



Financial management for development projects

Turin, Italy

Apprender تعلم Learn учить Apprendere Apprender 学习 Imparare Learn تعلم
Comprender 理解 Understand понимать Comprendre فهم Understand Capire
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Listen Écouter Escuchar 听取 Ascoltare استماع Escuchar слушать Listen
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Financial management for development projects

Introduction

Financial management is more than an administrative and control function. Sound financial management is a critical prerequisite for successful project delivery. Timely and precise financial data are indispensable for effective decision-making as well as for implementing corrective action by the project management in order to enhance the prospects of timely completion within the planned project budget and scope of deliverables.

Sound project financial management provides:

- essential information needed by those who manage, implement and supervise projects, including government oversight agencies and financing institutions;
- the comfort needed by the recipient country, lenders and donor community that funds have been used efficiently and for the purposes intended; and
- a deterrent to fraud and corruption, since it provides internal controls and the ability to quickly identify unusual occurrences and deviations.

In view of the current efforts to harmonise accounting and financial management procedures, the course is designed to promote improved compliance with the financial reporting and control requirements of national governments as well as international finance institutions. It will guide the participants in the preparation of periodic financial monitoring reports that suit the reporting exigencies of their projects with respect to the four key parameters of project delivery namely cost, time, scope and resources.

Throughout the course the participants will acquire the competencies needed for setting-up the various components of an integrated project financial management system with corresponding modules/procedures for planning and budgeting, accounting, financial reporting, internal control, auditing, procurement and disbursement. The presence of such a system will enable timely measurement of project achievements with respect to physical performance (delivery of project outputs) as well as progress towards achieving project objectives.

The course materials are designed to enable assessment of learning achievement by the trainers and the learner through exercises, group work, practical case studies and peer-review.

Objectives

Course participants will be able to competently design and operate project financial management systems and execute corresponding payments/disbursements in accordance with sound professional standards and the harmonised requirements of donors and their respective governments.

Participants

This course addresses project directors and accounting and financial management staff engaged in the implementation of development projects particularly those of the United Nations, International Financial Institutions, and EU-funded projects.

Candidates are expected to have basic knowledge of accounting in the public or private sector and reasonable fluency in written and spoken English.

Course methodology

The course is delivered by senior financial management specialists/advisors with profound knowledge of the financial management environment in development projects and by project management specialists. The course is conducted using a highly-participative training delivery methodology through a combination of presentations by subject-matter specialists followed by self-assessment exercises/assignments and group work intended to facilitate the practical application of project financial management principles and procedures. Ample opportunity is provided to discuss common problems in financial management and disbursement and ways and means to overcome specific constraints faced by the participants in the implementation of their projects.

Each participant is encouraged to bring along a copy of the financing agreement, the Project Document and any relevant operations' manuals related to his/her project for reference throughout the course.

Competencies addressed

Participants who successfully complete the training can expect to improve or enhance their knowledge and skills in the following areas

- Understand the fundamental definitions and concepts

- Understand project financial management as part of the project cycle
- Know the boundaries of project financial management and the related activities throughout the project cycle
- Understand the implications of the organizational structure adopted and institutional factors on the design of a project financial management system
- Be aware of the existence of standards: IPSAS, IFRS, ISA, ISSAI
- Understand links between project intervention(s) on its operations and budgets
 - Estimate project budget based on the project planned outcomes/outputs/activities and in line with the agreed accounting system
 - Identify key stakeholders concerned by project finance
- Know the legal and financial implications of project financing agreements on project deliveries
 - Know the main legal and financial implications of working with donor-funded projects on procurement, financial management, human and resource management
- Develop a customized project financial system based on the financial management assessment
 - Construct a project financial management system embedded in the existing systems of the financing partners and on the organization hosting the project
 - Identify the right computerized solution(s) and system(s) for project financial management
 - Develop an operational project manual (financial management section)
- Operate the project financial system
 - Engage stakeholders in project financial management and manage their needs and expectations as well as get and maintain their support for effective implementation
 - Collect, process and analyse project financial information and data
 - Prepare financial monitoring reports
 - Manage project budget changes
 - Implement internal controls and project auditing arrangements and ensure a follow-up
 - Manage project accounts, payments and disbursement procedures
 - Manage project fiduciary risks
- Close project financially
 - Participate in transition to operations (implement exit strategy)
 - Facilitate asset transfers
 - Obtain required approvals to close
 - Close project accounts and contracts
- Participate in end-of-project independent evaluations and audits
- Adopt a life-long and life-wide learning paradigm, approaches and attitudes
 - Carry-on end-of-project recommendations in other projects and contexts
 - Disseminate learnings
- Use of soft skills and others
 - Understand ethics and standards in financial management and know when and how to flag ethical and corruption issues
 - Possess the know-how to manage common project financial problems using a systematic approach

Cost of participation

The cost of participation in this two-week programme is Euro 3,795 payable in advance by the participant's sponsoring organisation.

This covers:

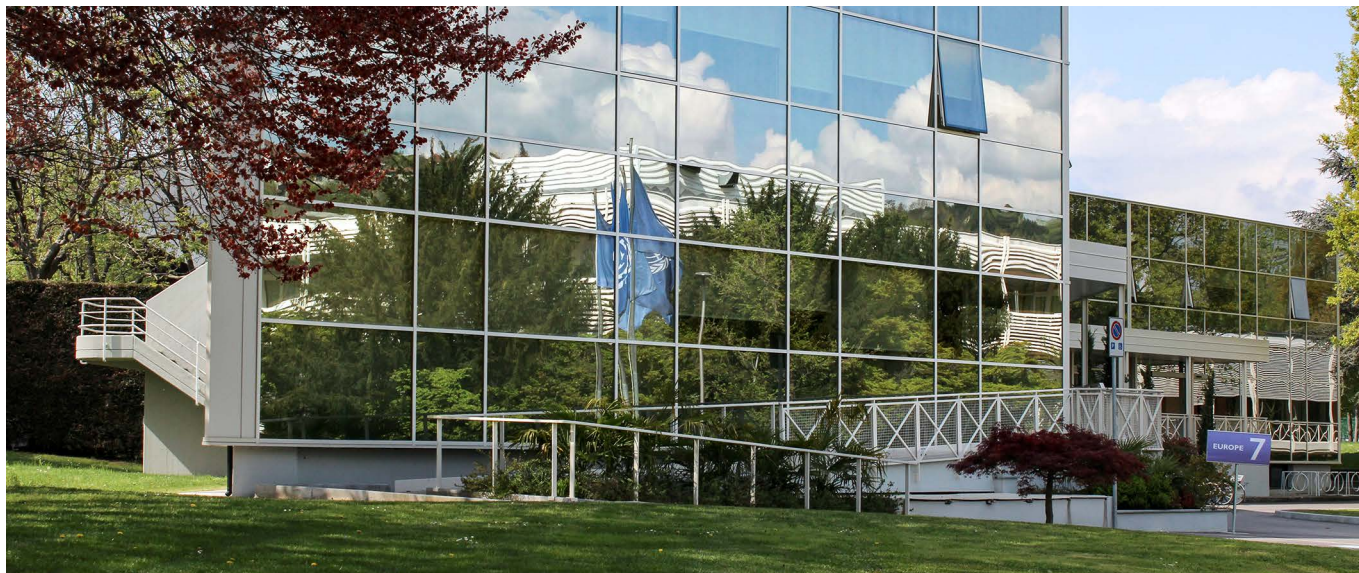
- **tuition fee**, which includes the use of the Centre's training facilities and associated support services, books and training materials, routine medical care and insurance;
- **participant fee**, which covers:
 - accommodation and full-board at the Centre.

Main travel between the participant's home country and Turin is not included.

For information regarding payment, cancellation and refunds, please consult:

<https://www.itcilo.org/application>

Fellowships for training programmes conducted by ITCILO generally become available through the training budgets of development projects financed by International Financial Institutions or by United Nations' agencies, bilateral technical co-operation agencies, governments and/or private enterprises. Candidates are encouraged to contact these organisations and agencies in their countries to enquire about the availability of funds for fellowship training programmes.



The ILO Turin Centre's facilities

Located in an attractive park on the banks of the River Po, the Centre's campus provides a congenial environment in which to live and study.

- It contains 21 pavilions with fully equipped modern classrooms, conference halls and meeting rooms fitted out for multilingual simultaneous interpretation, a computer laboratory, and a computerized documentation centre linked to various data banks.

The campus has 287 study/bedrooms, all with private bathrooms, telephones and cable television. It also has:

- a reception desk open 24 hours a day;
- a restaurant, a self-service canteen and a coffee lounge, all catering for international dietary needs;
- a bank;
- a travel agency;
- a laundry service;
- a post office;
- an internet point;
- a recreation room;
- facilities for outdoor and indoor sports;
- an infirmary.

Social events are regularly held both on and off campus, so that participants from different cultural backgrounds can make the most of the stimulating international climate.

FOR FURTHER INFORMATION PLEASE CONTACT

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