



Strengthening Accountability and Fiduciary Environment in Public Financial Management (SAFE) Trust Fund

Improving public financial management through diagnostics, design and knowledge-sharing

Rationale

Strengthening the quality of Public Financial Management (PFM) responds to the widely shared concern that many governments in transition countries are not spending their financial resources as effectively and transparently as they should, and that institutional controls on public expenditures are weak. The Strengthening Accountability and Fiduciary Environment Initiative (SAFE) is targeted to promote PFM accountability and reducing fiduciary risk in a systematic way to advance the reform in the ECA (Europe and Central Asia) region.

Objectives and activities

SAFE seeks to improve the status of PFM in participating beneficiaries through the following objectives: i) improving understanding of PFM status in target beneficiaries; ii) supporting design, implementation and management of the PFM, taking account of government PFM objectives and the intended mid-to long-term impact, and; iii) developing knowledge and experience on PFM reform to strengthen reform effectiveness and focus development partner support

To achieve these objectives, SAFE is supporting activities in the following three inter-related pillars of analytical and associated work:

1. Assessment of PFM status:
 - Support to government-led or expert reviews of PFM arrangements using the standard international PEFA¹ measurement framework or related diagnostic and analytical tools;
 - Preparation and dissemination of reports on financial management performance.
2. Support for PFM reform design, implementation and management:
 - Research, analysis and design of PFM reform action plans, in consultation with other development partners;

Country/region

Eastern Europe and
Central Asia

Executing agency

World Bank

Duration

2010-2022

Partners

European Commission

Total budget

USD 7'630'000

SECO contribution

USD 3'000'000



¹ PEFA: Public Expenditure and Financial Accountability, www.pefa.org

- Developing networks within governments to implement reforms relating to one or more aspects of the PEFA framework;
 - Research to obtain deeper understanding of the results of diagnostic assessments, as well as identification and design of actions required to address weaknesses;
- 3. Expanding PFM knowledge and capability:**
- Benchmarking and comparative analysis, involving studies of progress against specific indicators or groups of indicators, facilitation of working groups across beneficiaries to explore differences and identify practical actions to address weaknesses;
 - Wider experience and knowledge sharing, including provision of forums for exchange of information and experience, and joint activities to address common development priorities in PFM across the region.

Governance Structure

The SAFE program is composed of a multi-donor trust fund supported by SECO and a single-donor trust fund on behalf of the EC with beneficiaries restricted to the Western Balkan countries. SAFE has a two-tier governance structure with policy and major funding decisions made through a Project Steering Committee composed of World Bank, EC and SECO. Operational support is provided through the Trust Fund Secretariat that is administered by the World Bank.

How to get involved

SAFE follows a demand-driven approach. The SAFE Secretariat is regularly conducting calls for proposals. Eligible countries can apply for support on these occasions. Project proposals need to meet specific criteria as defined in the invitation. It is important to show willingness to reform, which goes hand in hand with readiness to budget process transparency as well as to publish the PEFA assessments.

Further information and contact details

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