

Annex 3: The Performance Measurement Framework - PFM

The focus of the PFM performance indicator set is the public financial management at central government level, including the related institutions of oversight. For more information, dissemination and training, please refer to www.pefa.org. The Performance Measurement Framework identifies the critical dimensions of performance of an open and orderly PFM system as follows:

1. **Credibility of the budget** - The budget is realistic and is implemented as intended.
2. **Comprehensiveness and transparency** - The budget and the fiscal risk oversight are comprehensive and fiscal and budget information is accessible to the public.
3. **Policy-based budgeting** - The budget is prepared with due regard to government policy.
4. **Predictability and control in budget execution** - The budget is implemented in an orderly and predictable manner and there are arrangements for the exercise of control and stewardship in the use of public funds.
5. **Accounting, recording and reporting** – Adequate records and information are produced, maintained and disseminated to meet decision-making control, management and reporting purposes.
6. **External scrutiny and audit** - Arrangements for scrutiny of public finances and follow up by executive are operating.