



P3A



Support to the Association Agreement Programme (SAAP/P3A)

Twinning Project Fiche

**« Supporting the functions of Forecasting,
Monitoring and Evaluation of the DG of
Forecasts and Policy »**

Beneficiary
MINISTRY OF FINANCE DG OF FORECASTS AND POLICY

It is a translation of the official version written in French with the goal of having a wider distribution and in case of discrepancy between the French and the English, the French version shall prevail.

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LIST OF ACRONYMS

AMECO	Programme for the Support of Economic Management
APN	National Popular Assembly
RTA	Resident Twinning Adviser
CDMT	Medium-term Expenditure Framework
SMT	Short and mid term
DGB	DG of Budget
DGT	DG of Taxes
DGPP	DG of Forecast and Policies
DGT	DG of Treasury
DMSB	Directorate of Modernization of the Budgetary System
DPB	Directorate of Budget policies
DPF	Directorate of Tax Policy
DPM	Directorate of Macroeconomic Forecast
DRI	Directorate of Information collection
TE	Tax on the expenditure
GIF	General Inspectorate of Finance
IT	Income Tax
FL	Finance Law
LOLF	Organic Law relating to finance laws
MF	Ministry of Finance
MEGA	Model of Algerian General Balance (calculable)
MLT	Medium and long Term
MT	Medium Term
ONS	National Office of the Statistics
PEFA	Public Expenditure and Financial accountability
SPMPF	Strategic Plan of modernization of public Finance
ROSC	Report on the observation of the standards and codes
TOFE	Chart of the financial transactions of the State
EU	European Union
PAO/UGP	Programme Administration Office
SEPS	Services of the Secretary of State to the Prime Minister in charge of the Forecasts and the Statistics
SWOT	Strengths, Weaknesses, Opportunities, Threats

1 BASIC INFORMATION

1.1 PROGRAMME

Support to the Association Agreement Programme Algeria -EU: SAAP/P3A-III

1.2 TWINNING NUMBER

DZ/19b.

1.3 TITLE

Supporting the functions of Forecasting, Monitoring and Evaluation of the DG of Forecasts and Policy (DGPP)

1.4 SECTOR

Public Finance management

1.5 BENEFICIARY COUNTRY

Popular and Democratic Republic of Algeria

2 OBJECTIVES

2.1 OVERALL OBJECTIVE

The overall objective of the twinning project is the support to the Algerian administration in the process of modernization of public finance.

2.2 SPECIFIC OBJECTIVE

Support the DG of Forecasts and Policy (DGPP) in its forecasting and formulation, decision, implementation and evaluation of fiscal and tax policies.

2.3 CONTRIBUTION TO THE IMPLEMENTATION OF THE ASSOCIATION AGREEMENT

2.3.1 STRATEGIC FRAMEWORK

The objective to support the DGPP in its forecasting, formulation, decision of implementation, monitoring and evaluation of the fiscal and tax policies lies within the scope

of the economic co-operation, statistic and financial of the Association Agreement between Algeria and UE, this project represents, in particular, a concrete form of implementation of articles 56, 64, 79 and 80 of the Agreement.

Article 56 refers to the implementation of a co-operation aiming at the approximation of the law of Algeria with the legislation of the European Union in the fields covered by the Agreement.

Article 64 is relevant to the implementation of a statistical co-operation to ensure via (in particular a connection of the methodologies used by the parts) the comparability and the use of the statistics, inter alia on the foreign trade, the public finance and the balance of payments, the demography, the migrations, the transports and the telecommunications; generally on all fields covered by this Agreement and specifies that a technical aid could be provided, if necessary.

Article 79 concerns the realization of a financial co-operation for the facilitation of the reforms aiming at the modernization of the economy including the rural development, the upgrading of the economic infrastructures, the promotion of the private investment and the creative activities of employment, the consideration of the consequences on the Algerian economy concerning the progressive implementation of a free trade area, in particular, under the upgrading and the reconversion of industry and the reinforcement of the policies carried out in the social sectors.

Article 80 relates to the adaptation of the specific instruments to support the development policies and those aiming at the liberalization of the Algerian economy within the framework of the Community instruments intended to support the programmes of structural adjustment in the Mediterranean countries, for the recovery of great financial balances and the creation of an economical environment leading to the acceleration of the growth and the improvement of the welfare of the Algerian population.

The Road map of the Association Agreement focuses (on the macroeconomic reforms plan) on:

- the modernization of the medium term budgetary systems through the framework of a medium-term expenditure, the budgeting oriented on the results, the setting-up of a budgetary framework integrated for the improvement of the budgetary control;
- the evaluation of the public policies;

The implementation of a twinning project involving a European Union (UE) body with a tradition of a macroeconomic forecast as well as budget and tax policies offers the opportunity to concretize an adequate support for the DGPP in its macroeconomic forecast, decision and formulation of tax and budget policies.

2.3.2. CONTRIBUTION TO THE GOVERNMENT PROGRAMME

The Algerian government, in its programme presented in 2012, devotes a significant chapter to the consolidation of the economic and financial sphere as well as the modernization of the financial sector, in particular through its articles 53, 56, 57, 67 and 68.

Article 53 provides the continuation of the actions under the budgetary reforms, in particular:

- the preparation of the secondary registration rules to review the budgetary law into force;

- the production and the edition of budgets, depending on the reform framework, under the budget year of 2015;
- the deployment of a software concerning the preparation of the State budget, ensuring the staff training for the exploitation of the new system;

Article 56 states the modernization of the Treasury network, in particular through the deployment of the information system of the Treasury which aims at a modern, a protected and an evolutionary management of the operations of the Treasury as well as the implementation of measures in order to improve the conditions of greeting the users of the Public Treasury, as well as the working conditions and organization of the Treasury services.

Article 57 provides, under the control of the public expenditure, the continuation of the implementation of the committed actions relating to:

- the evaluation and the monitoring of the great projects initiated under the five-year plan 2010-2014;
- the management of retrospective assessment studies on evaluation of certain great projects, in particular in terms of repercussions and impacts on the national, regional and local economy;
- the reinforcement of the intervention means of the General Inspection of Finances (GIF) to contribute to the security and the rationalization of public expenditure;

Article 67 states to set up a national system of economic information. As such, the government plans to tackle for the development and the establishment of the instruments and the forecasting system on:

- the progress of the prospective studies already carried out, in particular the development vision of the country;
- the instruments of macroeconomic framework;
- the prospective studies on the markets of export products and those object of strong imports;
- the establishment of a monitoring system of international and financial economic trends;

Article 68 stipulates to reinforce and to renovate the national system of statistical data by:

- the legal requirements of the statistical production; the production and the publication of periodic statistical surveys;

The twinning project is in adequacy with the program of the Government. Its implementation will contribute to achieve the objectives referred to in articles 53, 56, 57, 67 and 68, in particular with regard to the DGPP. The support and the reinforcement of the capacities of this latter will allow the DGPP to improve its process of analysis, formulation, monitoring and evaluation of the macroeconomic policies, budgetary and tax capable to equip the government with tools of reference in the choice of the decisions and the policies as well as to improve the governance.

3 PROJECT DESCRIPTION

3.1 GENERAL BACKGROUND AND JUSTIFICATION

The membership of Algeria to the category of the emergent countries with high dependence on energy resources, the transition from a command economy to a market economy and the management of an extensive programme of modernization of public finance management involve changes at the institutional level, as regards process of work and governance. As such, Algeria has undertaken major reforms aiming at introducing, at both budgetary and financial level, the instruments to focus the action of the State on its fundamental missions and to improve the effectiveness of the interventions of the State.

It is in this context that is registered the programme of modernization of the public finance which was initiated since 2004 and consolidated in 2012 when the National Popular Assembly (APN) adopted the action plan of the Government. The action plan of the Government provides the acceleration of the implementation of reforms in the public finance management, including budgetary reform.

It is in this context that the DGPP has expressed a desire of consolidation of processes and mechanisms of macroeconomic forecasting, ex-ante and ex-post evaluation of budgetary and tax policies, of development concerning medium term financial planning instruments as well as the desire of establishment of a global strategic intelligence.

The improvement of the forecast process and the framework of FL as well as the annual budget, the development of a medium and long term vision of the budget, the setting up of the mechanisms enabling the evaluation of the budgetary and tax policies and the provision of economic and financial information provided in time due to an activity of monitoring consolidate the decision-making concerning the implementation of macro-economic, budgetary and tax policies and allow to improve the financial governance.

The objective of the twinning is to reinforce, through coaching activities and transfer of know-how, the capacities of the DGPP regarding methodology of macroeconomic forecast, medium term financial planning, evaluation of budget and tax policies and establishment of the monitoring activities enabling the improvement of the current system effectiveness, of the reactivity towards the issues as well as the anticipation of endogenous and exogenous shocks.

The improvement of macroeconomic forecast, the framework of the Finance law (FL) and the setting up of medium term financial planning will take into account the implications of the last decisions and would enable the sectoral ministries to better prepare their budgetary requests and to fix priorities. A minimum of development and completeness of the macroeconomic forecast system, based on relevant and exhaustive data sources up to date is essential.

The Preparation of the medium- term macroeconomic framework, including the projections of operations relating to the main economic agents, of which an estimated Government Operations Financial Table (TOFE) which shows the projections of the great budgetary masses and total budgetary objectives (total expenditure, staff expenditure, deficit, etc.) will be used as a basis for developing a global medium- term expenditure framework (CDMT).

The procedures associated with the MTEF should be clearly defined (methodological guide), disciplined, and closely coordinated with the budgetary procedures as well as with the methodology devoted in the strategy of modernization of the public finance. Otherwise, the risks of failure are real.

The experience shows that the evaluation is so efficient that it belongs to an organisational culture, that is to say a way of reflecting and a way of acting. Concretely, the evaluation should support the training in order to improve the process of work and the results. In this way, the evaluation exercises contribute so that the Directorate of Budget policies (DPB) and the Directorate of Tax policies (DPF) take a maximum advantage.

The establishment of ex-ante, on-going and ex-post evaluation mechanisms express a willingness to make a commitment on a diagnosis of the current systems (direct and indirect taxes) in order to determine their strengths and weaknesses and on a simulation of certain levers (wages indexation mechanisms of the public services and pensions). The substantial request of the DGPP to set up mechanisms for the evaluation of budget and tax policies does nothing but support, in fine, the institutionalization of such systems. The development of the evaluation culture let the DPB and the DPF be not only reactive structures but also proactive ones.

The willingness to make DGPP a proactive structure is also supported by the objective to set up within it a function of a global strategic intelligence which enables to anticipate in time the events likely to impact the economy, in general and the public finance in particular.

It is a question of proceeding to the establishment of the intelligence mechanisms, to the identification of the necessary intelligence activities and to connection to the DGPP attributions and mission, to determine, then, the necessary resources to these activities, to the preparation of the DGPP executives to carry on such activities, for finally accompanying them in a first exercise of intelligence.

The twinning project is in adequacy with the areas of intervention of the Government's action plan and contributes to the achievement of its objectives. The activities of transfer of know-how, support, coaching and training as described will contribute to lay the basis of learning and proactive structures which will be the referent of the Ministry of Finances in terms of forecast and design of budgetary and tax policies.

The twinning project will make DGPP a centred structure on the attributions on which they are reserved and able to produce macroeconomic forecasts states and medium- term budgetary programming, ex-post, on-going and ex-ante evaluation reports of instruments of tax and budgetary policies and strategic intelligence periodic reports thanks to the function to be set up.

3.2 LINKED ACTIVITIES

Within the framework of the budgetary and tax policies, the Ministry of Finances with its various directorates from which the DGPP has recently benefited certain programmes of the European Union, in particular the Programme for the Support of the Economy Management (AMECO) and the Programme Administration Office for the Support to the Association Agreement (SAAP/P3A II):

AMECO PROGRAMME

The DGPP has benefited from activities initiated under the European funding programme AMECO. This programme of an amount of 20 million Euros was enclosed at the end of the year 2011; it aimed at improving economic information and facilitating the decision-making in terms of design and implementation of medium- term regional, sectoral and macroeconomic policies. It was composed of 5 large components of activities, among which the component 3 that aims at the improvement of the analysis capacities and modelling the Ministry of Finance (MF), specifically to reinforce the DGPP in terms of organization and to support it in its tasks of analysis and forecast through support projects for the activities of econometric and macroeconomic modelling of the Ministry of Finance (of which a Model of Calculable General Balance) and employees training in the field of the management of public policies, macro-economy and modelling.

P3A II PROGRAMME

The Ministry of Finance has benefited, within the framework of P3A II, from operations TAIEX and from a specific support. Twinning projects were also initiated for the profit of the GIF (General Inspectorate of Finance) and the DGT (Directorate General of Taxes).

OPERATIONS TAIEX

Five TAIEX operations relate to:

- 1- The organization of a study visit for the DGPP executives which was held from 27 February to 2 March 2012 in Spain on various dimensions related to the preparation of the report on tax expenditure which is prepared by the DGPP of the Ministry of Finances. This was within the framework of the implementation of the new organic law on finance laws; the purpose of the study visit is to include questions related to the aspects:
 - conceptual (qualification criteria of tax expenditure, definition of the reference framework, combination or arbitration between tax expenditure and budgetary expenditure),
 - legislative and regulatory provisions, in particular those relating to tax expenditure (organic law relating to finance laws (LOLF), multi-annual programming law, European directives ...), provisions relating to tax expenditure (list by nature of objectives), methods of proposal of legislative provisions of tax expenditure,
 - organisational (identification of the structure in charge of the monitoring and the evaluation of tax expenditure, precision of the diagram of inter-departmental coordination, set up of human and logistic means),
 - operational in particular ex-ante and ex-post evaluation procedures, monitoring and control methods, the audit of the effectiveness of tax expenditure and corrective measures.
- 2- A mission of expertise which took place from 22 to 24 November 2009 in favour of the DGT for the establishment of a document which can be used for the evaluation of tax expenditure in order to achieve four main objectives:
 - Know the cost of the various derogations by estimating the shortfall according to their application,
 - Assess their consequences on the base,

- Appreciate their impact regarding tax fairness and their effectiveness compared to direct expenditure that could eventually replace them,
 - Allow to analyze the cost / effectiveness of these measures.
- 3- The organization of a mission of expertise to the benefit of the DGPP from 22 to 24 November 2010 which had aimed at helping the structure in its new missions by the appropriation of methodologies and of instruments which to define, to monitor the execution and evaluate the of the implementation of the selected budget policy.

The main objective of the expertise focused on the following points:

- the most suitable type of organization for a direction of budgetary policies, taking into account attributions of this structure regarding proposals, monitoring and evaluation of measures of a budgetary nature;
 - the instruments used for the evaluation of impacts concerning budgetary actions;
 - the methodologies on which the forecast of short -term budgetary expenditure and revenue are underpinned;
- 4- The organization of a study visit for the DGB seniors which was held in France from 18 to 22 January 2010 to look further into certain aspects of the budgetary reform before addressing the achievement phase of the budgetary reform in Algeria from the points of view:
- legal: organic law on finance laws and implementing texts;
 - procedural: revision of the development process and of budgetary implementation, adaptation of the responsibility for the actors to the new role which is assigned to them, new budgetary structure and multi-annual recurrence, new monitoring methods, budgetary process interdepartmental dimension;
 - organisational: reorganization of officers service, supervisory bodies and public accountants, organization of structures in charge of the implementation of the reform;

The reform has reached an operational phase; it was to discuss the process and practical methods of establishment of the reform and training programme of agents (4000 agents). Computerization and its impacts on budget were another topic.

The study visit aimed at, among other topics of interest within the defined framework, the examination of:

- implementation of the organic Law relating to Finance laws (LOLF) of 2001;
 - budgetary procedure and associated documents;
 - measure and performance assessment in the budgets of programmes,
 - planning and multiannual aspects of budgetary process as well as links between budgetary nomenclatures and accounting;
 - internal and external budgetary audits and accounting;
 - role of the Ministry concerning Budget and Financial Controllers;
 - interdepartmental Aspects of the budgetary process; and
 - new framework of the General Review of Public Policies (RGPP);
- 5- A study visit for the seniors of the Directorate of Tax policies (DPF) in Spain was held from 7 to 10 June 2010 in the framework of the evaluation of public policies, the simplification of tax procedures and the diversification of tax income sources.

This visit allowed to know about the instruments able to reinforce the DGPP capacities regarding tax policies, necessary for the definition of tax strategy and action plan able to improve the effectiveness of a current Algerian tax system, taking into account of the particular experience of Spain in terms of:

- Monitoring and coherence between fiscal and parafiscal policies;
- Impact measure of the taxation on the Foreign Direct Investment (IDE);
- Economic impacts measure of the ecological taxation;
- Evaluation of the incomes taxation, consumption and saving;
- Evaluation of tax policies and the established social systems.

SPECIFIC SUPPORT

In addition, MF has benefited, within the framework of P3A II, from a specific component "Modernization of public finance" of an amount of 5 000 000.00 Euros including the provision of long- term and short -term expertises. This support is to establish a strategic plan of modernization of public finance (PSMFP) and to start its implementation.

A Roadmap was established from the listed needs which identifies 6 fields of intervention:

- Tax and resources;
- Preparation and approval of the finance law including the preparation of the Framework concerning annual and multiannual medium-term expenditure (CDMT) :
- Execution of the finance law;
- Control of the finance public;
- Computer;
- Human resources with an emphasis on staff training.

On this basis, a mission of expertise including 11 lead experts¹ was initiated. Initially, the purpose of this mission is to develop the PSMFP and, thereafter, to monitor its implementation which will be carried out by short -term missions of expertise.

The lead experts are counting the needs for MF various structures and on this basis to propose actions to be implemented which will form the base of the PSMFP. Next phase will consolidate the selected actions and make them validate by the PSMFP.

Moreover, the previously identified actions and which are under the retained fields in the Roadmap and which will be integrated in the future PSMFP were launched. They concern:

- 1- Optimal use of simulation models of the Directorate of Macroeconomic Forecast (DPM), especially MEGA model. Four expected results were selected: (a) MEGA model is improved and adapted to simulation needs, to MF forecast and to DGPP, (b) the DGPP seniors lately recruited are trained for the use of MEGA (existing and improved) and to the interpretation of simulations results, (c) the available national expertise is consulted on simulations results and on projections realized and (d) medium-term budgetary seniors are available for the preparation of the budget 2016.

A mission of 2 experts began in July 2013. With 10 days intervention every 2 months, it will accompany the DGPP until March 2016.

The database to update MEGA was gathered and should be subject of processing during next intervention. Similarly, choices of complementary macroeconomic models were validated by the DGPP.

¹One by General Directorate of MF i.e. 9 and 2 in charge of the transverse questions relating respectively to the human resources management and to the information system.

- 2- The development of a methodological guide CDMT. A one day workshop was organised in May 2013 in order to locate the progress of the budgetary reform and to present the methods of development of sectoral CDMT to the main concerned sectors (water resources, public works, transport, education, health).
- 3 - The redesign of information and automated management of customs (SIGAD). A mission of 2 experts was initiated and should begin in September 2014. It aims at assisting the DG of Customs in the development of specifications for the recruitment of support services to carry out the migration of applications towards the Web, the reengineering of business processes according to recommendations of World Customs Organisation (facilitation, security, dematerialisation...) and the integration with the other information systems (internal to DGD) and other institutions for the exchange of information.
- 4 - The preparation and conducting a conference on the construction of the index Doing Business in its component "payment of taxes" and the transparency of the public finance through the Web that is being prepared.

TWINNING PROJECTS

In addition to this twinning project, MF initiated two other projects:

- 1 - Contribution to the improvement of the performance of General Inspection of Finance (GIF) in a vision of passage to management control and performance

As it is indicated in the heading, the twinning project aimed at contributing to the improvement of the GIF performance in a vision of passage to management control and performance. As such, 3 obligatory results were selected:

- GIF activities focus on the key risks for the public finance and the deadlines enabling GIF to exert well its duty of alarm with respect to the decision-making centres are under control and human resources are deployed in an optimal way;
- GIF reinforced its institutional and technical capacity to control public organizations including Public Economic Companies (EPE), banks, insurance companies and local communities;
- GIF reinforced its capacity to evaluate and control the achievement of great projects in all their phases;
- GIF improved its capacity to assess public policies.

The project fiche is in the course of validation by the Delegation of EU and should be a call for proposal during the last quarter 2014.

- 2 - Support for the DG of Taxes (DGT) to the improvement of its performances.

Four obligatory results were retained to improve the performances of the DGT . They concern:

- The reinforcement of human resources;
- The improvement of management by the performance at all levels;
- The professionalization of the internal control;
- The improvement of the recovery

The project fiche is in the course of validation by the Delegation of EU and should be a call for proposal during the last quarter 2014.

It is added to these two projects a twinning project initially intended for the benefit of Ex services of the Secretary of State to the Prime Minister in charge of the Forecast and the Statistics (SEPS) whose objective was the reinforcement of the capacities of SEPS services regarding the analysis current forecast for the creation of an observatory of the economic situation. This project selected four results:

- SEPS services have the necessary data for the analysis of the economic situation;
- The techniques of statistical processing are controlled;
- Macroeconomic analysis is controlled;
- The practical current analysis is developed.

A call for proposal was launched in July 2013 but proved to be unfruitful because of having received proposals.

Following the cabinet reshuffle of September 2013, SEPS services were integrated within the Ministry of Finance and create the DG of Forecast. The revival of the twinning project is under study.

3.3 RESULTS

The implementation of the twinning project must, in conclusion, allow to achieve five obligatory results, to reach the specific objective. These five results are focused on:

- The setting up of mechanisms enabling, on one hand the evaluation of socio-economic performance of income tax and tax on the expenditure and the evaluation of parafiscal of a social nature on the other hand;
- The improvement of forecast process and framing of the finance law as well as the annual budget;
- The setting up and the annual update of medium -term financial programming process;
- The implementation of mechanism that can index yearly the wages of the public services and pensions;
- The establishment and the development within the DGPP of a global strategic intelligence;

Result 1: Mechanisms of assessment of socio-economic performance concerning the IT, TE and parafiscal of a social nature are established

The active and carried out evaluations, in most of the cases, by international authorities in order to appreciate the effectiveness and the efficiency of the Algerian tax system emphasize the strengths and the weaknesses of this system and the performance of imposed taxes.

IT (income taxes) which consisted of global income tax and tax corporate profits represent in fact the most significant share of tax revenue. At this level, issues of output, bypass and tax exemptions arise and make the result of perception less significant than what one could expect.

TE (taxes on the expenditure) in particular the VAT (Value-added tax) also tax on the tobaccos and alcohols, remain an insufficient output because of tax base which is still too low and its effectiveness currently reduced by tax authorities.

The DPF, as a direction in charge of ensuring the consistency of fiscal and parafiscal instruments, monitoring and evaluating tax policies must have mechanisms and theoretical

tools necessary to IT and TE ex-ante, on-going and ex-post evaluation. These mechanisms must allow to study and evaluate through the existing models of simulation namely MEGA model, the socio-economic impact of certain fiscal and parafiscal measures.

To this end, a benchmark assessment mechanism used in the Euro zone must be presented so that the DPF executives have a global vision of the various evaluation mechanisms used and usable in the member state of European Union; on this basis, one can identify the applicable mechanisms to the Algerian context. Tests and simulations of these mechanisms will enable to identify and establish appropriate mechanisms to the Algerian case.

This must enable to provide the DPF tools to evaluate a socio-economic performance of taxation and to evaluate parafiscal of a correct special nature and whose results will be interpretable and exploitable for the tax policy in general.

The Indicators objectively verifiable for this result are as follows:

- DPF executives focus, in their work of evaluation of tax system performance, on the selected evaluation mechanisms;
- Evaluations of tax system performance are produced periodically.

Result 2: The process of forecast and annual budget as well as the Finance law is improved

The sectoral strategies provide the orientations of the budgetary policy, but the FL and the budget should take into account the evolution of the economic and financial situations. The starting point in the consideration of this evolution is the preparation of a medium -term macroeconomic framework which includes a projection of the main macroeconomic accounts, in particular the balance between employment and the resources, the monetary situation, the payments balance and the financial transactions of the State which are presented in an estimated Chart of the Financial Transactions of the State (TOFE).

The TOFE should also be accompanied by various analytical studies including, inter alia, an analysis of the risks, in particular, in case of reversal of the economic situation, and an analysis of contingent liabilities, such as those related to loan guarantees.

In order to fulfil its role of forecast and FL framework also annual budget, the DPM should be able to produce at the appropriate time and according to recognized methodology the projection of the macroeconomic accounts and the TOFE, which are the elements that constitute the starting point for the development of the global CDMT.

To this end, the DPM should have reliable statistical data up to date, and a global information system allowing the exercise of simulation, forecast of the main macroeconomic aggregates and macro budgetary. This system will put necessary data to the development of the TOFE, global CDMT and to implement the preparation of FL and the annual budget.

The Indicators objectively verifiable for this result are as follows:

- A framework of FL and annual budget is elaborated and updated according to the selected process and methodology;
- A TOFE is designed and is periodically updated.

Result 3: The process of financial planning in the medium- term is established and updated annually.

The budgetary procedures in Algeria do not allow to grasp the totality of public expenditure within a unified framework. The process of preparation, monitoring and budgetary execution is dual and is marked by difficulties which may ultimately let it meaningless. Indeed, neither macro-economic constraint nor the sectoral approaches can be taken into account in a satisfactory way, a reinforced problem by strong budgetary volatility.

In addition, the multiannual budget forecasts are often based on overly optimistic forecasts resources. Nevertheless, Ministries considered as a right the resources that are assigned to them in the multiannual programs of expenditure, even when it turns out that the resources initially expected are over-estimated.

The objective of the twinning is to set up a MT process of financial planning to provide a common framework for the definitions of policies, planning and budgeting at the central and sectoral levels. The global CDMT, as an instrument of MT financial planning, aims at integrating the decision-making process by allowing iterative exchanges between global and sectoral levels and between strategic and financial perspectives. CDMT Process enables to determine the global constraint on the basis of a framework of medium-term sustainable resources, to take into account the financial implications of the policies, and to reduce the constraints during the budgetary implementation.

To this end, the setting up of preconditions to the implementation of CDMT process is to be made. This must be followed by an effort to strengthen the DPB competences with the involvement of the DPM in the methodology of developing the global CDMT adopted within the framework of the reform of public finance. Everything should be achieved through the development and transmission of a global CDMT covering the years 2016-2018.

It is worth mentioning that, currently, a support is set up at the level of MF for the development and the validation of a CDMT methodological guide which describes CDMT process as a whole (global CDMT and sectoral CDMT) (cf. linked activities specific action n°2); this guide will enable to determine the whole expected activities at the level of the result.

The Indicators objectively verifiable for this result are as follows:

- A development process of the global CDMT exists and is operational;
- A global CDMT is developed and is annually updated.

Result 4: Mechanisms enabling the annual indexation of public services salaries and pensions are established.

Every year the wages of the public services and the pensions can be upgraded (or readjusted) to reflect the change in the index of consumer prices thus preserve the purchasing power. The pensions can be upgraded and readjusted in order to maintain a parallel evolution with the wages of the public services. It concerns indexation on the prices or the wages to indicate a general rule of revalorization based on changes in prices or in wages.

The DGPP, as a structure in charge of monitoring and evaluating balances of the social systems and the DPB, as a directorate responsible for the proposal of the necessary elements to the definition of the budget policy, and to develop the necessary elements to the

determination of the economic and social actions of the State, should be able to propose to the authorities alternatives and scenarios of annual indexation of the public services wages and of pensions.

To this end, this structure should have tools and mechanisms to simulate the annual indexation of the public services wages and pensions, according to a certain number of parameters including particularly changes in prices. These tools and mechanisms should be tested and simulated before being disseminated.

The Indicators objectively verifiable for this result are as follows:

- Mechanisms allowing the indexation of the wages and the pensions are established and are operational;
- The DPB executives provide simulations of impact from the mechanisms of indexation of the wages and pensions.

Result 5: The function of the global strategic intelligence is developed within the DGPP

The intelligence function is essential to the process of forecast and strategic planning. Whereas the intelligence function takes a decisive importance at the time of the diagnosis, prospective, in turn, support a structure to be projected in the future. Intelligence constitutes a continuous observation of the environment in which the DGPP acts.

Intelligence can detect facts, at a national, regional or international level, analyze them and identify those likely to influence certain events. The intelligence can also draw up the medium and long -term trends at macroeconomic, macro budgetary, financial, or other levels closely or indirectly relating to the DGPP activities.

In order to improve the effectiveness of the budgetary and tax policies and to develop the capacity of anticipation and comprehension of financial, budgetary and macroeconomic issues, to prevent the risks and the threats of any nature, and finally to reinforce the governance and let the DGPP be a structure of reference, this latter should have a function of a global strategic intelligence.

With this intention, DGPP should constitute a dedicated team to the function of intelligence which must be formed on intelligence techniques and tools also create a strategic intelligence network made by the institutions and resources persons, in addition to set up a coordination and data collection mechanisms. The structure in charge of the intelligence function constitutes a platform of global intelligence for the Ministry of Finance, which produces and publishes periodically fiches, notes and/or files.

The executives belonging to this structure should master intelligence tools (intelligence scoreboard), data and collection processing, and finally the methodology of development of intelligence fiches, notes and/or files according to international standards.

The indicators objectively verifiable for this result are as follows:

- An intelligence unit is created within the DGPP;
- The established intelligence function enables, in an autonomous way, to collect, process and disseminate intelligence data according to recognized standards.

3.4 ACTIVITIES

In addition to the activities related to kick off and closure meetings of the twinning project, five major groups of activities are proposed; each group of activity should achieve a mandatory result fixed in the fiche.

3.4.1 Kick off meeting and closure meeting

Activity 0.1: Kick off meeting

This meeting is organised to support the internal mobilization of all the actors of the project and their awareness of the role of their contribution in various expected activities. The meeting is also a support of visibility to the twinning project. It will be held on half-day and will be organised in the presence of high level representatives from both Algerian side and Member State partner; its achievement must take place within the first three months of the implementation of the project.

3.4.2 Activity 0. 2: closure meeting

This seminar is organised during the last month of the implementation of the twinning project to present an assessment of the activities carried out, results as well as recommendations for the sustainability of the results.

3.4.3 Activities of result 1

A.1.1. activity: To present a benchmark on evaluation mechanisms used in the Euro zone

In order to be able to fulfil its missions, to measure the Algerian tax system and to estimate the various impact points of mandatory deductions at the macroeconomic level, it is important that the executives of the DPF have a total mastery of various evaluation mechanisms in the field of taxation.

This first activity aims at making a presentation of benchmarks in Euro zone on:

- Evaluation mechanisms of the socio-economic performance of IT and TE;
- Evaluation mechanisms of parafiscal of social matter;

This should enable the concerned executives to identify at first the various existing types of evaluation according to the target taxes and to apprehend the various existing possibilities regarding evaluation mechanisms.

Concerned structures:

The whole Directorate of Tax policy

A.1.2. activity: Identify evaluation mechanisms applicable in the Algerian context

In order to measure the impacts of tax measurements, it is significant to master the various tools and to adapt them to the context of the country.

The activity aims at making an identification:

- Of evaluation mechanisms of socio-economic performance of IT and TE;
- Of evaluation mechanisms of parafiscal of a social matter;

By analyzing the advantages and the disadvantages to select the best adapted to the Algerian context.

Concerned structures:

The whole Directorate of Tax policy

A.1.3 activity: Simulate the selected evaluation mechanisms

Once the mechanisms are selected to the Algerian context, it is necessary to measure their effectiveness before adopting them.

The activity will consist in making simulations on:

- The mechanisms selected for the evaluation of socio-economic performance of IT and TE;
- The mechanisms selected for the evaluation of parafiscal of a social matter;
To appreciate the effectiveness before the validation of the selected mechanisms for adoption within the Directorate.

Concerned structures:

The whole Directorate of Tax policy

A1.4 activity: Support for the implementation of the evaluation mechanisms selected

Once the adequate evaluation mechanisms are identified and selected, it is important that the DPF use them.

This activity aims at supporting the setting up and the implementation of the selected mechanisms through training sessions.

Concerned structures:

The whole Directorate of Tax policy

A1.5 activity: Organise study visit

The aim is to identify a Directorate of Taxation within a body in a Member State which uses the evaluation mechanisms of socio-economic performance of IT and TE as well as the evaluation mechanisms of parafiscal of a social matter in order to inquire about instruments of impact of tax policies.

5 executives of the Directorate of Tax policy are concerned by the study visit, who work on the evaluation mechanisms.

3.4.3 Activities of result 2

A.2.1 activity: Identify the perimeter of forecast and framework of the Finance law

Although a system of forecast and financial projection exists at the level of the DGPP, using certain macroeconomic aggregates and macro budgetary, this system needs to be reinforced

so that the developed FL is more focused and the forecasts is made on time.

The activity will consist in making an inventory of the current situation by delimiting the necessary data and by identifying the activities to be set up for the periodic preparation of forecasts and framework.

Concerned structures:

The whole Directorate of Macroeconomic Forecast

A.2.2 activity: Define the template process of forecast and framework of the Finance law

This activity consists in defining a template process of forecast and framework of FL to equip the DGPP a method to conduct forecasts on time in relation to the annual calendar of development of FL.

Concerned structures:

The whole Directorate of Macroeconomic Forecast

A.2.3 activity: Reinforce the capacities and simulate the process of forecast and framework of the Finance law

This activity aims at reinforcing the DPM capacities in terms of forecast and framework of the FL, relying on the organization of training and the practical case study.

The identification of the target group is a precondition to the achievement of the activity.

Concerned structures:

The whole Directorate of Macroeconomic Forecast

A.2.4 activity: Support for the establishment of the validation mechanisms of the Finance law forecasts and framework

This activity aims setting up the validation mechanisms of the forecasts and framework support working groups in the appropriation of the instrument.

The activity presupposes to define the working group which will be in charge of the validation and provide a legislative framework to name it.

Concerned structures:

The whole Directorate of Macroeconomic Forecast

A.2.5 activity: Organise a study visit

This is to carry out a study visit within a Directorate in a European body and which is in charge of the framework and the forecast of the FL.

5 executives of the Directorate of Macroeconomic Forecast are involved in the mechanisms

of the FL framework and forecast.

3.4.4 Activities of result 3

A.3.1 activity: Implement the necessary prerequisites for the establishment of CDMT process

A CDMT is an element of budgetary management based on the objectives and results. It enables to: ensure the viability of the budgetary policies, define a temporal progress to achieve the objectives and to carry out the changes more or less necessary to take into account the priorities and the financial constraints and provide predictability to managers. Currently, DGPP, more precisely the DPB has not prepared yet a global CDM although it was expected in their missions.

The activity aims at setting up the necessary prerequisites for all the process of CDMT development.

To apprehend and identify these prerequisites, it will be necessary to set up the working group which will be charged of the CDMT, to identify all the stakeholders of the process of the CDMT development, to define consolidation collection system of the necessary data and set the schedule of activities.

Concerned structures:

The whole Directorate of Budget policies.

A.3.2 activity: Reinforce the skills for the preparation of the global CDMT

This activity aims at reinforcing the skills and the capacity of the working group which will be charged of the development of the CDMT, through trainings in methodology of CDMT development.

This is will strengthen the capacity of the DPB teams to format the information to be produced in the note and to introduce the analysis in an accessible form to the non-specialists readers. The focus will be on methodologies of development of the State budget as well as the macroeconomic framework.

Concerned structures:

The whole Directorate of Budget policies.

A.3.3 activity: Prepare and validate the global CDMT 2016-2018

This activity consists in assisting the DPB in the preparation of the global CDMT 2016-2018 in order to support the teams during the development process, edition and validation, transmission for validation and publication on the DGPP Web site.

Concerned structures:

The whole Directorate of Budget policies.

Activity A.3.4: Organise a study visit

This is to carry out a study visit in a Directorate within a body of a Member State to take note of how a CDMT is developed and diffused.

5 executives will take part in the development of the CDMT.

3.4.5 Activities of result 4

Activity A.4.1: Presentation of various indexation mechanisms used at the international level

The mechanisms of annual indexation of the public services wages and the pensions allow to determine the effects of tax policy on social systems, as well as the optimal rates in order to guarantee a budgetary balance of social security funds.

These indexation mechanisms do not exist now, which does not allow to have the necessary elements to the determination and the evaluation of the social action of the State.

The activity is to present various indexation mechanisms used in such a way that managers, who have to assess the impact of social policies, can have an overview of existing mechanisms with their advantages and disadvantages.

Concerned structures:

The whole Directorate of Budget policies.

A.4.2 activity: Make an ex-ante assessment and suggest applicable mechanisms in the Algerian context

This activity aims at identifying the mechanisms of indexation applicable to the Algerian context and at evaluating their relevance. This requires the development of a SWOT analysis concerning mechanisms which will be identified to refine the selection of those which will be selected for the DPB.

Concerned structures:

The whole Directorate of Budget policies.

A.4.3 activity: Simulate the selected indexation mechanisms

The activity aims at making simulations on the indexation mechanisms that will be selected in order to define those that will be selected as the instrument to the DPB.

At the end of the simulation, and once determined the indexation mechanisms appropriate with regard to the Algerian problems, we will proceed to the validation of the latter to implement them.

Concerned structures:

The whole Directorate of Budget policies.

A.4.4 activity: Organise a study visit

This is to carry out a study visit in a European body to inquire evaluation methods of the State social action as well as the instruments used.

5 executives of the Directorate of Budget policies are involved in the evaluation of impact of social policy.

3.4.6 activities of result 5

Activity A.5.1: set up a conceptual framework of implementation of strategic intelligence

A process of reflection has been previously conducted with various ministries to establish a strategic intelligence. An intelligence committee has been constituted for this purpose, but has only met once. Since then, things have remained stationary.

The desire of the DGPP is to set up the intelligence strategic function in a permanent way within its services in order to be able to monitor macroeconomic and financial indicators at the international level and to anticipate potential exogenous shocks.

Initially, this activity aims at supporting the DGPP to delimit the framework in which the strategic intelligence must fit.

That will be done through the definition of the objectives of the intelligence and the identification of the needs within the directorate; this will enable, thereafter, to propose the adequate instruments and the intelligence cycle.

Concerned structures:

Directorate of the Information Collection.

Activity A.5.2: Support for the establishment of strategic intelligence process

Once the conceptual framework of strategic intelligence is defined, it is important to describe the process of this function with its purpose and its end product.

This activity aims at supporting the setting up of the intelligence process through the identification of the intelligence purpose, the delimitation of its activities and the presentation of products and final results as well as the modes of their diffusion.

Concerned structures:

Directorate of the Information Collection.

Activity A.5.3: Simulate the strategic intelligence function

This activity aims at making a simulation of the intelligence function so as to provide the necessary corrections to the selected process before its establishment and its implementation. This requires the identification of the necessary indicators and the development of infra annual intelligence schedule by making simulations above to test the selected indicators and the intelligence mechanism.

Concerned structures:

Directorate of the Information Collection.

Activity A.5.4: Implant strategic intelligence function

A person has already been appointed within the Directorate of the Information Collection to manage the intelligence function at the level of the Ministry.

The activity aims at supporting the Directorate of the Information Collection for the establishment and the implementation of the strategic intelligence.

Concerned structures:

Directorate of the Information Collection.

A.5.5 activity: Organise a study visit

This is to carry out a study visit in a European body involved in the strategic intelligence process in the field of public finance to inquire processes and used indicators.

5 DGPP executives are involved in the intelligence function.

3.5 CONTRIBUTIONS OF THE TWIN ADMINISTRATION OF THE MEMBER STATE**3.5.1 Profile and tasks of the Project Leader**

The Project Leader of the Member State must be a senior civil servant in the twin administration, able to have a political dialogue and to provide the required solutions to the problems and difficulties encountered during the implementation of the twinning project; his/her responsibility's level should allow him/her to ask for short-term experts to support the effective implementation of planned activities.

Academic

The Project Leader must be graduated of a higher education, or equivalent.

Capacity of management

The Project Leader must:

- Have an autonomy and a sufficient authority to carry out his/her mission in a good way and, in particular, to contact and deal with EU administrations or with private providers according to needs of his/her mission,
- Ensure the management of an administrative structure if possible of analysis and design of macroeconomic policies and/or budgetary and/or tax.

Previous experience

The Project Leader must have:

- Taken part in the project management,
- Ensured the control and the implementation of at least one project.

Tasks of the Project Leader

The Project Leader is responsible for the assigned activities to his/her government in the work plan, and must be available for the project at least three days a month, with a field visit at least every three months (Cf. infra, 6.3).

The Project Leader must design, supervise, coordinate, guide and implement the twinning project. He/she must organise, with his/her Algerian Project Leader counterpart (Cf. infra, 6.2) Steering committee meetings that will be jointly headed. The Steering committee, held every quarter, will provide an update on the evolution of the project in relation to the expected results.

He/she will be in charge, in coordination with the Algerian Project Leader of submitting the project quarter reports and final reports to the UGP (and to submit a copy of these reports to the Delegation of the European Union in Algeria).

3.5.2 Profile and tasks of the Resident Twinning Adviser (RTA)

The RTA, the civil servant expert or expert of a mandated body of the Member State assigned to work in Algeria all over the duration of the twinning as a full-time expert, is the twinning interface. He/she is in charge of ensuring the implementation of the twinning project. He/she is also responsible for providing technical advises and daily assisting DGPP and all within the predetermined work plan.

Training

The RTA must be graduated of higher education (university or school), in macro economy, and/or public finance or equivalent. He/she must have a good command of French language.

Technical expertise

The RTA must prove a compelling experience in public finance. He/she must have:

- Participated in the design and implementation of macroeconomic and / or budgetary and / or tax policies;
- Been involved in the process of forecast and framework of the finance and in the medium term financial planning as well as in the evaluating exercises of the performance of tax system.

Previous experience

The RTA must have a minimum of 7 years professional experience. He/she must have:

- A significant experience of teamwork in the design, implementation, monitoring and the evaluation of projects;
- Managed projects in his/her government.

The RTA must have a good command of French language and the ability to communicate.

Tasks of the RTA

The RTA must support for the implementation of the various project components. He/she supports the different beneficiary structures in the management and the implementation of the project. His/her tasks consist in:

- Daily work with different DGPP partners for the implementation of the project and the coordination of various interventions of the experts;
- Ensuring the continuity of the implementation of the project with his/her main counterparts (Cf. infra, 6.2), partners in various beneficiary structures, short and medium- term experts, two project leaders, respectively Algerian and Member State

leaders; and with the Programme Administration Office for the Support to the Association Agreement Programme (PAO-SAAP/UGP3A).

The RTA will assist the counterparts and correspondents in defining the detailed content of the Twinning project activities (in particular those requiring a preliminary work of expertise) and will provide information on the profiles of the Member State experts who will be responsible for their implementation.

The RTA will be responsible for the logistics of the project in relation to the UGP and will ensure, in particular, the good preparation and organization of the study visits that will be carried out by the beneficiaries in the European Union.

The RTA will ensure the administrative management of the project, in particular, of the experts' team and will inform the DGPP and the Project leader of the EMP about the Twinning progress. He/she will monitor budget implementation and the calendar of the operations. He/she will have a crucial involvement in the development, implementation, planning and monitoring of the activities.

He/she has to organise the quarter meetings of the Steering Committee (Cf. infra, 6.3), which will be jointly headed by both project leaders. This steering committee will allow to review the progress of the project in relation to the expected results.

The RTA will actively participate and coordinate the activities carried out by short / medium-terms experts relating to:

- The establishment of committees, commissions and working groups needed to carry out the project;
- The execution of the inventories, technical assistance and the implementation of the plans and directives necessary for a good implementation of the twinning;
- The organisation and running of awareness workshops, of work and training.

He/she will assist the project leader to submit the quarter and final project reports to the UGP (and submit a copy of these reports to DEU in Algeria).

Duration of the mission of the RTA

The mission of the RTA will be carried out over a full-time period of 24 months in Algeria (Algiers). During this period the RTA will ensure the management of the project and achieve the assigned tasks.

3.5.3 Profile and tasks of the RTA assistant

The RTA will be assisted by a full-time assistant who will be locally recruited, after the attribution of the project and will be paid on the twinning contract budget, in accordance with the standard rules. At this stage, his/her CV should not belong to the proposal of the Member State.

3.5.4 Profile and tasks of main short-term experts (STE)

The Member State will engage short- term experts' team to implement with the RTA various activities on the basis of the provided conditions in this present fiche.

The general required profile of the STE is as follows:

- University degree of higher level or equivalent professional experience in the field of macro economy, public finance.
- A professional experience in the analysis of tax systems and/or in macro-economic forecasts and/or in the design of budgetary policies and/or the financial planning.

Although the working language is French, translation expenses can be used in support of STE.

The STE have to support the beneficiary in the achievement of results by coaching and the contribution of the know-how in the target fields. They have also to run workshops of training and reinforcement of competences of the DGPP executives and agents.

Moreover the STE must have specific professional qualifications in relation to the concerned fields of intervention according to the indicative table below:

Fields	Qualification
Evaluation of socioeconomic performance of taxes	Horizontal knowledge of the direct and indirect taxes and the mechanisms of evaluation relative to them. Experience in the processing and the analysis of data, experience in the evaluation of socioeconomic performance, experience in evaluation methodology.
Parafiscal valuation of a social nature	Knowledge of parafiscal of a social nature and the mechanisms of its evaluation. Experience in the processing and the analysis of data, experience in the evaluation of parafiscal of a social nature, experience in evaluation methodology.
Macroeconomic forecasts	Knowledge of diagnosis and forecast instruments, knowledge of macroeconomic analysis and public policies. Experience in macroeconomic forecast, experience in forecast of the financial aggregates.
Forecast and framework of the FL and the annual budget	Knowledge of development of annual budget and finance laws, knowledge of expenses structures and government revenue, knowledge of the process of forecast and budgetary planning. Experience in framing techniques of FL and in development of the budget of the government.
Public finance	Knowledge and mastery of the budgetary cycle, knowledge of the forecast process, the implementation and the control of the implementation as well as the monitoring of the budget. Experience in the coordination of tasks related to the framing of FL and to the development of government annual budget, experience in terms of reforms and of public finance modernisation (medium- term financial Planning, budget program, budgeting based on

Fields	Qualification
	performance... etc)
Public finance	<p>Knowledge of analysis, formulation and implementation of public policies, mastery of the cycle of public policies.</p> <p>Experience of policies concerning regulation of the systems and the techniques specific to budget policies and tax, experience in methodology and instruments of diagnosis and comparative analysis and prospective, experience in institutional environment in particular in the organisation of the decision-making process.</p>
Medium-term financial planning	<p>Advanced knowledge of monitoring of activities and techniques of CDMT formulation, knowledge of the operation of the administrative and public services.</p> <p>Experience in the budgetary mechanisms, advanced experience in MT financial planning (CDMT)</p>
Macroeconomic modelling	<p>Practical knowledge of macroeconomic planning templates, knowledge of data analysis and processing, knowledge in the field of macroeconomic analysis of forecast, national accounting, economic statistics and economic modelling.</p> <p>Experience in the production and in financial and economic information analysis, monitoring of the economic statistics in a national statistical system, proven experience in the development of national accounts, macroeconomic forecast and in the production of reports of analysis and synthesis of economic and financial data.</p>
Analyse and formulation of budgetary policies and taxes	<p>Knowledge of budgetary policy and tax, in economic and financial regulation, knowledge and mastery of the methodology and the instruments of diagnosis, prospective and comparative analysis.</p> <p>Experience in the implementation of budgetary policies and taxes, experience in an activity of prospective which contributes to the definition of budgetary and taxes orientations, experience in the diagnosis and in the evaluation of the systems of budgetary policies and taxes and the formulation of recommendation, experience in the implementation of the budgetary and tax policies.</p>
Evaluation of the government social action	<p>Knowledge of various instruments and mechanisms of evaluation of government social action, knowledge of indexation mechanisms on the wages and pensions.</p> <p>Experience in the implementation of indexation mechanisms, experience in the identification of evaluation parameters.</p>
Financial balance of social security funds	<p>Knowledge of the issues of social protection, social right and pensions systems, knowledge of financial balance system of the</p>

Fields	Qualification
	<p>social security funds, knowledge of various social systems of retirement and their budgetary impacts.</p> <p>Experience in the design and implementation of policies of social protection, experience in the methodology of determination of objectives and instruments of the social policy.</p>
Systems of strategic intelligence	<p>Knowledge of the issues, budgetary and financial environment, knowledge of techniques of acquisition, checking and tracking of information, knowledge of strategic techniques, management instruments of contents and knowledge and of research software, of intelligence and data processing.</p> <p>Experience in definition and implementation of intelligence plan, experience in exploitation of the documentary sources, analysis and data processing as well as drafting of documents for the decision-making.</p>
Organisation	<p>Knowledge of the operation of a body in charge of the macroeconomic, budgetary and tax policies involving several stakeholders both inside and outside.</p> <p>Experience in the design and the implementation of coordination mechanisms, experience in writing of manuals of procedures, experience in organisation of processes and operations.</p>
Information systems and data bases	<p>Knowledge of the contents of financial and budgetary data bases, knowledge of the design of architecture recommendations and data-processing infrastructures,</p> <p>Experience in the definition of the needs regarding data and information system, experience in the constitution and the basic update of financial and budgetary data.</p>

4 INSTITUTIONAL FRAMEWORK

The Twinning project is part of the following institutional framework:

DG of Forecasts and Policy of the Ministry of Finance

Genesis and tasks of the DGPP:

The executive decree n° 07-364 of 18 Dhou El Kaada corresponding to 28/11/2007, on the organisation of the central administration of MF and the interministerial decree of 24 Chaoual 1430 correspondent to 13 October 2009 on organisation of the central administration of MF confers the DGPP the task of adviser of the Minister of Finance on the issues relating to the analysis, forecast and the evaluation of budgetary policies, tax and economic.

The DGPP should:

- develop the macroeconomic forecasts;
- define the information systems of the Ministry of Finances;
- develop the necessary elements to the design of Budgetary policies and tax;
- evaluate budgetary policies and tax;
- monitor and evaluate the balances of social systems;
- develop macroeconomic and financial framing of finance laws;
- prepare the introductory reports of finance laws;
- simulate the measurements impacts of an economic and a financial nature ;

The DGPP is organised in four directions (04), ten sub directorates (10) and twenty-nine offices (29):

1- Directorate of macroeconomic forecasts should:

- ensure short and medium -term forecast basing on the monitoring and the analysis of the economic situation;
- ensure macroeconomic and budgetary framing of finance laws;
- develop the introductory reports of finance laws.

It consists of four (4) sub directorates: sub directorate of forecast, sub directorate of analysis of the economic situation, sub directorate of the analysis of financial operations, sub directorate of templates and simulations,

2 Directorate of information collection should:

- set up the information system of the DG and to constitute a data base on the financial sphere, the real sphere and the social sectors;
- organise with concerned structures statistical information of which it is responsible;
- disseminate the statistical information for the national system of statistical information.

It is made up of two (2) sub directorates: sub directorate of statistics of the financial sphere and sub directorate of statistics of the real sphere

3 Directorate of the budget policies should:

- propose the needed elements to the definition of the budgetary policy;
- ensure the control of the structure of the budgetary expenditure and of the coherence of their distribution;
- evaluate budgetary policy.

It is made up of two (2) sub directorates: sub directorate of the budgetary balances and the sub directorate of the government social and economic action.

4 Directorate of the tax policy should:

- propose a tax strategy aiming at modernising, simplifying tax system and at improving its output;
- ensure the coherence of the tax and parafiscal instruments;
- direct the strategy regarding international tax relations;
- define the taxation of incomes, consumption and saving;
- direct the strategy of specific taxation;
- monitor and assess tax policies and balances of the social systems.

It composes of three (3) sub directorates: sub directorate of the policy of incomes taxation, consumption and saving, sub directorate of social systems and sub directorate of specific taxation.

The staff of the DGPP consists of:

- A General Director of forecast and policies
- A Director of macroeconomic forecasts
- A Director of studies
- A Director of tax policy
- A Director of the budget policies (in the course of being appointed)
- A Director of information collection (in the course of being appointed)

Except the agents of executions (secretaries and porters) the rest of the staff (37) is composed of deputy directors, office managers and executives distributed between statisticians, IT specialists and administrators.

Other public Institutions associated with certain Twinning activities

- The National office of Statistics (ONS), in its competences regarding production of statistical data.
- The DGT, in its competences concerning study, proposal, development and implementation of the legislation and regulations and tax plus parafiscal measures.
- The DGB, in its competences about development of the budget.
- The DGT, in its competences regarding statistics on the government treasury.
- The DGP, in its competences concerning macroeconomic forecasts.
- The Banque d'Algérie, in its competences about financial data within the framework of the CDMT and macroeconomic framework.

5. BUDGET

The indicative budget of this twinning project is: €1, 450, 000. 00 (one million four hundred and fifty thousand Euros).

6 IMPLEMENTATION ARRANGEMENTS

6.1 PROJECT CONTRACTING AUTHORITY

The Program Administration Office (PAO/UGP) ensures the administrative management of all P3A activities, including twinning projects, in accordance with the Community procedures and in close collaboration with the Delegation of the UE in Algeria. It ensures, as such, the management of the funds for the programme.

The PAO/UGP is situated in:

Palais des expositions Pins Maritimes - Mohammadia – Alger
Unité de Gestion du Programme P3A
Tél. +213 21.21.94.02 / +213 21.21.94.01
Fax. +213 21.21.04.12
Internet site: www.p3a-algerie.org

Person in charge of the Programme: **Said BENMERAD**

Director of the Programme
Inspector at General Inspectorate – Ministry of Trade
E-Mail: said.benmerad@p3a-algerie.org

6.2 MAIN COUNTERPARTS IN THE BENEFICIARY COUNTRY

The Project Leader

Mr Sid Ahmed LOUAHADJ will be the twinning project leader for the Algerian part. He will work in close collaboration with the Member State project leader and the RTA and his counterpart. He will regularly monitor the progress of the activities of the twinning project also he will provide all necessary support to ensure the good functioning of the project. He will co-chair the quarterly Steering committees of the twinning.

Address

Mr Sid Ahmed LOUAHADJ
Direction Générale de la Prévision et des Politiques
Ministère des Finances
Immeuble Ahmed FRANCIS, 16306 Ben Aknoun, Alger, Algérie
Function : Director of Macroeconomic Forecast
Tel. +213 (0)21 59 5 3 3 1 / Fax. +213 (0)21 59 5 3 30
Mail: sidahmed.louahadj@mf.gov.dz

RTA counterpart

Ms Aziza ZIDOUNI will be the main counterpart of the RTA and his main referent the twinning duration. She will be, in particular, responsible for daily coordinating with the RTA the Algerian twinning actions and will ensure the link between the Algerian executives or working groups and the key- experts of the Member State. She is likely to be consulted for all planned activities of the twinning.

The project leader and the counterpart of the RTA will engage all human resources within the Algerian government, who are necessary to carry out jointly with the RTA and the experts of the Member State the activities defined in accordance with the established schedule.

Address

Mrs Aziza ZIDOUNI
Direction Générale de la Prévision et des Politiques
Ministère des Finances
Immeuble Ahmed FRANCIS, 16306 Ben Aknoun, Alger, Algérie
Function : Director of economic situation
Tél. +213 (0)21 59 53 31 / Fax. +213 (0)21 59 53 30

Material means

In accordance with section 5.13.3 of the Common Manual of Twinning (MCJ), DGPP will provide all the professional infrastructure necessary to experts seconded by the Member State and will, especially, provide the RTA and his/her assistant offices nearby, adequately equipped for the entire duration of the twinning. These offices will be available as soon as the RTA arrives.

Similarly, the DGPP will provide necessary means to allow the short- term experts (STE) achieve their missions under the best material conditions.

6.3 TWINNING STEERING COMMITTEE

A Steering committee of the project will be held quarterly for the coordination of the project and its regular monitoring. Its composition will be defined in the twinning contract in accordance with the provisions of the MCJ. The Steering committee will monitor the implementation, the coordination of various activities of the twinning and the validation of the quarterly and final reports.

7 IMPLEMENTATION SCHEDULE

7.1 LAUNCHING OF THE CALL FOR PROPOSALS

December 2014

7.2 START OF TWINNING PROJECT'S ACTIVITIES

September 2015 (indicative)

7.3 DURATION OF THE TWINNING PROJECT

The duration of the project will be 24 months. Its estimated date of completion is in September 2017.

8 PROJECT SUSTAINABILITY

The sustainability of the project is ensured, on one hand, by the political good-will of the DGPP to be transformed into a real institution of diagnosis, forecast and support for the economic decision, and by the contributions of the activities of the twinning whose results and impact are of long term results, on the other hand.

▪ Political good-will of the DGPP

The political good-will of the DGPP is clearly displayed, through its efforts to transform itself into a real structure of diagnosis, of forecast of consulting and support for the decision-making in budgetary and financial matters which results in:

- The organisation of the DGPP in specialized directorates that are working to reinforce their instruments of work regarding macroeconomic forecasts, budget policies and tax policies.
- The existence of senior executives trained and having experience in the macroeconomic analysis and in the formulation of budgetary and tax policies.
- The current work undertaken for the development and the dissemination of notes of synthesis plus the production of statistical data in financial and budgetary matters.
- The willingness to transform the DGPP into a structure of reference concerning macroeconomic forecast, FL framing, budgetary and analysis planning as well as formulation of budget and tax policies within MOF.

▪ The contribution of the twinning

The contribution of the twinning is also to ensure the efficiency of the planned scheme. Several actions can be quoted:

- The evaluation mechanisms aspect of the taxation and parafiscal, allowing to have effective instruments of evaluation of the tax policy impact.
- The process of forecasting and framing of FL, allowing to improve budgetary policy taking into account the economic and financial situations.
- The development of a strategic intelligence, allowing to improve the capacity of anticipation and understand macroeconomic, budgetary and financial issues and to prevent the risks and threats of any kind.
- The acquired experience during the period of twinning, bringing the accumulation of know-how;
- The operational nature of the project with the background to lay the bases of a structure of reference regarding budget and tax policies.

Lastly, according to any probability, it is worth noting that the sustainability of the project will be reinforced by the continuation of experience with the twin Institution after the end of the twinning.

9 CROSS-CUTTING ISSUES

The twinning project is completely within the transverse framework of the principles of the European Union.

In its phase of development, of establishment and implementation, the project with the experts commit, in accordance with the principle of the equality of women and men, to combat any form of discrimination and inequality based on the sex, by reference to the marital status or family.

The project does not have a direct incidence as regards environment.

10 CONDITIONNALITY AND SEQUENCING

At the level of the DGPP, the twinning project is not subject to specific prerequisites to start.

The Beneficiary will be in charge of the expenses, in particular room renting, edition plus publication, achieving logo, acquisition of materials, in particular of necessary training for the implementation of various activities and not explicitly mentioned in the indicative twinning budget.

Finally, coordination between the different activities of each component is necessary for an adequate and coherent achievement of the project, especially as certain activities must follow a chronological order of implementation; while others can be carried out in parallel. This will be coordinated closely between the two twin administrations.

ANNEXES

Annex 1: logical framework

Annex 2: schedule

10.1 ANNEX 1: LOGICAL FRAMEWORK

twinning acronym: "Supporting the functions of forecasting, monitoring and evaluation of the DG of Forecast and Policy "	Reference: DZ / 19b	Duration of the Project: 24 months	Budget: €1,450,000.00
General objective	reference criteria	Sources of information	
Support the Algerian government in the process of the modernisation of public finance	Development of the multiannual perspective of the budget DGPP responds to requests of the Ministry of Finances regarding forecast, monitoring and evaluation of the budgetary and tax policies	Budgetary documents (FL, ministerial budgets, etc) Annual budgets Estimates Evaluation reports	
Specific objective	reference criteria	Sources of information	Assumptions
Support the DGPP in its functions of forecasting and formulation, decision, implementation and evaluation of budgetary and tax policies.	Forecasts and framing of FL and annual budget are improved The monitoring capacities and evaluation of budgetary and tax policies are improved A strategic intelligence system is operational and provides elements enabling the anticipation of certain endogenous and exogenous shocks relating to the economy in a general way	PEFA Report and other reports of the international authorities (revue of public expenditure, RONC, etc) Interim and final reports of the twinning project DGPP report on the evaluation of budgetary and tax policies briefing notes of intelligence	Mastery of techniques and methods of forecasts, framing of FL and of CDMT development Appropriation of the instruments of monitoring and evaluation of budgetary and tax policies Human and material means mobilised and available

Result	reference criteria	Sources of information	Assumptions
RESULT 1: The mechanisms of evaluation of socio-economic performance of IT and	The DPF executives focus, in their work of evaluation of the performance tax system, on the selected mechanisms of evaluation	Interim and final reports of the twinning project	Validation of the mechanisms choices

Result	reference criteria	Sources of information	Assumptions
TE plus parafiscal of a social nature are established	Evaluations of the performance of tax system are produced periodically	Evaluation reports of the performance of the tax system	Availability of necessary data for the evaluation
RESULT 2: The process of forecast and framing of Finance law and annual Budget is improved	The LF and the Annual budget framing is developed and updated according to the selected process and methodology A TOFE is developed and updated periodically	Interim and final reports of the twinning project Finance laws and annual budgets Introductory reports of finance law	Data available and usable of financial aggregates Mastery of the established processes Reliability and update of the exploitable statistical data Existence of a functional information system gathering the main macroeconomic and macro budgetary aggregates and allowing the exercise of simulation

Result	reference criteria	Sources of information	Assumptions
RESULT 3 The process of medium- term financial planning is set up and updated annually	A process of development of the global CDMT exists and is operational; A global CDMT is developed and updated annually	Interim and final reports of the twinning project Global CDMT 2016-2018	Constitution of the working group Institutionalisation of CDMT process Development and validation of methodological guide CDMT
RESULT 4 The mechanisms allowing the annual indexation of public services wages and pensions are established	Mechanisms allowing the indexation of wages and retirement pensions are set up and functional; The DPB executives provide impact simulations from the indexation mechanisms of wages and the selected pensions;	Interim and final reports of the twinning project Reports of impact simulation	Mastery of the established mechanisms Mechanisms used for the adjustments on wages and pensions not limited to simple simulations
RESULT 5 The function of global strategic intelligence is developed within the DGPP	A unit of intelligence is set up within the DGPP; The function of an established intelligence enables, in an autonomous way, to collect, to process and diffuse the intelligence data according to recognised standards;	Interim and final reports of the twinning project Texts of creation of the intelligence unit and nomination of the executives dedicated Reports and notes on the macroeconomic, budgetary and financial forecasts	Establishment of a team dedicated to the intelligence function Mastery of instruments of collection, processing and dissemination of data

Result	reference criteria	Sources of information	Assumptions
		Periodic publications	Mastery of the intelligence process

Activities	Tasks	Means	Available	Assumptions
RESUL 1 : The mechanisms of assessment of socio-economic performance of the IT and TE plus parafiscal of a social nature are established				
A.1.1 present a benchmark on mechanisms of evaluation used in Euro Zone <i>Concerned structures :</i> DPF	<ul style="list-style-type: none"> - Identify the target taxes, types of evaluation and the concerned countries by the benchmark - Carry out the benchmark - Present the results 	20 days	<ul style="list-style-type: none"> - A detailed document on the presented benchmark 	Availability of the data to carry out the benchmark
A.1.2 Identify applicable mechanism of evaluation in the Algerian context <i>Concerned structures :</i> DPF	<ul style="list-style-type: none"> - Present the advantages and disadvantages of the mechanisms of evaluation used in the Euro Zone. - Establish SWOT analyse of mechanisms to be applied in the Algerian context - Chose the mechanisms to be applied in the Algerian context 	20 days	<ul style="list-style-type: none"> - SWOT Analysis - A report on the mechanisms adapted to the Algerian context 	
A.1.3 Simulate the evaluation of selected mechanisms	<ul style="list-style-type: none"> - Delimit the extent of simulation 	40 days	<ul style="list-style-type: none"> - Methodological Manual of the typology of the selected 	Adaptation du mécanisme retenu au

Activities	Tasks	Means	Available	Assumptions
Concerned structures : DPF	<ul style="list-style-type: none"> - Exercise of the simulation activities - Evaluate the efficiency of the instruments and mechanisms. - validation conference 		<ul style="list-style-type: none"> mechanisms - Methodological note on the effectiveness of the selected mechanisms - Report of the validation of results 	Algerian context
A1.4 Support for the implementation of the selected mechanisms Structures concernées : DPF	<ul style="list-style-type: none"> - Reinforce the competences through training. - Coach the DPF in a first exercise of evaluation - Develop and disseminate methodological notes 	40 days	<ul style="list-style-type: none"> - The DPF executives trained to the use of the evaluation mechanisms - Methodological notes on the evaluation mechanisms 	Capacity of assimilation and mastery of the new methods of evaluation Implication of the executives in the activities of coaching
A.1.5 Organise a study visit Participants : 5 DPF executives	<ul style="list-style-type: none"> - Ensure the organisation and the monitoring of the study visit 		5 executives trained for the performance des IT and TE and for parafiscal	The European structure undertakes to meet the DPF executives
		120 P / days	TOTAL R1	

Activities	Tasks	Means	Available	Assumptions
RESULT 2 : The process of forecast and framing of Finance law and the annual Budget is improved				
A.2.1 Identify the perimeter of forecast and framing of Finance law <i>Concerned structures :</i> DPM	<ul style="list-style-type: none"> - carry out an inventory of the projection system and forecast - Delimit the needed activities and data in the process of forecast and framing of the FL and annual budget - Identify the stakeholders in the process the process of forecast and framing of the FL and annual budget 	20 days	<ul style="list-style-type: none"> - A detailed inventory - A methodological manual on the template of data and needed activities for the framing. 	Availability of the data
A.2.2 Define the template process of forecast and framing of Finance law <i>Concerned structure :</i> DPM	<ul style="list-style-type: none"> - carry out an international benchmark - Determine template process of forecast and framing of the FL and the annual budget - Simulate the process - validation workshop - Methodology describing the process of forecast and framing of the e la FL and annual budget 	30 days	<ul style="list-style-type: none"> - Detailed document on the benchmark presented - A methodological note describing the process of forecast and framing - Validation report with recommendations 	Exploitability of simulation results

Activities	Tasks	Means	Available	Assumptions
A.2.3 Reinforce the capacities and simulate the process of forecast and framing of Finance law <i>Concerned structure :</i> DPM	<ul style="list-style-type: none"> - Identify the target group - Organise and run training sessions - Simulation - Evaluate the impact of the process selected on the information system and data process 	60 days	<ul style="list-style-type: none"> - Trained DPM executives for the process of forecast and framing - methodological note on the use of the forecast and framing of FL - An evaluation report of the impact of the selected process with recommendations 	Capacity of assimilation and mastery of the process of forecast and framing of FL
A.2.4 Support for the implementation of mechanisms of validation of forecast and framing of FL <i>Concerned structure :</i> DPM	<ul style="list-style-type: none"> - Constitute a working group and institute the process of forecast and framing of FL plus annual budget - Support the working groups in the exercise of forecast and framing of the FL and budget 2016 projects 	30 days	<ul style="list-style-type: none"> - Circular, internal note (or other document) on the composition of the working group and institution of the process of the FL forecast plus framing and of the annual budget - the members of the working groups trained for the validation process 	Information system is operational Update of the data processing applications Implication of the DGPP external stakeholders in the process
A.2.5 Organise a study visit <i>Participants :</i> 5 DPM executives	<ul style="list-style-type: none"> - Ensure the organisation and the monitoring of the study visit 		<ul style="list-style-type: none"> - 5 trained executives for the process of forecast and framing finance laws 	The European structure undertakes to meet the executives
		140 P / Days	TOTAL R2	

Activities	Tasks	Means	Available	Assumptions
RESULT 3 The process of medium-term financial planning is established and updated annually.				
A.3.1 Implement the necessary prerequisites for the establishment of CDMT process <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Identify the working group and the stakeholders in the process of development and validation of global CDMT. - Institute the circuit of collection and consolidation of the data necessary to the development of the global CDMT - Fix the schedule of the activities - Identify the impact of CDMT process on the information system and data processing system 	30 days	<ul style="list-style-type: none"> - A working group for the preparation of the CDMT set up. - Methodological note on the circuit of collection and consolidation of the data. - Activities Schedule. - An evaluation report of impact with recommendations 	Prerequisites in conformity with the rules dictated in the methodological guide CDMT established in the framework of PSMFP
A.3.2 Reinforce the competences for the preparation of global CDMT <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Identify the target group, prepare the modules of training and the case studies - Train in methodology of CDMT development 	40 days	<ul style="list-style-type: none"> - The working group trained for the methods of CDMT development. - Methodological manual on the CDMT development 	Assimilation and mastery of the process

Activities	Tasks	Means	Available	Assumptions
A.3.3 Prepare and validate global CDMT 2016-2018 <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Coach the working group. - Publish and validate at the technical level the global CDMT 2016-2018. 	30 days	- Global CDMT 2016-2018 validated and published	Availability of the data Adaptation of the information system and the data processing Implication of the stakeholders
A.3.4 Organise a study visit <i>Participants :</i> 5 executives implied in CDMT process	<ul style="list-style-type: none"> - Organise and ensure the monitoring of the study visit 		- Five trained executives for the medium-term financial planning	The European structure undertakes to meet the executives
		100 P / days	TOTAL R3	
RESULT 4 Mechanisms enabling the annual indexation of the wages and pensions of the public services are established.				
A.4.1 Presentation of various indexation mechanisms at international level <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Identify the target issues and the needs - Achieve an inventory of applied mechanisms in the Euro zone - Present the advantages and disadvantages of each used mechanism 	20 days	<ul style="list-style-type: none"> - Inventory - Inventory of applied mechanisms in the Euro zone with their advantages and disadvantages 	Availability of the data

Activities	Tasks	Means	Available	Assumptions
A 4.2 make an ex-ante evaluation and propose applicable mechanisms in the Algerian context <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Select applicable mechanisms to the Algerian context - Develop SWOT analysis of mechanisms. - Evaluate the relevance of selected mechanisms and restore the results. 	20 days	<ul style="list-style-type: none"> - Detailed document on the mechanisms applicable to the Algerian context - SWOT analysis - Report on the relevance of the selected mechanisms 	Adaptation the selected mechanisms to the Algerian context
A.4.3 Simulate the selected indexation mechanisms <i>Concerned structure :</i> DPB	<ul style="list-style-type: none"> - Identify the extent of the simulation - Exercise of the simulation - Report on the relevance of mechanisms - Reinforce the competences on the selected mechanisms of simulation 	40 days	<ul style="list-style-type: none"> - Trained DPB executives to the use indexation mechanisms. - Detailed report on the relevance of selected mechanisms for the Algerian case. - Methodological note on the implementation of selected mechanisms. - Restitution validation work and recommendations. 	Assimilation and mastery of indexation techniques
A.4.4 Organise a study visit <i>Participants :</i> 5 DPB executives	<ul style="list-style-type: none"> - Organise and ensure the monitoring of the study visit 		<ul style="list-style-type: none"> - Five trained executives for annual indexation of wages and pensions 	The European structure undertakes to meet the DPB executives
		80 P / days	TOTAL R4	

Activities	Tasks	Means	Available	Assumptions
RESULT 5 The global strategic intelligence is developed within the DGPP				
A.5.1 Set up a conceptual framework of establishment of the strategic intelligence <i>Concerned structure :</i> DRI	<ul style="list-style-type: none"> - Define and identify the objectives of the strategic intelligence - Identify the needs - Propose intelligence instruments - Present the intelligence cycle 	30 days	<ul style="list-style-type: none"> - Guide on the strategic intelligence and its instruments - Inventory on the intelligence needs 	Capacity of the DGPP to express in detailed the intelligence needs
A.5.2 Support for the establishment of a strategic intelligence process <i>Concerned structure :</i> DRI	<ul style="list-style-type: none"> - Identify the intelligence objective - Delimit the intelligence activities - Present intelligence products 	20 days	<ul style="list-style-type: none"> - Detailed report on the intelligence process 	Activities and products of the intelligence meeting the needs
A.5.3 Simulate strategic intelligence <i>Concerned structure :</i> DRI	<ul style="list-style-type: none"> - Identify the indicators - Develop and update an intelligence table - Evaluate the impact of intelligence system on the information system and the data-processing 	40 days	<ul style="list-style-type: none"> - infra annual Intelligence table recalling the selected indicators - Report on simulation results 	Availability of the data
A.5.4 Establishment of strategic intelligence <i>Concerned structure :</i> DRI	<ul style="list-style-type: none"> - Formalize the intelligence process - Identify the relation with gouvernemental intelligence - Achieve coaching activities 	30 days	<ul style="list-style-type: none"> - Procedure Guide on the intelligence process - Report on the links and the coordination of the system of intelligence of the DRI with the governmental one; - A trained team for the update of the intelligence process 	Implication of executives in the coaching activities
A.5.5 Organise a study visit	<ul style="list-style-type: none"> - Organise and ensure 		<ul style="list-style-type: none"> - Five trained executives for the 	The European

Activities	Tasks	Means	Available	Assumptions
<i>Participants :</i> 5 DRI executives	the monitoring of the study visit		strategic intelligence	structure undertakes to meet the DRI executives
		120 P / days	TOTAL R5	
		560 P / days	TOTAL R1+R2+R3+R4+R5	

10.2 ANNEX 2 : SCHEDULE

Month of the project	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Arrival of RTA in Algeria	X																										
Result 1 the mechanisms of evaluation socio-economic performance of the IT and TE and parafiscal of a social nature are established (DPF)																											
A 1.1 Present a benchmark	5	5	5	5																							
A 1.2 Identify the mechanisms				5	10		5																				
A 1.3 Simulate the mechanisms									5	5	5	5	5	10	5												
A 1.4 implementation of the mechanisms													10	5	5	5					5	5	5				
A1.5 Study visit																											
Result 2 process of forecast and framing of Finance law and the annual Budget is improved (DPM)																											
A 2.1 Identify the perimeter		10	5	5																							
A 2.2 Define the process			5	5	5	5		5	5																		
A 2.3 Reinforce the capacities										5	5	5	5	5	5			10	10	10							
A 2.4 Establish validation mechanism																	10				5	5	5	5			
A 2.5 Study visit																											
Result 3 process of medium-term financial planning is set up and updated annually. (DPB)																											
A 3.1 Establish the prerequisites		5	5	5	5	5	5																				
A 3.2 Reinforcer the competences								5	5	5	5	5	5			5	5										
A 3.3 global CDMT 2016-2018																		5		5	5	5	5	5			
A 3.4 Study visit																											
Result 4 mechanisms allowing annual indexation of public services wages and pensions are established. (DPB)																											
A 4.1 Present various mechanisms			5	5	5	5																					
A 4.2 ex-ante evaluation and mechanisms									5	5	5	5															
A 4.3 Simulate the mechanisms												5		10		10				5		5		5			
A 4.4 Study visit																											
Result 5 global strategic intelligence is developed within DGPP (DRI)																											
A 5.1 set up a conceptual framework			5	5	5	5			5	5																	
A 5.2 Support the establishment of intelligence process										5	5	5	5														
A 5.3 Simulate strategic intelligence												5	5	5	5	5	5				5						
A 5.4 Set up the strategic intelligence														5	5						5	5	5	5			
A 5.5 Study visit													5														
Kick off and closure meetings		X																						X			
Coordination of the twinning project																											
Steering committee COPIL			X			X			X			X			X			X			X			X			

Quartely reports				X			X			X			X			X			X			X			X			
final Report																									X			
Report of expenses verifying																									X			
Balance payment by the DEU (or recovery)																											X	
Departure of the RTA – end of mission																								X				
Total days/months	5	20	30	35	30	20	10	10	25	30	25	35	35	40	25	25	20	20	10	20	25	25	20	20				

