



# FY19 Expenditure Summary & PA20 Budget Proposal

## 20<sup>th</sup> Partnership Assembly

May 29 – 30, 2019  
Brussels, Belgium

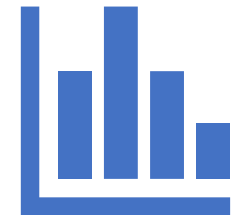
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## Overview of the PMR Budget Process

- As per the PMR Governance Framework, the Secretariat proposes a budget for its annual operations and presents it for approval to the Partnership Assembly (PA) prior to the start of the fiscal year (FY).
- The key elements of this budget presentation are the following:
  - Summary of FY19 Expenditure
  - FY20 Budget Proposal
  - Update on PMR's Long-Term Financial Projection



# PMR Sources of Funding

**Table 1: Commitments to the PMR by Contributing Participant as of February 28, 2019**  
(in US\$ million)

Contributing Participant	Commitment	Received to date
Australia	12.48	12.48
Denmark	5.14	5.14
European Commission	18.68	16.96
Finland	5.35	5.35
Germany	13.22	13.22
Japan	13.60	13.60
Netherlands	7.07	7.07
Norway	5.83	5.83
Spain	5.40	5.40
Sweden	7.57	7.57
Switzerland	12.46	12.46
United Kingdom	11.11	11.11
United States	7.50	7.50
<b>Total</b>	<b>\$125.4</b>	<b>\$123.7</b>



## Investment Income

Inception to Feb 28, 2019  
(actuals): **\$4.5million**

Inception to FY21  
(projection): **\$6.0 million**

# FY19 Expenditure Summary

Table 2. Snapshot of PMR Expenses (actuals and estimation) for FY19  
(in US\$ thousands)

PMR Activities				
	FY11-FY18 Actuals	FY19 Budget	FY 19 Actuals	FY19 Final Estimate
<b>PMR Operations</b>				
PMR PA Meetings + Workshops	4,886	650	343	650
PMR Management and Communications	4,492	750	656	984
Country Delivery Support	12,849	2,147	1020	1531
<b>Trust Fund Management</b>	451	0	0	0
<b>MRP Expert Feedback Process</b>	433	0	4	4
<b>Monitoring &amp; Evaluation</b>	329	96	191	191
<b>Knowledge Management &amp; Technical Work Program</b>	4,963	800	346	636
<b>Policy Analysis Work Program</b>	4,418	1,000	175	175
<b>World Bank Central Units Cost (1% of contributions)</b>	1,016	127	127	127
<b>Contingency</b>	-	150	0	150
<b><i>PMR Operations Sub-total</i></b>	<b>33,870</b>	<b>5,720</b>	<b>2,736</b>	<b>4,448</b>

## Key Takeaways from FY19 Expenditure Summary

- Overall there has been underspending in FY19 compared to the allocated budget. The total FY19 budget was **\$5.7 million**, however, at the end of this FY, estimated expenses would amount to **\$4.4 million**.
- The underspending comes from two key categories:
  - **Country Delivery Support**: Delays in grant/financing agreements and procurement plans. Therefore FY20 needs to focus on completion of country programs.
  - **Policy Analysis Work Program**: Morocco, Vietnam and Thailand are completing their respective PAWPs this FY19 and the contracts will be formally closed in FY20.

# Looking Forward



- FY20 Budget Proposal
- Update on PMR's Long Term Financial Projection

# PMR FY20 Budget Proposal (in US\$ thousands)

Use of Funds	FY19 Budget	FY 19 Estimated Expenses	FY20 Proposed Budget
PA Meetings and Workshops	650	650	650
Country Delivery Support and Advisory Services	2147	1575	2187
MRP Expert Feedback Process	0	4	0
Country Delivery Support and Advisory Services	2147	1571	2187
o/w: (1) Secretariat Support	1121	861	1121
(2) Delivery Partner Support	1026	670	1026
(3) Implementation Completion Reports (ICRs) Funding for RETFs	0	40	40
World Bank Central Unit Costs (1% contribution)	127	127	127
Monitoring and Evaluation	96	191	0
Knowledge Management	800	636	1300
Policy Analysis Work Program	1000	175	600
PMR Management and Communications	750	984	750
Contingency	150	150	150
<b>TOTAL USE OF FUNDS</b>	<b>5,720</b>	<b>4,488</b>	<b>5,764</b>

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## Key Features of the FY20 Budget Proposal

- PMR Secretariat proposes a budget of \$5.7 million for FY20, approximately close to the FY19 budget.
- Country Delivery Support is expected to increase (at the same level of the original budget for FY19) as all countries are on a tight timeline to close their activities by the end of FY20.
- For Recipient-Executed Trust Funds (RETFs), additional budget is added for the completion of Implementation Completion Reports (ICRs) that the World Bank is required to complete for closing projects.
- The Knowledge Management work program has been reinforced.



# PMR Long-Term Financial Projection (in US\$ thousands)

	FY11 - FY18	FY19 Budget	FY19 (Actuals)	FY19 (Estimated)	FY20 Budget	FY21 Budget	Totals
<b>PMR Operations</b>							
PMR PA Meetings and Workshops	4,886	650	343	650	650	650	6,836
PMR Management and Communications	4,492	750	656	984	750	650	6,876
Country Delivery Support & Advisory Services	12,849	2,147	1,020	1571	2,187	1,154	17,760
Trust Fund Management	451	-	0	0	-	-	451
MRP Expert Feedback Process	433	-	4	4	-	-	437
Monitoring and Evaluation	329	96	191	191	-	-	520
World Bank Central Unit Costs	1,016	127	0	127	127	127	1,397
Contingency	0	150	0	150	150	150	450
<b>PMR Operations Sub-total (A)</b>	<b>24,456</b>	<b>3,920</b>	<b>2,214</b>	<b>3677</b>	<b>3,864</b>	<b>2,731</b>	<b>34,727</b>
<b>PMR Support to Countries</b>							
Preparation Funding							6,298
Implementation Funding							71,202
Targeted Country Support to Technical Partners							3,000
Additional Committed Funding							5,000
<b>Initial Country Program Funding Support Sub-total (B)</b>							<b>85,500</b>
<b>Complimentary Funding Support</b>							
Knowledge Management & Technical Work Program	4,963	800	346	636	1,300	750	7,649
Policy Analysis Work Program	4,418	1,000	175	175	600	0	5,193
Funding Support for Additional MRP and TP Activity	33	26	50	60	0	0	93
<b>Complimentary Funding Support Sub-total (C)</b>	<b>9,414</b>	<b>1,826</b>	<b>571</b>	<b>871</b>	<b>1,900</b>	<b>750</b>	<b>12,935</b>
<b>PMR Activities Total (=A+B+C)</b>	<b>33,870</b>	<b>5,746</b>	<b>2,785</b>	<b>4,548</b>	<b>5,764</b>	<b>3,481</b>	<b>133,162</b>

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## Key Takeaways from the Long-Term Financial Projection

- In comparison to PA19, the overall deficit has decreased from \$1.5 million to \$1.3 million which is 1.05% of the total fund.
- This decrease comes from an increase in estimated investment income for FY19 and underspending in country delivery support and policy analysis work program.
- The deficit is expected to be closed because of potential underspending in certain country programs and the contingency budget.

# Thank You!



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