responsible Body: Macroeconomic Analysis and Forecasting Department / the relevant agencies.

Performance Indicator: The documents necessary for the enforcement of the pension system are worked out.

Period: January-December

1.3 Within the competence taking participation in the drawing out the development of capital market reform strategy in country and action plan

Responsible Body: Macroeconomic Analysis and Forecasting Department / the relevant agencies.

Performance Indicator: The developed documents required for capital market reform of Georgia.

Period: January-December

1.4 Within the Competence about the Public-Private Partnership, Participation in Development of the Relevant Legal Framework, Policy Documents and Draft Law

Responsible Body: Macroeconomic Analysis and Forecasts Department / Relevant Agencies

Performance Indicator: Prepared policy document and draft.

Period: January-December

1.5 Take Participation in the Relevant Measures for Development of Regulatory Impact Assessment System in the Country within the Competence.

Responsible Body: Macroeconomic Analysis and Forecasting Department / the relevant agencies

Performance Indicator: Developed legal framework for regulatory impact assessment system.

Period: January-December



1.6 On the basis of the order #1355 of 25 June, 2015 Implementation Appropriate Changes in the Socio-economic Development Strategy of Georgia "Georgia 2020"

Responsible Body: Finance Ministry of Georgia / Macroeconomic Analysis and Forecasting Department

Performance Indicator: Preparation of appropriate project changes and their reflection in the socio-economic development strategy of Georgia "Georgia 2020".

Period: January-December

2. LEPL - Academy of the Ministry of Finance

2.1 Increase of Qualification of the Staff of the Local Municipal Units

Responsible body: The Academy of the Ministry of Finance

Performance Indicator: trained staff.

Period: January-December

2.2 Cooperation with the Dutch Ministry of Finance to organize the trainings and consultation meetings for the purpose of improvement of financial management

Responsible Body: LEPL - Academy of the Ministry of Finance

Performance Indicator: Trainings and consultations carried out by the Dutch Ministry of Finance; trained staff of the Ministry of Finance.

Period: January-December

3. eauction.ge – system modernization

3.1 Improve the quality of services

Improvement the quality of services

Responsible Body: LEPL - Service Agency of the Ministry of Finance of Georgia

Performance Indicator: Customer's satisfaction research implementation; service quality management; development of the guideline of the service quality management, extension of the area of agency services.

Period: January- December

3.2 eauction.ge System Improvment/ Modernization

Responsible Body: LEPL - Service Agency of the Ministry of Finance of Georgia



Performance indicator: concerning the interests of the consumer modernization of the electronic portal, the enactment of the new services, introduction of the mobile application of the web version in real environment, extension of the payment system.

Period: January-December

3.3 eauction.ge - Attracting new partners

Responsible Body: LEPL - Service Agency of the Ministry of Finance of Georgia

Performance Indicator: Attracting of the new partner organizations of the web-site, the increase of the number of customers; implementing the measures of property management of legal and physical persons.

Period: January-December

Annex: Estimated costs of the actions planned within the Public Sector Financial Management Reform Action Plan for 2017

Estimated costs of the actions planned within the Public Sector Financial Management Reform Action Plan for 2017

#	Direction/Activity	Whole amount of Financing/Source of Financing (GEL)
	I - Budgeting	23 01 - Public Finance Management
		1,165,000
1	Improvement of Budget Management	1,165,000
1.1	Preparation of the draft annual budget law	600,000
1.2	Medium-Term Planning (MTEF)	297,000
1.3	Improvement of the Program Budgeting in Local Municipalities	14,000
1.4	Ensure the Transparency of the Budget Process	11,000
1.5	Further Aligning of Fiscal Management Principles to International Standards	9,000
1.6	Annual and quarterly reports on budget execution, strengthening the accountability towards to the controller	126,000
1.7	Capital / Investment Projects Management Guide and Methodology Introduction	32,000
1.8	Budgets Complete Conversion of the Budget of Local Self-Government and its Sub-agencies / a non-commercial Envisaged by the Regulations of Georgian budget system	67,000
1.9	The Budget Process Support with the Corresponding of the Relevant Legislation	9,000
	II - Taxation Policy and Custom Issues	23 01 - Public Finance Management 23 02 - Revenue Mobilization and Improve Services to Tax payers
		6,118,800
1	Improvement of Legislative Base	1,063,900
1.1	The Income Tax Reform - Growth-oriented Tax System Formation	95,000
1.2	Further Improvement of Tax Legislation	100,000
1.3	Harmonization of the Tax Legislation with the EU Directives within the Framework of the Association Agreement	500,000
1.4	International Tax Policy Improvement	184,500
1.5	Preparing of the Customs Code and accompanying projects subsequent to the legislative acts of Georgia, also preparing the vested normative act draft related to the Customs Code	184,400
2	Improvement of Tax and Customs System	5,054,900
2.1	The fight against the Avoidance of the Tax Payment	112,200
2.2	Promotion of the EU Integration Process	671,000
2.3	Improvement of the Standards of Service	583,000
2.4	Increase of the Tax Awareness of the Taxpayers	325,000
2.5	Improvement of Trade Facilitation Instruments and Implementation of Customs, Sanitary, Phytosanitary and Border control	2,673,700
2.6	Analytical Center Establishment	690,000
	III - Macroeconomic Forecasting and Analysis	23 01 - Public Finance Management
		778,139
1	Improvement of Macroeconomic Forecasting and Analysis	510,179
1.1	Improvement of the Analysis of the Macroeconomic Forecasting and the Increase of Analytical Information	120,120
1.2	Learning the new analytical indicators of economic activity on the basis of the information received from the administrative sources	121,175
1.3	Periodic analysis and Periodic Dimensions of Economic Conditions	116,424
1.4	Periodic analysis of the Fiscal Policy	18,480
1.5	Macroeconomic Modeling	73,920
1.6	Vulnerability Detection	60,060
2	Improvement of Revenue Forecasting and Analysis	175,560
2.1	Improvement of Budget Revenue Forecasting	101,640
2.2	Information Reception of the Accrued Taxes, Processing and Analysis	73,920
3	Fiscal risk detection and assessment	92,400
3.1	Macroeconomic risk assessment	41,580
3.2	Assessment of the contingent liabilities of enterprises	50,820
	IV - Public Debt Management	23 01 - Public Finance Management
		485,000
1	Improvement of the State Securities Market	158,000
1.1	Study of the Best Practices and International Experiences for further implementation	88,000
1.2	Introduction of New Instruments to the State Securities Market	70,000
2	Increase of Effectiveness of Cooperation with Donors	264,000

2.1	Cooperation with Donors in order to implement the projects and programmes prioritized by the Government of Georgia	264,000
3	Eurointegration	63,000
3.1	Coordination of the Implementation of the Competence of the Ministry of Finance of Georgia provided by the documents of Deep and Comprehensive Free Trade Area Agreement (DCFTA) The Association Agreement (AA)	63,000
	V - Accounting and Reporting	23 01 - Public Finance Management
		1,007,000
1	Development of IPSAS standards related to the accrual concept	197,000
1.1	In the instruction of accounting and financial reporting IPSAS (IPSAS 1, IPSAS 5, IPSAS 9, IPSAS 14, IPSAS 16, IPSAS 36, IPSAS 37) public sector accountants' awareness about the requirement of standards, preparing the training programs and re-training	77,500
1.2	Analytics of the Introducing Standards by the Detailed Action Plan 2018 (IPSAS 25, IPSAS 28, IPSAS 29, IPSAS 30, IPSAS 33) and Reflection of its demands in their Accounting and Financial Reporting Regulations	49,500
1.3	Increase of Awareness of IPSAS Standards of Self-government Representatives *	20,000
1.4	Preparation of Draft Strategy for Developing IPSAS Standards for local authorities of self- government units *	50,000
2	Development of the integrated informational system of the Public Finance Management	657,000
2.1	Management module evaluation / analytics of the incomes in the public organizations at the treasury single account	146,000
2.2	Integration of the bookkeeping entries in the General Ledger of Treasury from a variety of modules	511,000
3	Formation of the Reform of Cash Management	153,000
3.1	Cash Management Strategy Approval by the Treasury Service	50,000
3.2	Training for Cash Management Department staff on financial markets issues *	30,000
3.3	Development of Technical Reference of the Cash Management Module	73,000
	VI - Public internal control over financial reform	23 01 - Public Finance Management
		714,000
1	The development of public internal control	714,000
1.1	Public Internal Financial Control reform development planning, assessment and awareness raising	134,000
1.2	Financial Management and Control system implementation and effective functioning promotion in the public sector	340,000
1.3	Development of internal audit activities and promotion of effective functioning in the public sector	240,000
	VII - Informational Technologies	23 04 - Finance management Electronic and Analytical Support
		3,843,667
1	Development and Support of the Public Finance Management Integrated Information System	3,843,667
1.1	eBudget - System Development and Addition of New Features	500,644
1.2	eTreasury - System Development and Addition of New Features	827,148
1.3	eDMS - System Development and Addition of New Features	215,941
1.4	eHRMS - System development and addition of new features	462,134
1.5	Ensure the sustainability of ICT infrastructure of Ministry of Finance	1,837,800
	VIII - Resource Management	23 01 - Public Finance Management
		23 05 - Capacity Building for Financial sector
		330,422
1	Development of strategies related documents	272,580
1.1	Implementation of the Socio-Economic Development Strategy of Georgia "Georgia 2020" and According to it Participation in Document Development	46,200
1.2	Within the competence participation in the country's pension reform (including the development of the strategy and action plan)	55,440
1.3	Within the competence taking participation in the drawing out the development of capital market reform strategy in country and action plan	46,200
1.4	Within the Competence about the Public-Private Partnership, Participation in Development of the Relevant Legal Framework, Policy Documents and Draft Law	69,300
1.5	Take Participation in the Relevant Measures for Development of Regulatory Impact Assessment System in the Country within the Competence	55,440
1.6	On the basis of the order #1355 of 25 June, 2015 Implementation Appropriate Changes in the Socio-economic Development Strategy of Georgia "Georgia 2020"	
2	Academy of the Ministry of Finance	34,842
2.1	Increase of Qualification of the Staff of the Local Municipal Units	28,500
2.2	Cooperation with the Dutch Ministry of Finance to organize the trainings and consultation meetings for the purpose of improvement of financial management	6,342
3	eauction.ge – system modernization	23,000
3.1	Improve the quality of services	11,000
3.2	eauction.ge System Improvement/ Modernization	5,000
3.3	eauction.ge - Attracting new partners	7,000

* The amounts are estimated and consists of Donor financing