Indicator description	*"Number of countries supported by DFID to manage their public finances (including natural resources and extractives) more transparently".*
Indicator Type	Output Indicator
Rationale	DFID funds PFM work through a range of channels. This includes direct funding via almost all of our bilateral programs, and indirect funding via a number of centrally managed programmes (CMPs). The vast bulk of PFM work improves transparency, as most PFM improvements are based on improving the consistency and availability of information on use of public resources to the public, the legislative, supreme audit institutions, or to civil servants themselves.
Technical definition	The Organisation for Economic Cooperation and Development-Development Assistance Committee (OECD_DAC) classifies "Public Financial Management" as support for (code: 15111): *"Fiscal policy and planning; support to ministries of finance; strengthening financial and managerial accountability; public expenditure management; improving financial management systems; budget drafting; inter-governmental fiscal relations, public audit, public debt."* DFID funds Public Financial Management (PFM) work in almost all countries in which we have a bilateral program. We also centrally fund a number of global programs focusing on transparency of public resource use. Countries will be counted towards the indicator *if:* (1) There is evidence that public finances are, at least to some extent, managed transparent/publicly available; **And** (2) The outputs delivered by DFID funding support on PFM support increased transparency of these processes. When submitting a return spending departments should provide a very short statement of assurance that both conditions are met. Evidence for the first condition can be gauged by programme level or country level reports e.g. annual reviews, membership (and implementation) of relevant conventions and/or organisations (e.g. the Open Budget Initiative), and/or country scores on relevant transparency indices (e.g. Open Budget Survey etc.). Evidence for the second condition may be available from project documents (e.g. Business Case, Annual Reviews, independent evaluations whether their country has met the OGP minimum eligibility criteria on fiscal transparency , their country's assessment of Partnership Principles. The PPs on both anti-corruption and accountability will be relevant.

	An indicative, but not exhaustive list of PFM related activities that would count (assuming the programme increased their transparency) is provided by the Public Expenditure Framework Agreement (PEFA) and could include, but is not limited to: 1. Budget Classification 2. Budget documentation 3. Central government operations outside financial reports 4. Transfers to subnational governments 5. Performance information for service delivery 6. Public access to fiscal information 7. Fiscal risk reporting 8. Public investment management 9. Public asset management 10. Debt management 11. Macroeconomic and fiscal forecasting 12. Fiscal strategy 13. Medium-term perspective in expenditure budgeting 14. Budget preparation process 15. Legislative scrutiny of budgets 16. Revenue Administration 17. Accounting for revenue 18. Payroll controls 19. Procurement Description 20. Internal audit 21. Financial data integrity 22. In-year budget reports 23. Annual financial reports 24. External audit 25. Legislative scrutiny of audit reports
Data calculations	N/A
Data sources	Data will be drawn from DFID Analytics and country/regional/central office SO1 FCPD commission returns, with review of programs by GOSAC statistician
Reporting roles	• DFID country, regional, and central offices will report whether they are supporting activities aimed at improving the transparency of a PFM process under the bi-annual SO1 FCPD commission. • The GOSAC Statistician and PFM leads review and quality assure submissions to ensure that both criteria are satisfied. FCPD receives the final list and uses this for reporting purposes.
Worked example	• N/A
Baseline data	N/A
Return Format	Returns will be in text form as the nature of a programmatic intervention needs to be briefly explained.
Data dis-aggregation	N/A

Data availability	Bi-annually
Time period/ lag	N/A
Quality assurance measures	Returns will be quality assured by the PFM lead and statistics adviser in GOSAC in order to ensure that the qualitative criteria noted above are clearly met.
Interpretation of results	N/A
Data quality	Diversity of sources to satisfy criteria 1 and 2 above- especially if collected independently of the programme.
Data issues	N/A
Additional comments	N/A
Variations from standard methodology	N/A