# STRATEGIC PLANNING and RBME in TURKEY



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## **AGENDA**

PFMC Reform in Turkey

Performance Budgeting

Performance Monitoring and Evaluation

## PFMC REFORM -1

- o 1995: "Public Financial Management Project"
- 2001: Say2000i System (e-accounting)
- 2001: Abolishment of the Extra Budgetary Funds
- 2001: Independency of Central Bank

## PFMC REFORM -2

- o 2002: "Public Financing and Debt Management Law"
- 2003: E-budget System
- 2003: "Public Procurement Law"
- 2003: "Public Financial Management and Control Law"

#### PFMC REFORM- 3

- o 2004: New Budget Classification
- 2004: International Accounting Standards
- 2005: Restructuring of Revenue Administration
- o 2006: Introduction of PFMC Law
- o 2010: New TCA Law

#### **COMPONENTS OF NEW PFMC LAW**

- Medium Term Expenditure Framework
  - ✓ Medium Term Program
  - ✓ Medium Term Fiscal Plan
- Performance Based Budgeting
  - ✓ Strategic Planning
- Internal Control Internal Audit
  - ✓ Central Harmonization Duty
  - ✓ Strategy Development Units
  - Public Internal Control Standards

## PERFORMANCE BASED BUDGETING

- Strategic Plan
- Performance Program
- Multi-year Budget
- Accountability Report

## **Strategic Planning (SP)**

- Forward looking,
- Strengthening the policy-making capacity,
- Increasing the awareness of institutional aim, targets and teamwork
- Based on Medium Term Expenditure Framework,
- Performance&Result Oriented,

## Strategic Planning (SP) con't

- Development Plan
- Prioritized Transformation Areas
- Annual Program

## Relation between SP and Macro Planning

**Annual Program** 

**Investment Plan** 

**Regional Plans** 

**Sectorial Plans** 

National Planning/ Monitoring/ Evaluation

Institutional SP/
Monitoring/
Evaluation

**Development Plan** 

Medium Term Program

Medium Term Fiscal Plan

Performance-Based Budgeting

#### **CHALLENGES**

- Difficulty in changing culture and point of view
- Difficulty in changing management habits
- Lack of awareness about new management model
- Lack of trained personnel
- Lack of technological infrastructure

#### **ACHIEVEMENTS**

- Institutional Transformation in Financial Management
- Establishing Central Harmonization Units
- Medium Term Approach
- Adopting Roles and Responsibilities
- Awareness Participation and Experience
- Trained Personnel

#### PERFORMANCE AGENDA

- Transition to new program classification
- Simplification of budget documents
- Integrating FMI Systems
- Improving monitoring and evaluation systems

## **FMS IN TURKEY**

Economy Coordination Council

High Planning Council

## MoF

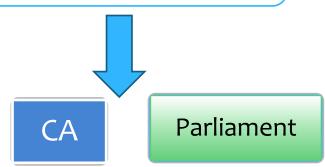
## Treasury

- Cash- management
- Debt- management

- E-budget (e-performance)
- E-accounting
- Performance Programs
- •Sgb.net

## MoD

- Development Plan
- Annual Program
- Investment Program
- Strategic Planning



## Thank you

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