



#### **4. A more rational and market based fiscal system with better management of fiscal resources.**

- Development of an Integrated Financial Management Information System (IFMIS)
- Introduction of double entry accrual bookkeeping
- Implementation of a new budget classification system
- Introduction of performance based budgeting and management in the Ministry of Finance.

The project commenced with a 3-month inception phase and was immediately followed with an intensive training period. The project has adopted a "train the trainers" approach and so the skills transfer and technical capacity of the Ministry of Finance teams required to be addressed first.

Within the second year of project, the technical teams were 24 in number and were in a position to move towards an implementation phase.

Training was reinforced by technical study tours in year two to Belgium and Spain and there are further technical tours to EU member states planned in the coming months.

The Syrian teams were strong enough to review existing legislation, organizational issues and work processes to make recommendations along international best practice lines. This is across all three technical component areas of customs, tax administration and public finance.

In the area of taxation the Syrian teams were able to implement a Large Taxpayer Unit in Damascus, launched by H.E Mohammad Otri, Prime Minister. It is the first time that a tax administration unit has been organized along functional lines and not tax type. The unit has links to customs and the UNCTAD funded project teams involved in ASYCUDA. Transparency and accountability are being addressed within the budget classification and output based budgeting and will be supported with an IFMIS (Integrated Financial and Management Information System).

All three areas are closely related: Customs requires reorganization to be able to handle a VAT; the tax administration requires better financial and fiscal information supplied by IFMIS and automation in order for the Ministry policy teams to be able to take better Syrian specific policy decisions.

Taxpayers and investors can find information on the Ministry of Finance website [www.syriafinance.org](http://www.syriafinance.org) and future reforms and changes will make use of the said website.

The MMOF project team would like to thank the Ministry of Finance staff for all their hard work and effort; such support has demonstrated that Syria is capable of great things.

Look out for the MMOF project team in May. They will be involved in the EU 50th anniversary Project Day activities in Damascus.

The project team can be contacted at their Project Management Unit on ++44674270/1 (Damascus) or email: [mofproj@mail.sy](mailto:mofproj@mail.sy)

