

2012:10

Joint Evaluation

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Evaluation of Public Financial Management Reform in Burkina Faso, 2001–2010

Final Country Case Study Report



MINISTRY OF FOREIGN AFFAIRS OF DENMARK
DANIDA | INTERNATIONAL DEVELOPMENT COOPERATION



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**Submitted by Fiscus Public Finance Consultants and Mokoro Ltd
to the Evaluation Management Group**

June 2012

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The views and interpretations expressed in this report are the author and do not necessarily reflect those of the commissioning agencies, Sida, Danida and AfDB.

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Commissioned by Sida, Danida and AfDB

Date of final report: June 2012

Published by: Sida, 2012

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Digital edition published by: Sida, 2012

Layout and print: Citat/Edita 2012

Art.no. SIDA61501en

urn:nbn:se:sida-61501en

ISBN: 978-91-586-4198-3

This publication can be downloaded/ordered from: www.Sida.se/publications

Acronyms and Abbreviations

AAP	(HIPC) Annual Assessment & Action Plan
ACCT	Agence Comptable Centrale du Trésor
AFD	Agence Française de Développement
AfDB	African Development Bank
ASCE	Autorité Supérieure de Contrôle de l'Etat
AusAID	Australian Agency for International Development
BCEAO	Banque Centrale des Etats d'Afrique de l'Ouest
CABRI	Collaborative African Budget Reform Initiative
CAPA/FP	Cadre Partenarial d'Appui au renforcement des Finances Publiques
CAST	Compte d'Affectation Spéciale du Trésor
CdC	Cour des Comptes
CDMT	Cadre de dépenses à Moyen Terme (MTEF)
CF	Contrôleur Financier
CFAA	Country Financial Accountability Assessment
CGAB	Cadre Général d'organisation des Appuis Budgétaires
CICL	Comptabilité Intégrée des Collectivités Locales
CID	Circuit Intégré de la Dépense
CIDA	Canadian International Development Agency
CIE	Comptabilité Intégrée de l'Etat
CIFE	Circuit Intégré des Financements Extérieurs
CIR	Circuit Intégré des Recettes
CL	Collectivités Locales
CNDP	Comité National de Dette Publique
COMFIB	Commission des Finances et du Budget
CONEA	Coordination Nationale pour l'Efficacité de l'Aide
CPAR	Country Procurement Assessment Review
CPIA	Country Policy & Institutional Assessment

CRAL	Commission des Règlements à l'amiable des litiges
CRD	Comité de Règlement des Diférents
CSLP	Cadre Stratégique de Lutte contre la Pauvreté (Poverty Reduction Strategy)
CSOs	Civil Society Organisations
CT	Collectivités Territoriales
DAC	Development Assistance Committee (of the OECD)
DAAF	Direction des Affaires Administratives et Financières
DAF	Direction des Affaires Financières
DANIDA	Danish International Development Assistance
DC	Developing Country
DCCF	Direction Centrale du Contrôle Financier
DCMP	Direction Centrale des Marchés Publics
DDP	Direction de la Dette Publique
DELF	Direction des Etudes et de la Législation Financière
DEP	Direction des Etudes et de la Planification
DGB	Direction Générale du Budget
DGCOOP	Direction Générale de la Coopération (Ministry of Economy and Finance)
DGE	Division Grandes Entreprises
DGEP	Direction Générale de l' Economie et de la Planification
DGI	Direction Générale des Impôts
DGTCP	Direction Générale du Trésor et de la Comptabilité Publique
DMP	Direction des Marchés Publics
DP	Development Partner
DPL	Development Policy Lending
DPO	Development Policy Operation
DRH	Direction des Ressources Humaines
DSI	Direction des Services Informatiques
DSO	Direction de la Solde et de l'Ordonnancement
EC	European Commission
EMRO	Economic Management Reform Operation
EPE	Etablissement Public d'Etat

FCFA	Francs de la communauté financière africaine
FTI	Fast Track Initiative
GBS	General Budget Support
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GoBF	Government of Burkina Faso
GTZ	German Technical Cooperation
HACLC	Haute Autorité de Coordination de la Lutte contre la Corruption
HIPC	Highly Indebted Poor Countries
HIPC AAP	HIPC Public Expenditure Tracking Assessment and Action Plan
IEG	Independent Evaluation Group (World Bank)
IFMS	Integrated Financial Management System
IFU	Identifiant Financier Unique
IGB	Inspection Générale du Budget
IGE	Inspection Générale d'Etat
IGF	Inspection Générale des Finances
IGT	Inspection Générale du Trésor
IMF	International Monetary Fund
INSD	Institut National de la Statistique et de la Démographie
INTOSAI	International Organisation of Supreme Audit Institutions
MCMPF	Ministère Chargé de Mission auprès du Président du Faso
MDG	Millennium Development Goal
MEF	Ministère de l'Economie et des Finances
MFB	Ministère des Finances et du Budget
MFPRE	Ministère de la Fonction Publique et de la Réforme de l'Etat
MoF	Ministry of Finance
MPs	Members of Parliament
MTEF	Medium Term Expenditure Framework
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation & Development
ON	Ordonnateur National
PABG	Projet d'appui à la Bonne Gouvernance

PAP	Plan d'action prioritaire
PAAFIE	Programme d'Appui aux Administrations Economiques et Financières
PARI	Programme d'Appui Régional à l'Intégration
PAREF	Programme d'Appui aux Réformes Economiques
PEFA	Public Expenditure & Financial Accountability
PDDEB	Plan Décennal de Developpement de l'Education de Base
PER	Public Expenditure Review
PFM	Public Finance Management
PG	Paierie Générale
PIP	Programme d'Investissements Public
PNAEPA	Plan National d'Approvisionnement en Eau Potable et Assainissement
PNDS	Plan National de Développement Sanitaire
PRGB	Plan of Action to Strengthen Budget Management
PRGE	Programme de Renforcement de la Gouvernance Economique
PRSC	Poverty Reduction Strategy Credit
PRS(P)	Poverty Reduction Strategy (Paper)
PTF	Partenaires Techniques et Financiers
ROSC	Report on the Observance of Standards & Codes (IMF)
SBS	Sector Budget Support
SCADD	Stratégie de Croissance Accélérée et de Développement Durable
SCAP	Stratégie Commune d'Assistance Pays
SECO	Swiss Secretariat for Economic Cooperation
SG	Secrétariat Général
Sida	Swedish International Development Cooperation Agency
SIGASPE	Système Intégré de Gestion Administrative et Salariale du Personnel de l'Etat
SIMP	Système d'Information Intégré des Marchés Publics
SNMF	Stratégie Nationale de Micro-Finance
SP PPF	Secrétariat Permanent pour le suivi des Programmes et Politiques Financières
SRFP	Stratégie de Renforcement des Finances Publiques

SSA	Sub-Saharan Africa
STELA	Technical Secretariat for the Effectiveness of Aid
SYGADE	Système de Gestion et d'Analyse de la Dette
SYSCOA	Système Comptable Ouest-Africain
TOFE	Tableau des Opérations Financières de l'Etat
ToR	Terms of Reference
TSA	Treasury Single Account
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USD	United States Dollar
VAT	Value Added Tax
WAEMU	West African Economic and Monetary Union (UEMOA)
WB	World Bank

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Executive Summary

This Country Report has been prepared by Fiscus Limited, UK, in collaboration with Mokoro Ltd, Oxford, as one of three country reports in the Joint Evaluation of Public Financial Management Reform, managed by the African Development Bank, Denmark and Sweden. The evaluation looked at two main questions: (i) where and why do Public Finance Management (PFM) reforms deliver results and (ii) where and how does donor support to PFM reform efforts contribute most effectively to results? Our conclusions are detailed in Summary Table 1 below, which presents our answers to the 12 Evaluation Questions.

In summary, the findings show that between 2001 and 2011, Burkina Faso has been successful in delivering results from its PFM reforms. Major improvements have been attained across all areas of the PFM system, with the one exception of external scrutiny and audit, although even here some progress has been made over the ten year period, including notably the creation of a functional and independent Court of Accounts, consistent with the requirements of the West African Economic and Monetary Union (WAEMU) directives. The 2009 Public Expenditure Review assessed that: “Burkina Faso is a leader in PFM in Africa” (World Bank 2009). Along with Mauritius, it is the only Francophone Sub-Saharan Africa (SSA) country, which has a Country Policy & Institutional Assessment (CPIA) score above 2.5, whilst also having Public Expenditure & Financial Accountability (PEFA) scores, which place it in the top quartile for the continent.

Three factors have been crucial to the success of Burkina Faso’s PFM reforms:

- A clear and sustained political commitment to the PFM reform process;
- A strong framework for driving the implementation of reforms and for their technical coordination and
- A structured framework for channelling donor support to the programme, monitoring progress and managing dialogue with external and domestic stakeholders.

These factors, in turn, created a learning framework, in which it has been possible to adapt reforms to capacity constraints (most notably with the integrated financial management system, which benefited from an active “*group d’utilisateurs*”) and to political constraints (particularly in the case of tax reform.) This has also, to a degree, made it possible to correct for initial mistakes in the pacing and sequencing of reforms. In some cases, such as with regard to programme budgeting/ MTEFs, the learning process has been slow but, nevertheless, adaptations have been made and the recently created manu-

als for formulating and monitoring programme budgets (2011) do seem to provide a feasible approach to the institutionalisation of these reforms.

Two underlying factors are also relevant in explaining the success of Burkina Faso's reforms. Firstly, the technical and managerial capacity of the public servants involved in PFM functions is substantially higher than the average for Sub-Saharan Africa. This is in part because the PFM reform programme itself has placed a premium on training and capacity building, but probably more significantly because the ENAREF (*Ecole Nationale des Régies Financières*) has been in place for over 20 years, producing a regular outflow of high quality graduates in public accounting and financial management, and because the public service as a whole is disciplined and well organised.

The second contextual factor, which has been of considerable importance, has been the degree of centralisation of political power, of budget institutions as a whole and of the budget reform process itself. The fact that the President leads the main political party, which also enjoys a substantial majority in the National Assembly, has meant that the types of political compromises, which would be necessary in many neighbouring countries (as well in the other case study countries, Ghana and Malawi) have not generally been necessary in Burkina Faso. This has allowed the Government to pursue a consistent and coherent approach to the implementation of PFM reforms. In addition, throughout the evaluation period, the Ministry of Finance has enjoyed extensive powers over other ministries, giving it more authority to ensure reform compliance. Finally, the concentration of the coordination function for all budget reform initiatives within the SP-PPF attached to the Minister's office has also lent authority to the reform process.

In relation to the sustainability of the PFM reforms, we note that the centralisation of authority has been an advantage within the context of the specific objectives of reform pursued over the past 10–15 years. Yet, as objectives evolve – in particular to start to address aspects of results-based management and to consider questions related to the speed and efficiency of public spending, some decentralisation of budgetary authority will be necessary. Indeed, it is called for in the most recent WAEMU directives. In order to support this decentralisation, the Secrétariat Permanent pour le suivi des Programmes et Politiques Financières (SP-PPF) (the coordinating body for PFM reforms) will need to develop a stronger “out-reach” function and a more decentralised mode of operation. Similarly, at the political level, as the next Presidential elections approach, those currently leading PFM reforms – in particular the Minister of Finance and his team – will need to find ways of spreading knowledge of the reform process and of winning a wider base of political support.

Summary Table 1 Responses to Evaluation Questions

Evaluation Question	Key findings
Inputs & Context: the design of PFM reform (Chapter 2)	
EQ 1: What has been the nature and scale of PFM reform inputs provided by Government and Donors?	<p>Actual donor funding (disbursements) for PFM reform over 2001–2011 is estimated at US \$ 30–35 million. At least twenty-two separate projects were implemented between 2001 and 2011. Combining funding for recurrent costs and for direct support to PFM reform projects, the contribution from the Burkina Faso Government is probably equivalent to the donor contributions of US \$ 30–35 million.</p>
EQ 2: What type of structure has been used for the design and management of reform inputs? Have they served to provide a coordinated, harmonised delivery framework?	<p>There were strong coordination arrangements for PFM reforms during the period, embodying:</p> <ul style="list-style-type: none"> • An integrated PFM reform programme, developed through a consultative process drawing on diagnostic assessments and endorsed at Cabinet level. • A coordination framework – the SP-PPF – of high calibre local staff, of high authority and with direct links to the Minister of Finance. • An implementation framework led by the institutions and agencies with statutory responsibility for the functions being reformed, working under the close coordination of the SP-PPF. • A harmonised framework for the provision of donor support to the common PFM reform programme and for regular dialogue on PFM reform issues.
EQ 3: What types of complementary actions have Donors taken to support PFM reforms and what has been their significance? Have they influenced the external constraints to reform?	<p>Most of the evaluation period has been characterised by a limited use of country systems and by frequent use of procedures (such as special HIPC fund arrangements or the Education basket fund), which complicate the integrated and coherent management of external and domestic resources.</p> <p>The scale of Budget Support increased progressively to 31% of total Official Development Assistance (ODA) in 2009. This has been important in providing additional resources for discretionary expenditure, and by implication for domestic funding of PFM reforms. However, Budget Support has been 12% of total public spending, less than Mozambique and Tanzania, where it has represented well over 15%, despite having PFM systems with worse Public Expenditure & Financial Accountability (PEFA) scores than Burkina Faso. Moreover, the predictability of within-year disbursements of budget support has declined.</p>

Evaluation Question	Key findings
	<p>The involvement of Budget Support donors in the PFM dialogue helped to institutionalise the reform monitoring process and to ensure that all stakeholders took the process seriously. Detailed conditionality on PFM issues was less useful: where good progress was made this would probably have occurred anyway, and where progress was considered unsatisfactory (such as in tax reforms), conditions did not have any influence. Hence, policy dialogue protected the political space for reforms, without actually widening it. It was also helpful in opening the policy space for reform by putting reform ideas on the table and helping to refine implementation approaches.</p>
<p>EQ 4: To what extent has there been domestic public pressure or regional institutional pressure in support of PFM reform and what has been the influence on the external constraints to reform?</p>	<p>The influence of Civil Society Organisations (CSOs) on political decision-making is weak. In Burkina Faso, CSOs may be consulted for the sake of their ideas, i.e. they may perhaps open up policy space, but they have no direct influence on the political space for reforms.</p> <p>With the ruling party's majority having persisted across a number of elections, the Legislature has not been a significant influence over the scope and nature of PFM reforms, which have been driven overwhelmingly by the Executive.</p> <p>The WAEMU Commission has had a big impact on the policy space for reforms and it may also be that it has widened the political space, drawing on an initial commitment to change and helping to expand political ambitions over time.</p>
<p>EQ 5: How relevant was the PFM reform programme to the needs and the institutional context? To what extent were adaptations made in response to the context and the changing national priorities?</p>	<p>Reform inputs were relevant in targeting identified areas of PFM weakness, in addressing the reform issues of interest to the political leadership, and, for the most part, in adapting to the constraints thrown up by the institutional context. Moreover, the active learning and adaptation process, which has been a feature of PFM reforms, has allowed for the less relevant or less appropriate reforms to be changed over time, although in the case of support to budgets-programmes and the CDMT sectoriels, this adaptation of the reform design was very late in coming.</p> <p>Essential to all of these successes has been the leadership of Government both over the design and the implementation process.</p>

Evaluation Question	Key findings
Outputs: the delivery of PFM reforms (Chapter 3)	
<p>EQ 6: What have been the outputs of the PFM reform process and to what extent has direct donor support contributed to these outputs?</p>	<p>Major reform outputs were delivered over the period, covering all areas of the PFM cycle but most especially budget preparation, revenue collection, financial management & reporting, and procurement.</p> <p>External project financing has not been a critical success factor. Most of the outputs put in place over the period had external support but what is more notable is that all received some funding from the Government budget. Thus, most reforms would probably have continued (albeit more slowly) under direct financing from the national budget in the absence of external project funding, so long as General Budget Support continued to be available.</p> <p>Timely, well-chosen TA support, combined with Budget Support and the associated support to the PFM dialogue, would appear to have been more important contributions from donor agencies than project finance.</p>
<p>EQ 7: How efficiently were these outputs generated? Was the pacing and sequencing of reforms appropriate and cost-effective? Was the cost per output acceptable?</p>	<p>Overall, the implementation of the PFM reform programme seems to have been efficient, even if it is difficult to judge in a precise way the efficiency with which PFM reform outputs were generated:</p> <ul style="list-style-type: none"> • Most of the outputs explicitly programmed within the Government's PFM reform programme (PRGB & SRFP) were delivered and, for the most part, without excessive delays, with the major exception of work on the budgets-programmes/CDMT sectoriels. • Externally provided TA not explicitly linked to outputs defined in the reform programme (PRGB & SRFP) was considerably less efficient. • The quality of pacing and sequencing of reforms has in general been good, with the gradual development and expansion of the integrated financial management information system (the CID and its related modules) being quite exemplary in this respect. • The sequencing of work on the medium term expenditure framework and programme budgets was much poorer but the Government and its partners did learn from this experience and work undertaken in this area since 2008 has been much better structured.

Evaluation Question	Key findings
	<ul style="list-style-type: none"> The contribution of external partners to the overall efficiency of the programme has been mixed: donors were largely responsible for the most egregious examples of inefficiency, even if they also contributed, in important ways, to the generally positive overall performance.
<p>EQ. 8: What have been the binding external constraints on the delivery of PFM reform: political, financing or policy factors? How has this varied across the different PFM reform components?</p>	<p>Political commitment has been at the heart of Burkina Faso's success in implementing its PFM reforms. This commitment has been (i) consistent and long-standing, (ii) deep, and (iii) technically informed. However, the commitment to PFM reform is not very wide. There is limited engagement of Deputies of the National Assembly with issues of PFM reform. Amongst the public, a high premium is placed on peace and stability, to which PFM reform may contribute, but there is a clear aversion to the payment of taxes, which has forced the Government to be cautious in widening the tax base.</p> <p>In Burkina Faso up to 2011, centralisation has been a significant advantage but the implementation of the UEMOA directives will imply a decentralisation of budgetary authority. Ownership of the PFM reform programme will need to be broadened, if its implementation is to continue to be efficient.</p> <p>Where specific PFM reforms have stalled, political constraints have been the dominant factor. The initial resistance to the elimination of tax exemptions has been the most clear-cut example of this.</p>
	<p>Financial limitations have not been the binding constraints during the evaluation period. The PFM reform programme enjoyed significant funding both from external sources and through the national budget.</p> <p>Policy space constraints have slowed progress on the development of programme budgeting and on the simplification of budget execution procedures, but have not been a binding constraint overall.</p>
<p>Outcomes & overall assessment of PFM reform and of donor support to PFM reform (Chapter 4)</p>	
<p>EQ.9: What have been the intermediate outcomes of PFM reforms, in terms of changes in the quality of PFM systems?</p>	<p>Major improvements have been attained across all areas of the PFM system, with the one exception of external scrutiny and audit, although even here progress was made in the early part of the evaluation period, including notably the creation of a functional and independent Court of Accounts.</p>

Evaluation Question	Key findings
	<p>As measured by the PEFA assessments of 2007 and 2010, there has been a significant improvement in Burkina Faso's PFM systems, with a total of 21 of the 69 sub-dimension indicators for PFM having improved, 45 remaining stable and only 3 deteriorating.</p> <p>In terms of the PFM functional clusters used for the evaluation, average scores improved in 5 of the 6 clusters over 2007 to 2010, bringing these 5 above the median level of 100 (middle & low income) countries with PEFA assessments, and one cluster – external scrutiny and audit – level with the median.</p>
<p>EQ 10: To what extent are the outcomes generated relevant to improvements in the quality of service delivery, particularly for women and vulnerable groups?</p>	<p>In the absence of improved public access to information, the overall relevance of PFM reforms to women and vulnerable groups has been modest. Some of the improvements in PFM systems have been relevant but the impact of improved classification systems and improved reporting has been mitigated by the relatively poor access of the public to information on public spending. Nevertheless, commitments have been made to make improvements in this area. If these are respected, the planned introduction of programme budget classifiers over 2012 and 2013 will make a major difference to the ability to analyse spending on programmes relevant to key areas of service delivery for women and vulnerable groups.</p>
<p>EQ 11: Have reform efforts been effective? If not, why not? If yes, to what extent PFM reform outputs been a causal factor in the changes identified in intermediate outcomes?</p>	<p>Burkina Faso's PFM reform programme has been successful in generating improvements in most key aspects of public finance management:</p> <ul style="list-style-type: none"> • The pattern of improvements in intermediate outcomes closely matches the pattern of production of PFM reform outputs, both in terms of the clusters where efforts were focused, and the timing of improvements. Thus, improvements recorded can be attributed closely to PFM reforms. • Yet, there has been limited impetus for PFM improvements from sources outside of the formal PFM reform programme. For example, the quality of public access to fiscal information, which could potentially have improved in response to public pressure, has shown no change at all between 2007 and 2010. The timeliness and the thoroughness of the Legislature's examination of the report of the Cour des Comptes on the Loi de Règlement (final accounts) have actually deteriorated.

Evaluation Question	Key findings
	<ul style="list-style-type: none"> • Thus, the Executive has been able to direct a well-structured and effective programme of PFM reforms, and to attract external funding, but Civil Society and the Legislature are yet to engage with the aspects of the reform agenda, where their influence might be expected to be significant. • External project funding of the reform programme has facilitated progress but was not essential to its success: most reforms attracted domestic funding and would conceivably have attracted more if necessary. • Budget Support funding and support for dialogue as well as Technical Assistance – where appropriately directed, have been the most significant donor contributions.
<p>EQ 12: To what extent do the gains identified at the Intermediate Outcome levels appear sustainable? Is the process of PFM reform sustainable?</p>	<p>In the short to medium term, the improvements attained in PFM outcomes over the last ten years are likely to be sustained. There is a strong commitment to these reforms at the political and technical levels. There is a strong coordinating body (SP-PPF) to continue to lead the reform process. Technical capacities within Government to manage and further develop these reforms are relatively strong, and the prospects of obtaining a continued mix of government and donor funding for further reforms seem good. Moreover, reforms have already achieved a high level of functionality across most areas, so even without additional reform funding, it should be possible to sustain most of the gains of past reforms.</p> <p>In the medium to long term, the need to evolve from a centralised model of management and implementation of reforms towards a more decentralised model involving more stakeholders will present a challenge.</p>

1 Summary of Objectives and Approach

This Country Report has been prepared by Fiscus Limited, UK, in collaboration with Mokoro Ltd, Oxford, as one of three country reports in the Joint Evaluation of Public Financial Management Reform, managed by the African Development Bank, Denmark and Sweden. It incorporates the comments received on the first draft by the Management Group, the peer reviewer and the in-country stakeholders, who attended the presentation of the draft report in Ouagadougou during January 2012. This report, together with the evaluation of PFM Reforms in Malawi and Ghana, has been incorporated into an accompanying synthesis report and will be the subject of a wider process of dissemination within the Africa region and beyond.

1.1 OBJECTIVES OF THE EVALUATION

The evaluation aims to address two core questions presented in the Terms of Reference:

- a) Where and why do PFM reforms deliver results (i.e. improvements in the quality of budget systems)? ; and
- b) Where and how does donor support to PFM reform efforts contribute most effectively to results?

It is thus a dual evaluation, involving first an evaluation of the overall programmes of PFM reform conducted over 2001 to 2010 in Burkina Faso, and secondly, an evaluation of the external support provided to these reforms by donors.

1.2 EVALUATION APPROACH

The evaluation framework has been defined in the Inception Report for the 3-country study¹. It utilises the Organisation for Economic Development (OECD-DAC) evaluation criteria and thus assesses the relevance, efficiency, effectiveness and sustainability of both the overall programme of PFM reform and the external support provided. The overall goal is to draw lessons on (i) the types of PFM reform pursued and their interaction with the Burkina Faso context and (ii) the mechanisms of external support that most contributed to their success. Success is associated with improvements in the quality of budget systems, as measured primarily by changes in the Public Expenditure

1 Lawson, A. (2011). Joint Evaluation of PFM Reforms in Burkina Faso, Ghana and Malawi: Inception Report. Oxford, Fiscus Limited, Mokoro Limited.

and Financial Accountability (PEFA) assessment framework indicators and the narrative PEFA reports. The evaluation framework characterises these changes as intermediate outcomes in a ‘PFM Theory of Change Framework’, which underlies the evaluation.

The Framework (presented in Figure 1 below) requires the detailing of PFM Reform inputs, outputs and intermediate outcomes and the examination of the relationship between them. In addition, it allows for the analysis of how external constraints – conceptualised as political, financial and policy space constraints – impact on the translation of reform inputs into outputs.

Inputs are defined as the resources and other inputs provided in order to promote PFM reform. These are divided between direct funding by governments to internal PFM reform efforts, external funding by Donors of PFM reform efforts and complementary inputs by Donors, aimed at facilitating better PFM through the use of country systems and the provision of budget support, or improving the design and implementation of PFM reforms through policy dialogue and external monitoring (often linked to budget support or to IMF supported arrangements).

Outputs are defined as the immediate changes in the architecture and substance of the PFM system generated by the combined set of inputs. These are categorised into four groups: i) Changes in human resource endowments (people and skills); ii) Changes in laws, procedures and rules; iii) Changes in systems and business processes; and iv) Changes in Organisational factors (the quality of management, the work culture, the degree of organisational development).

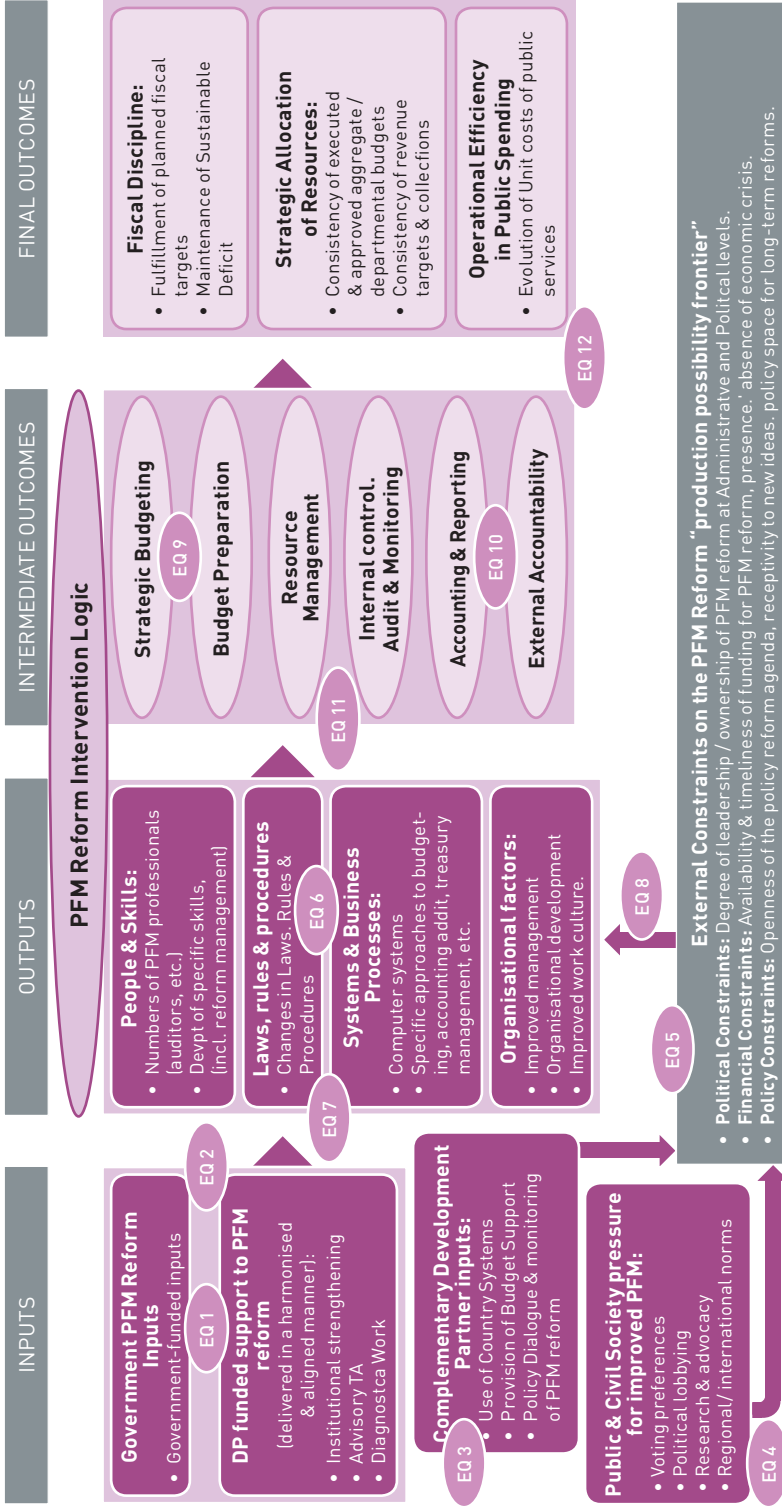
Intermediate Outcomes are the changes generated in the quality of the PFM system, as measured by changes in the quality of:

- i) Strategic budgeting;
- ii) Budget Preparation (including budget deliberation by the Legislature);
- iii) Resource management (covering both inflows and outflows);
- iv) Internal controls, audit and monitoring;
- v) Accounting and reporting; and
- vi) External Accountability.

The framework utilises the PEFA assessment framework to measure changes in each of these clusters of functions, based on a categorisation of the sub-dimensions of the PEFA indicators between each of them. The categorisation is based on Andrews (2010) and is also applied by De Renzio et al (2010). The characteristics of (a) transparency and comprehensiveness, (b) the quality of links to policies and plans, and (c) the efficiency and effectiveness of control, oversight accountability are subsumed within this categorisation.

External constraints are seen to impinge on the PFM reform ‘production function’, in other words with the capacity of PFM reform inputs to generate the planned outputs. Key constraints are “political constraints” related to the degree of ownership and support for given PFM reforms, “financial constraints” related to the ability to finance PFM reforms in the face of competing priorities, and “policy space constraints”, related to the nature of policy ideas which might potentially be considered in designing PFM reforms.

Figure 1 The Evaluation Framework and the place of the Evaluation Questions within the Intervention Logic



A key task for the evaluation of PFM reforms in Burkina Faso was therefore to examine whether there have been external constraints which have prevented or slowed down the translation of reform inputs into reform outputs and which of the three types of constraint have been most significant in this respect. The purpose has been to identify what have been the binding constraints on different types of reforms and to reach a judgement on whether reform challenges were due to reform models which lay beyond the prevailing “production possibility frontier”, examining also the role of donor support in this process.

In Burkina Faso, as in the other two country studies, an assessment was made of the overall progress of the PFM reform programme and of three specific reforms, as case histories. The three reforms selected for Burkina Faso were (i) the progressive introduction of the integrated financial management information system, the *Circuit Intégré de Dépenses* (CID), and its various complementary sub-systems (ii) the reform of the revenue administration system and (iii) the introduction of medium term programmatic budgeting through the *Cadre des Dépenses à Moyen Terme* (CDMT) and the *budgets-programmes*.

1.3 MAIN EVALUATION QUESTIONS

Box 1 Main evaluation questions

A. INPUTS & CONTEXT: THE DESIGN OF PFM REFORM

- EQ. 1:** What has been the nature and the scale of PFM reform inputs provided by Government and by Donors?
- EQ. 2:** What types of structures have been used for the design and management of these reform inputs? Have these structures served to provide a coordinated and harmonised delivery framework?
- EQ. 3:** What types of complementary actions have Donors taken to support PFM reforms and what has been their significance? Have they had any influence on the external constraints to reform?
- EQ. 4:** To what extent has there been domestic public pressure or regional institutional pressure in support of PFM reform and what has been the influence on the external constraints to reform?
- EQ. 5:** How **relevant** was the PFM reform programme to the needs and the institutional context? Was donor support consistent with national priorities? To what extent were adaptations made in response to the context and the changing national priorities?

B. OUTPUTS: THE DELIVERY OF PFM REFORM

- EQ. 6:** What have been the outputs of the PFM reform process and to what extent has direct donor support contributed to these outputs?
- EQ. 7:** How **efficiently** were these outputs generated? Was the pacing and sequencing of reforms appropriate and cost-effective? Was the cost per output acceptable?
- EQ. 8:** What have been the binding external constraints on the delivery of PFM reform outputs: political, financing or policy factors? How has this varied across different PFM reform components?

C. OUTCOMES: OVERALL ASSESSMENT OF PFM REFORM & OF DONOR SUPPORT TO PFM REFORM

- EQ. 9:** What have been the intermediate outcomes of PFM reforms, in terms of changes in the quality of PFM systems?
- EQ.10:** To what extent have the outcomes generated been relevant to improvements in the quality of service delivery, particularly for women and vulnerable groups?
- EQ 11:** Have reform efforts been effective? If not, why not? If yes, to what extent PFM reform outputs been a causal factor in the changes identified in intermediate outcomes?
- EQ. 12:** To what extent do the gains identified at the Intermediate Outcome levels appear sustainable? Is the process of PFM reform sustainable?

The Burkina Faso study was based on twelve evaluation questions common to the three country cases (see Box 1 above and the fuller presentation of evaluation questions and corresponding judgement criteria in Annex A). The Evaluation Questions are structured so as to provide a standardised framework for assembling evidence, so that the results of the country studies can be easily synthesised to provide answers to the overall high-level questions, which the evaluation addresses. The questions marry core OECD DAC evaluation questions with the concerns specific to the study.

1.4 FIELDWORK PROCESS

The fieldwork for the study was undertaken from 18th to 30th July 2011. It involved interviews with key informants in the Executive, the Court of Accounts (*Cour des Comptes*), the donor community, the West African Economic and Monetary Union (WAEMU – *UEMOA*) and in civil society. This was complemented by three focus group discussions, which were held at the end of the fieldwork period respectively with civil society, with donors and with key PFM respondents in the Executive. With the exception of the contacts with civil society which were separately managed, the programme of meetings was arranged by the Directorate for International Cooperation (DG-Coop) in the Ministry of Economy & Finance, in collaboration with the *Secrétariat Permanent pour le suivi des Programmes et Politiques Financières* (SP-PPF) A full list of persons met is provided in Annex I.

Within the public sector, the team engaged with all of the key divisions of the Ministry of Economy & Finance, the various audit and regulatory agencies (*Cour des Comptes, Autorité de Régulation des Marchés Publics, Inspection Générale des Finances*), two spending ministries (Agriculture & Irrigation – *MARH*; Education – *MENA*) deconcentrated staff at the regional level (Region Centre-Sud) and two *communes* (Manga and Téoécé). As Members of Parliament were not in session in Ouagadougou at the time of the fieldwork, it was unfortunately not possible to have any meeting with members of the Legislature.

The fieldwork was the second phase of the country study: the first phase comprised the production of a Burkina Faso Desk report, which detailed the context and specific reform inputs, outputs and intermediate outcomes based

on publicly available documentation. This work forms the basis of much of chapters 2 and 3 on Inputs and Context, and on Outputs. Several of the annexes are also reproduced directly from the desk report.

1.5 REPORT STRUCTURE

The report follows the standardised structure for the three country studies. In addition to this chapter on the Study objectives and approach, it comprises (i) a chapter describing the context and evaluating the inputs to PFM reforms in Burkina Faso; (ii) a chapter on the planned and actual outputs; (iii) a chapter discussing the intermediate outcomes; and iv) a chapter providing conclusions and wider lessons.

2 Inputs and Context: the design of PFM reform

2.1 REFORM CONTEXT

In the last two decades Burkina Faso has achieved significant progress towards development. Political stability and the Government's progressive platform of economic and social reforms, sound macro economic policies and steady investment have enabled Burkina to sustain significant growth rates and achieve a small decrease in poverty incidence.

Political framework

Since the establishment of the new constitution of 1991, Burkina Faso has been one of the most politically stable countries in the region. President Blaise Compaoré has headed the Government through consecutive elections in 1991, 1998, 2007 and 2010². Nevertheless the country is yet to experience political alternation through the electoral process and the lack of a credible political opposition remains a concern. Rising social unrest in recent times, involving riots over food price increases, national strikes over salaries, student protests over poor pay and sporadic protests by the military and police forces have caused internal turbulence and led to Cabinet reshuffling in 2008 and early 2011.

Notwithstanding the weaknesses in domestic accountability and the limited nature of public political debate, Burkina Faso is perceived within the region and internationally as a modernising, reformist country. National pride is particularly strong with regard to public financial management, since the name of the country itself sets a high standard: Burkina Faso means “the land of honest men”. As noted by the World Bank:

Burkinabé national pride continues to be an important driver of change and a stimulus for leadership at the regional level.... Strong national pride has ... engendered a competitive determination in the country to continuously improve the nation's performance vis à vis that of the region. (World Bank 2009b.)

With regard to political openness, civil liberties and corruption, Table 1 below presents Burkina Faso's score as assessed by Freedom House and Transparency International. In 2010, it was ranked 98th (out of 178) in Transparency International's Corruption Perception Index. Notwithstanding these low scores, its ranking still places it above all West African countries except Ghana and Liberia.

2 See Annex D for a chronology of Burkina Faso's main political and economic events.

Table 1 Political openness and corruption ratings

Political Openness ^a	Political Rights ¹	5
	Civil Liberties ²	3
Corruption Perceptions Index Score ^{3 b}		3.1

^a Source: Freedom In the World 2010, Freedom House.

^b Source: Corruption Perceptions Index 2010, Transparency International.

¹ The ratings process is based on a checklist of 10 political rights questions. Scores are awarded to each of these questions from which a rating of 1 to 7, with 1 representing the highest and 7 the lowest level of freedom, corresponds to a range of these total scores.

² The ratings process is based on a checklist of 15 civil rights questions. Scores are awarded to each of these questions from which a rating of 1 to 7, with 1 representing the highest and 7 the lowest level of freedom, corresponds to a range of these total scores.

³ The CPI measures the degree to which public sector corruption is perceived to exist within a country on a scale of 0 (highly corrupt) to 10 (very clean).

Economic and Social context

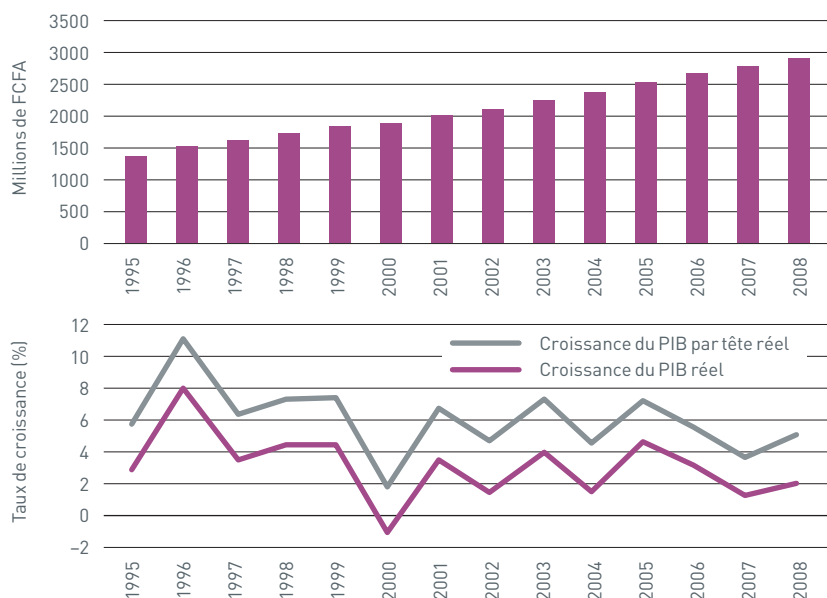
Burkina Faso has been through a process of wide-ranging macroeconomic and monetary reform over the course of the last two decades. The change of regime in 1987 signalled a move away from a socialist model to a more market-oriented economic policy. Until 1994 real economic growth was negative, but a devaluation of the currency in that year resulted in a remarkable acceleration of growth. Between 2000 and 2010, Burkina Faso maintained an average growth rate of over 5.2 % per annum. Burkina Faso has experienced higher economic growth and lower inflation in the last 20 years than the average in the WAEMU and Sub-Saharan African (SSA) countries. Moreover, except for a short-lived spike following the devaluation, average inflation has remained below 3 % since 1995.

Nevertheless, Burkina's economy remains susceptible to external shocks such as droughts, flooding, and unstable fuel, food and cotton prices. As a land-locked country it is also highly dependent on good relations with its neighbours. Over the period considered for this evaluation, the two main crises were in 2002 with the Ivory Coast civil war, and in 2008 with the combination of high petroleum and food prices and the global financial crisis. Floods in 2009 also had an impact on the economy. The annual growth rate is estimated to have contracted to 3.2 % in 2009.

Until recently, the country's economy was highly dependent on cotton exports, but over the last two years it has diversified into gold and other minerals as well as into livestock and food grains. In 2009, gold replaced cotton as Burkina Faso's most valuable export. Mining is expected to increase export earnings by 25 %, bringing \$450 million in added fiscal revenue between 2010 and 2015 (World Bank, 2010a).³ The economy recovered its growth trend in 2010 (7 %) due to a substantial increase in the volume of gold exports combined with an increase in the metal's prices on international markets.

3 Burkina Faso revised its mining code in 2003, and officially launched an new initiative to publish all revenue from the mining industry in June 2008

Figure 2 Real GDP growth and per capita growth (1995–2008)



Source: IMF in World Bank, 2009 c.

Steady economic growth, increasing social expenditures and significant improvements in access to basic services saw a decline in the incidence of poverty from 54 % in 1998 to 46.4 % in 2003, and is now estimated around 43 %. Sustained efforts and investments have resulted in positive trends in human development, with strong increases in gross primary enrolment, use of health services, vaccination rates, percentage of assisted births, and an improved access to clean water. Burkina Faso nevertheless remains one of the poorest countries in the world, ranked 181st out of 187 countries in the 2011 Human Development Index. More than half of its population of roughly 16 million inhabitants is under the age of 15. Two of every five children are malnourished and two-thirds of the population remains illiterate.

Table 2 Burkina Faso – selected indicators

GDP per Capita PPP, 2005 international \$ ^a	1078.0
Population, million ^a	15.8
% Population Living on < \$1.25 ppp/Day ^b	56.5
Life Expectancy at Birth ^b	53.7
Literacy Rate ^a	29
Child malnutrition (% of children under 5) ^a	37
Gini Coefficient ^b	39.6
Annual Population Growth Rate ^b	3.1

^a Source: World Bank Development Indicators 2010.

^b Source: Human Development Report 2010.

Government expenditure has increased by 7.8 % per year on average (in real terms) between 2002 and 2009, against an average of 1.4 % between 1999 and 2001. This is due both to faster economic growth and to steady increases in the share of total public spending within GDP. (See Table below). The share of poverty-reducing expenditure has increased significantly since 2000, both as a share of GDP and as a share of total expenditure.⁴

Notwithstanding the efforts made to modernise the tax administration system, domestic revenue collection as a percentage of GDP increased only modestly, attaining 13.5 % in 2009, well below the target of 17 % of GDP established in the WAEMU convergence criteria. With the passing of new tax legislation and improvements in the computerisation of collection processes, domestic revenue collections in 2010 are estimated to have reached 15.6 % of GDP.

Table 3 Burkina Faso – Consolidated Operations of the Central Government

% of GDP	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (proj)
Total Revenue & Grants	18.0	16.6	17.4	17.1	16.7	17.9	20.0	17.1	19.3	22.0
Domestic Revenue	10.9	11.4	12.1	12.8	12.3	12.3	13.5	13.1	13.5	15.6
Grants	7.1	5.2	5.3	4.3	4.4	5.6	6.5	4.0	5.8	6.4
Total Expenditure & Net Lending	21.8	21.4	20.3	21.3	21.7	22.9	25.6	21.5	24.1	25.2
Recurrent Expenditure	10.4	11.4	10.4	10.5	11.2	12.1	13.8	12.3	12.5	12.4
of which: Wages & salaries	4.7	4.5	4.5	4.4	4.8	5.0	5.8	5.4	5.7	5.7
Capital Expenditure & Net loans	11.4	10	9.9	10.8	10.5	10.8	11.8	9.2	11.6	12.8
of which: Domestic	3.0	3.8	3.6	5.5	5.0	4.9	5.4	5.4	6.6	6.5
Foreign	8.4	6.3	5.4	5.9	5.9	6.4	6.4	3.5	4.9	6.3
Overall Balance	-3.8	-4.8	-2.9	-4.2	-5.0	-5.0	-5.6	-4.4	-4.8	-3.2

Source: IMF 2002, 2005, 2008, 2011

2.2 REFORM BASELINE

Burkina Faso has an early history of economic reforms designed and implemented by its successive governments, and described as “self-imposed structural adjustment”. A subsequent phase of reforms was initiated in the early 90s in the context of the IMF and WB adjustment programmes and the conver-

⁴ See Annex B for further details and fiscal tables.

gence criteria and standards for macroeconomic and fiscal management established by WAEMU. Their aim was to align the public sector to a market-oriented economy, as required by the ‘rectification of the revolution’ following the change of regime in 1987. They focused on improving revenues (VAT introduction in 1993, and alignment with WAEMU tariffs in 1998), creating a unified budget management system and stabilising budget execution (respect of expenditure control procedures, computerisation of the chain of expenditures starting in 1996, closing of private accounts by the Treasury, strengthening of Treasury management and accounting) and establishment of the TOFE – *Tableau des Opérations Financières de l’Etat*, as a consolidated mechanism for forecasting and monitoring the fiscal position. They also sought to improve the public procurement system, with a new set of public procurement regulations being enacted in 1996.

The end of the 90s saw the emergence of a second phase of reforms, influenced by the EC-led “test of the reform of conditionality” which stressed the importance of PFM “results”. This was taken forward in the context of the HIPC initiative and of the PRSP formulation process. The period saw the development of several analytical, planning and budgeting tools starting with the initiation of programme budgeting as a tool for budget formulation and monitoring in the context of “results-oriented management” (1998). Other tools were introduced, aiming at improving the programming of resources, such as regular PERs, and a “global MTEF” (a type of medium term fiscal framework) was introduced in the year 2000. It is fair to say that the various initiatives were not ideally sequenced and there was a lack of effective coordination and insufficient capacity building. Nonetheless, these tools have been refined over the subsequent years and are still in place. Moreover, the reforms of the 1990s effectively set the groundwork for the more comprehensive and coordinated phase of PFM reforms, which has taken place over 2001 to the present.

In 2001, at the beginning of our evaluation period, Burkina Faso ranked among the highest African countries on the HIPC public expenditure management index. According to the Country Policy and Institutional Assessments (CPIA) indicators for the year 2002, among 45 Sub-Saharan countries, Burkina Faso ranked 12th for overall CPIA; 11th for overall public sector management and institutions; 6th for quality of public administration; 5th for quality of budgetary and financial management; and 14th for transparency, accountability and corruption in the public sector

2.3 DIRECT REFORM INPUTS

EQ1 What has been the nature and scale of PFM reform inputs provided by Government and Donors?

Both the Government of Burkina Faso and its donors financed the PFM reforms over the period. Donor inputs included both direct support and complementary inputs. Direct donor inputs comprise concessional loans and grants, provided as cash transfers or as technical assistance, goods and services⁵.

Direct donor support

Based on the financial information available on 13 major donor projects (projects highlighted in red in Table F.2), US \$ 21.35 million have been provided in support to PFM reform over 2001–2010, against US \$ 24.36 million between 1991 and 2000⁶. OECD DAC CRS data for the period 1995–2008 gives USD 118.0 million (in 2008 constant USD). We consider that the OECD DAC CRS data present a clear over-estimate but there are significant numbers of bi-lateral projects, as well as technical assistance support from the IMF, and more ad hoc initiatives by the multi-lateral agencies for which we were not able to obtain financial estimates (See Table F.4) Thus, actual expenditure is well above the US \$21.35 for which we have been able to obtain documented expenditure data. Taking account of the significant numbers of known PFM reform projects for which we do not have financial data, **we estimate a level of actual donor funding (disbursements) for PFM reform over 2001–2011 of US \$ 30–35 million.**⁷

Annex F presents an overview of donor contributions to PFM reform since the 1990s, based on available documentation, as well as a chronology of major donor projects in support to PFM reform since 1991 (Table F2). It should be noted that available documentation has been limited predominantly to multi-lateral donors (WB, IMF, AfDB and EC).

The annex shows strong donor support to PFM reform through a number of institutional reform projects since the early 1990s, from the AfDB, EC, France, Germany, Switzerland, UNDP, World Bank and Denmark. Between three and five major institutional strengthening projects were ongoing in any given year since 1991, and **at least twenty-two separate projects were implemented between 2001 and 2011.** In parallel, the IMF and Afritac have conducted a significant number of missions over the course of the 2000s on a variety of PFM-related issues, focusing in particular on revenue collection. Recently, two donors (France and Denmark) have started providing Sector Budget Support to support the implementation of the SRFP.

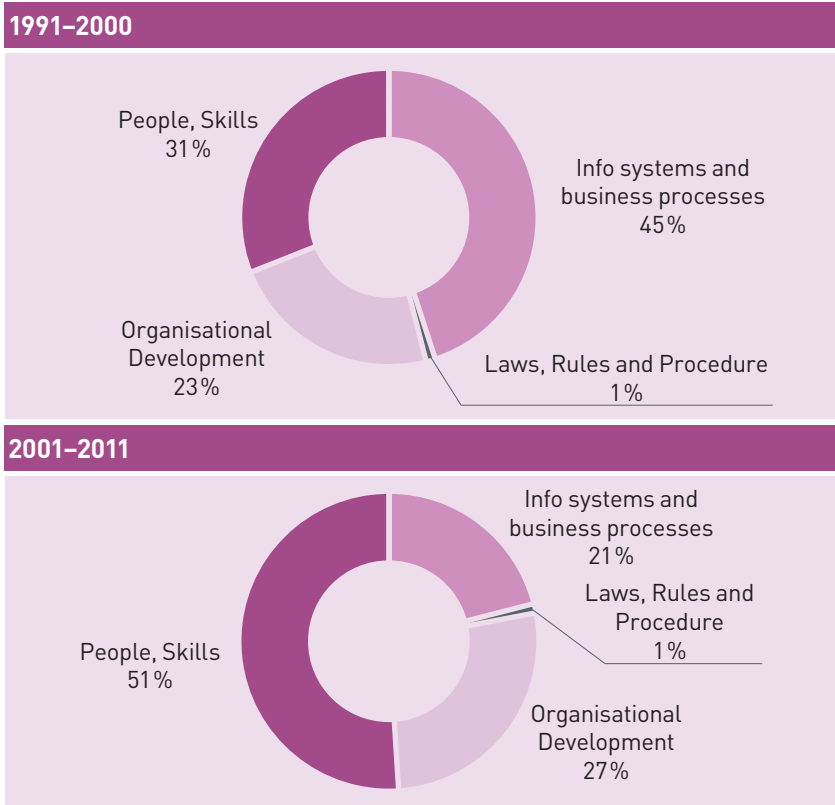
A rough analysis of available documentation allows a disaggregation of donor financial support by PFM area and by type of output expected. In terms of expected outputs, support is mainly focused on people and skills (training, TA, capacity development initiatives). 1 % only is devoted to strengthening of laws, rules and procedures. This contrasts with the situation over 1991–2000, where support to people and skills represented only 31 % and support to information systems and business processes comprised 45 %, reflecting the early support provided to the IFMIS system.

With regard to the distribution by PFM area, the bulk of financial support attributable to specific areas goes to budget preparation and revenue collection, although the spread across functional areas is relatively balanced, more so than in the 1991–2000 period. 24 per cent of financial support is not

6 Amounts budgeted and committed. Derived from project documentation based on estimate of amount relevant to PFM (amounts indicated concern specific PFM-related components or activities only).

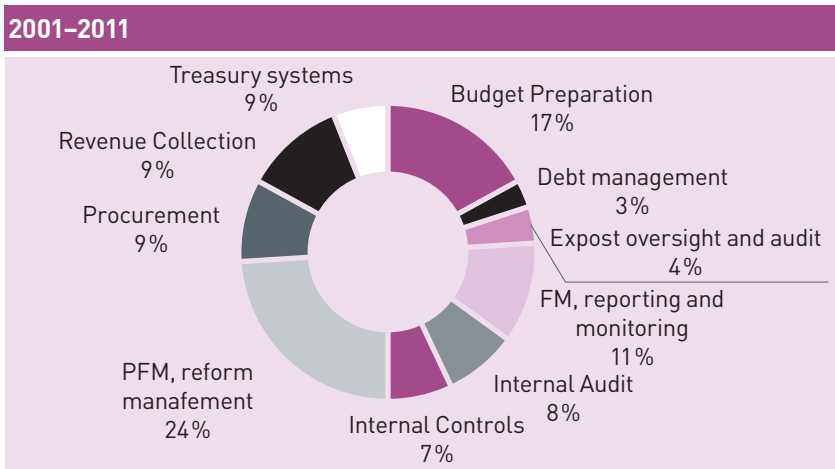
7 This compares well with the estimate made by De Renzio (2010) of US\$ 25–30 million for the period 1997–2007.

Figure 3 Donor financial support to PFM reform per type of output expected (2001–2011)



Source: Author calculations based on project documentation available

Figure 4 Donor financial support to PFM reform by PFM area/“cluster” (2001–2011)



Source: Author calculations based on project documentation available

attributable to specific functional areas and has been classified as “support to PFM reform management”. This category includes both support to reform management processes (PRGB secretariat for example), and support to processes encompassing the whole of the reform process (e.g. support to the design of the organic budget law).

Government of Burkina Faso reform inputs

Government inputs to PFM reform are wide ranging and not all easy to quantify. The main constituent of GoBF’s financial contribution to PFM reform is composed of recurrent costs : staff salaries, maintenance of buildings, computers and applications, and other administrative costs within key institutions such as the CdC, ASCE, ARMP and the divisions of the Ministry of Economy & Finance (DGB, DGI, DGD, SP PPF, etc).

In addition to funding the activities of most key institutions in the reform process, GoBF also funds the implementation of specific reforms. The PRGB (Plan of Action to Strengthen Budget Management) states that the national budget is the main source of funding for PRGB activities (GoBF 2002a), but does not specify any amount. GoBF also contributes to PFM reform through counter part funding of donor projects. Available documentation on WB, IMF and AfDB projects show that Government funding of such projects over 2001–2011 is approximately USD 3.81 million⁸ (against 2 million between 1991 and 2000⁹). Whilst this evidence is somewhat piecemeal, **our judgement is that combining funding for recurrent costs and for support to PFM reform projects, the contribution from the Burkina Faso Government over 2001–2011 is probably equivalent to the donor contributions of US \$ 30–35 million.**

2.4 STRUCTURES TO DESIGN AND MANAGE PFM REFORM INPUTS

EQ2 What type of structures has been used for the design and management of these reform inputs? Have these structures served to provide a coordinated and harmonised delivery framework?

The beginning of the period under evaluation saw a shift from a PFM reform programme, based on a range of loosely coordinated individual initiatives to the development of an integrated programme of PFM reforms, developed on a consultative basis between the institutions responsible and endorsed at the highest political level. Cabinet adopted government’s programme to strengthen budget management (*Plan d’Actions pour le Renforcement de la Gestion Budgétaire – PRGB*) in July 2002. The PGRB incorporated recommendations of several earlier assessments, including the 2000 Country Procurement Assessment

8 World Bank Administration Capacity Building Programme and AfDB Project in support of Public Expenditure Programming and Control Institutions and Good Governance Support Project – budgeted amounts.

9 WB Public Institutional Development Project and AfDB Capacity Building in Four Ministries – budgeted amounts

Report (CPAR), the 2001 Country Financial Accountability Assessment (CFAA), the 2001 HIPC AAP (2001), the IMF's Report on the Observance of Standards and Codes (ROSC) of 2002, and several audits conducted by the EC in the context of its targeted budget support programmes. In December 2004, the plan was extended to encompass reforms in revenue administration. During 2004, a more effective mechanism was established to monitor PRGB implementation, including the development of a Priority Action Programme within the PRGB and the definition of progress indicators and targets.

The *Secrétariat permanent pour le suivi des politiques et programmes financiers* (SP-PPF) was created in 2002 to take charge of coordination of PFM reforms and monitoring of budget support programmes, under the MFB/ MEF. Additionally, the SP PPF was also put in charge of preparing the TOFE (*Tableau des Opérations Financières de l'Etat*), which provides a monthly overview of the fiscal position. The SP-PPF's predecessor was the Technical Secretariat for the Coordination of Economic and Social Development Programmes (STC-PDES), which had had a similar set of functions, although the coordinating role over PFM reforms was strengthened by the introduction of the PRGB in 2002 and the development of a coordinated framework for the management of Budget Support, with the signing in 2002 of the MoU for the *Soutien Budgétaire Commun au CSLP* (SBC-CSLP). Both the STC-PDES and the SP-PPF were and remain powerful bodies, reporting directly to the Minister of Finance, and having the status to attract high calibre personnel.

Based on the lessons learnt from the PRGB implementation, the Burkina Faso Council of Ministers adopted a *Strategy to Strengthen Public Finance (SRFP)* in April 2007. The SRFP has a time-line of nine years (until 2015), and is accompanied by a rolling three year action plan (Plan d'Action Sectoriel Triennal – PAST). Table 4 compares the objectives of the SRFP with those of the PRGB, and highlights the evolution from a focus on PFM “building blocks”, such as the legal framework and the computerization of the expenditure chain, to more strategic issues of allocation of resources, efficiency of public expenditure processes, and fostering of private sector development.

The implementation of both the PRGB and the SRFP have been overseen by a Steering Committee chaired by the Minister of Economy and Finance¹⁰, comprising: (i) representatives of the ministries and institutions which are involved in implementing the SRFP, (ii) the Development Partners (DPs) providing financial support to the SRFP, (iii) representatives of Civil Society Organisations (CSOs), and iv) representatives of the private sector. The Steering Committee meets twice a year. The SP-PPF comprises the technical secretariat of the Steering Committee and has responsibility for monthly monitoring of progress. In addition, six technical groups have been set up under the responsibility of the SP-PPF: budget management, resource mobilisation, public procurement, internal control, deconcentration and decentralisation, and capacity strengthening. These six technical groups bring together the institutions responsible for the different components of the SRFP, as well as civil

10 From 2002 to 2007, the Minister of Finance & the Budget. In 2007, the MFB and MEDEV were re-merged.

Table 4 PRGB and SRFP objectives

PRGB (2002–2006)	SRFP (2007–2015)
Strengthen the capacities of structures in charge of budget management	The institutional capacity of the Ministry of Finance and its affiliated departments is appropriate to its mission. (result 8)
Strengthen the legal framework and its application	
Strengthen the quality and transparency of the finance law	Procedures for the management of public spending are transparent and efficient (result 3)
Strengthen the monitoring of budget execution and the respect of reporting obligations	Data on budget execution are available in a timely, comprehensive and reliable manner (result 4)
Enhance budget deconcentration	
Strengthen the management of specific expenditure	
Strengthen the quality and sustainability of the computerization process within the MEF	
Strengthen the control of budget execution	The control system is coherent, efficient and in line with international norms (result 6)
Strengthen tax recovery (added in 2004)	Systems for the mobilisation of internal and external resources are efficient, allowing public expenditure to take place on a timely basis while respecting the need for a balanced budget. (result 2)
	The responsibility of actors in the expenditure and revenue chain is strengthened at all stages (result 5)
	Expenditure programming corresponds to strategic allocation principles and results-based budgeting (result 1)
	Public Finances and the financial sector operate in a manner conducive to the development of the private sector (result 7)

Source: GoBF (2202a), GoBF (2007) – author’s translation

society and donor representatives. They report directly to the SP-PPF but, in addition, are chaired directly by the *conseillers techniques* (technical advisors) of the Minister of Economy and Finance, creating a direct link between the operational and political levels.

In June 2002, to adjust to new political power relations as a consequence of the elections held, MEF was split into a Ministry of Finance and Budget (MFB), and a Ministry of Economy and Development (MEDEV), each with a different minister in charge. The MEDEV remained in charge of the Public Investment Plan (PIP) and the PRSP process. Both ministries were merged

again in 2007 to form the Ministry of Economy and Finance (MEF)¹¹. Although all observers agree that the re-merging of the ministries into the MEF in 2007 has helped improve the quality of coordination, there are differing perceptions as to how significant the separation was. Some suggest that strains appeared between the planning and budgeting processes as personnel and expertise were divided between the two ministries but the World Bank (2005) reported an improvement in the coherence of planning and budgeting during this period, as a consequence of the implementation of the *CSLP* (PRSP). Donor and government officials interviewed during fieldwork agreed that the role of the SP-PPF and the quality of its coordination role remained unaffected by the separation of the ministries.

Overall, the coordination arrangements for PFM reforms during the period are impressive, embodying a number of positive features:

- An integrated PFM reform programme, developed through a consultative process drawing on diagnostic assessments (PEFA, CFAA, CPAR, ROSC), and endorsed at Cabinet level.
- A coordination framework of high calibre local staff, of high authority and with direct links to the Minister of Finance (the SP-PPF)
- An implementation framework led by the institutions and agencies with statutory responsibility for the functions being reformed, working under the close coordination of the SP-PPF.
- A harmonised framework for the provision of donor support to the common PFM reform programme and for regular dialogue on PFM reform issues.
- A clear and well respected mechanism of monitoring and evaluation, incorporating periodic PEFA evaluations.

2.5. COMPLEMENTARY DONOR INPUTS TO PFM REFORM

EQ3 What types of complementary actions have Donors taken to support PFM reforms and what has been their significance? Have they had any influence on the external constraints to reform?

The evaluation framework considers three types of “complementary donor inputs”, namely the use of country systems, the provision of budget support, and policy dialogue and conditionality on PFM reforms. Each of these was present in Burkina Faso over the evaluation period. We examine each, addressing the evaluation questions of what has been their significance and whether they have had any influence on the external constraints to reform.

¹¹ The Ministry of Economy and Finance had been merged with the Ministry of Plan in the early 1990s.

Use of country systems

The monitoring reports for the Paris Declaration of 2005 and 2007 indicate that good progress was made with several aspects of the action plan, in particular thanks to enhanced government ownership and leadership. However, these surveys showed no change in the use of country systems over the period, recording 45 % and 43 % of ODA using recipient country systems in 2005 and 2007 respectively. The 2010 PEFA recorded an improvement to 63 % by 2009 due to an increase (to 31 %) in the proportion of ODA comprising of budget support, and due to a rise in the proportion of project funding arrangements (up to 47 %) using country systems.

Notwithstanding these recent improvements, **most of the evaluation period has been characterised by a relatively limited use of country systems and by frequent use of procedures, which complicate the integrated and coherent management of external and domestic resources.** For example, between 2000 and 2003 Burkina Faso was required to manage “HIPC resources”¹² through a separate account, following a special budget procedure (outside of the *Circuit Intégré de la Dépense*) and accounting for the funds separately. This special procedure was used to demonstrate the additionality of HIPC resources, but it slowed down expenditure, complicated the monitoring of poverty-reducing expenditure, and reduced the programmatic vision for the allocation of resources. From 2003 onward, HIPC resources were integrated into the mainstream budgeting and expenditure process but a fairly similar type of arrangement has since been created for the education sector’s SWAp basket, which is required to be managed through a separate special account (*Compte d’Affectation Spéciale du Trésor – CAST*). This has created a number of difficulties. In particular, the late release of donor resources into the CAST has created delays in budget execution, and the use of a pluri-annual system for the CAST has complicated reconciliation against the annual budget, which unlike the CAST does not permit the withholding of unspent credits at the end of the fiscal year.

Provision of Budget Support

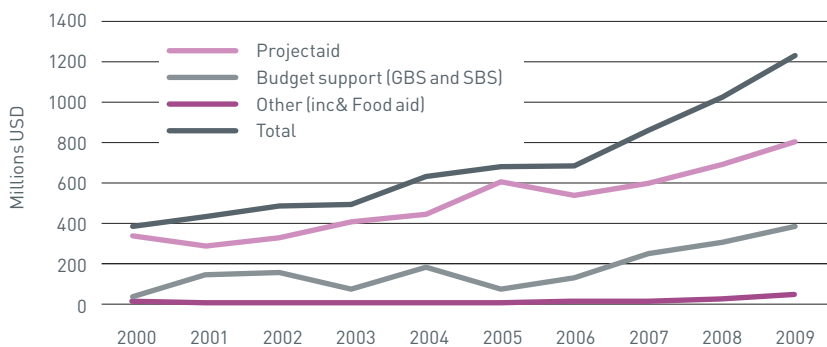
Burkina Faso received its first PRGF from the IMF in 1999 and the World Bank PRSC started in 2001. Sweden started its general budget support program that year. France started its budget support in 2003, Denmark and Germany in 2005. By 2010 a total of ten donors had signed up to providing budget support (the African Development Bank, Denmark, Germany, the European Commission, France, the Netherlands, Sweden, Switzerland and the World Bank).

The share of budget support remained relatively stable between 9 % and 11 % of total ODA between 2000 and 2005. It then increased progressively to 31 % in 2009, representing a more than tenfold increase in absolute value from US\$ 34 million in 2000 to \$384 million in 2009 (DG-COOP data). This increase has been important in providing additional resources to finance dis-

12 “HIPC resources” in this context refers to the annual savings in external debt servicing generated by HIPC debt relief.

cretionary expenditure, which amongst other things has facilitated the financing of the domestic component of the PFM reform programme. In addition, the increase in discretionary funds would probably have had a beneficial effect on treasury management, reducing the need for recourse to domestic borrowing and speeding up approval of payments for executed expenditures.

Figure 5 Evolution of ODA by modality 2000–2009



Source: Database of the Direction Générale de la Coopération (DG-Coop) Burkina Faso

Notwithstanding these positive benefits, two reservations need to be made in attempting to assess the relative significance of the increasing levels of budget support:

- Budget Support as a proportion of total public spending actually decreased from 22 % in 2002 to 12 % in 2007, and has remained approximately at that level since. (Chiche et al, 2009). This does not compare favourably with countries such as Mozambique and Tanzania, where budget support has consistently represented well over 15 % of public spending, despite having PFM systems of a similar, or worse, calibre to that of Burkina Faso, as measured by PEFA scores.
- Secondly, the predictability of within-year disbursements of budget support has declined between the 2007 and 2010 PEFA evaluations, with the score for this sub-dimension of indicator D1 declining from an A to a D. Thus, although aggregate disbursements of budget support are close to programmed levels, disbursements planned for the 1st and 2nd quarters are regularly subject to delays of 3–6 months¹³, creating what ought to be avoidable difficulties in treasury management.

Policy Dialogue and conditionality

Policy dialogue and conditionality in Burkina Faso was strongly influenced by the “Test sur la Réforme de la conditionnalité” carried out between 1997 and 2000. It led to a strong focus on results, enhanced coordination and understanding between GBS donors, and better dialogue with Government. Following from the test, GBS donors formalised their coordination in 2002 with the

¹³ For example, the team was advised by the SP-PPF that disbursements of budget support in the 1st quarter of 2011 had been only 20 % of the anticipated amounts.

signature by 6 donors of the Memorandum of Understanding for the SBC CSLP (Soutien Budgétaire Commun au CSLP). In 2005, GoBF and donors signed a new agreement, the CGAB-CSLP (*Cadre Général d'organisation des Appuis Budgétaires en soutien à la mise en oeuvre du Cadre Stratégique de Lutte contre la Pauvreté*), based on the evaluation of the performance of the SBC-CSLP. The World Bank, AfDB, Germany, and Denmark joined the group. Under the new CGAB-CSLP, the disbursement criteria based on progress in fighting poverty and public finance management are jointly agreed upon and brought together in a joint performance assessment matrix (with a three year outlook) which is updated annually.

With regard to PFM more specifically, donor-government dialogue takes place in the framework of the SRFPP monitoring framework, its steering committee and its technical groups (as noted under Evaluation Question 2 above). The public finance technical group (“*comité sectoriel finances publiques et allocations de ressources*”), which is part of the CSLP monitoring framework was merged with the SRFPP monitoring framework in order to avoid duplication. Dialogue with donors was further strengthened by the signature of a *Cadre Partenarial d'Appui au renforcement des Finances Publiques (CAPA/FP)* (Public Finance Partnership framework) on April 20th 2009. It defines the context, objectives, principles and modalities for donor support to the SRFPP, and aims to improve coordination and practices in donor support to PFM reform. There thus exists a strong framework for harmonised dialogue with donors, which is directly integrated with the Government's own system for monitoring and evaluation of PFM reforms.

The joint evaluation of General Budget Support (Lanser et al, 2006) covering the period 1994–2004, assessed that GBS had had a significant impact on PFM in Burkina Faso:

GBS has directly supported durable improvements in PFM in several ways: through providing funding and hence generating ownership/empowerment and accountability effects; through continuity in providing TA support to specific reforms [...]; and through GBS DPs' support to the establishment of a more durable framework for PRGB management and monitoring. Moreover, PGBS policy dialogue and conditionality have had two main incentive effects orientated toward durability: (i) the necessity for government to formulate a medium-term action plan to improve PFM has been one of the preconditions for DPs (in particular for the EC); (ii) the monitoring of the PRGB is also one of the main bases for the permanent dialogue linked to GBS. (p.52)

Both the government and donor staff interviewed during fieldwork concurred with this assessment, agreeing that the involvement of Budget Support donors in the PFM dialogue had helped to institutionalise the reform monitoring process and to ensure that all stakeholders took the process seriously. Indeed, in the absence of the efforts by the GBS donors to strengthen PFM reform planning and monitoring, it is clear that these systems would have been considerably weaker.

On the other hand, there was more scepticism over the usefulness of detailed conditionality on PFM issues. While the adoption of certain PFM reforms as PAF “trigger conditions” or performance targets could be useful in attracting attention to them, most observers agreed that in the areas where good progress had been made this would probably have occurred anyway, while in the less numerous areas where progress had been considered unsatisfactory (such as in the reform of revenue administration systems), the existence of conditions did not appear to have had any influence.

Annex C presents the list of conditionalities (prior actions, benchmarks, indicators) related to PFM in GBS programmes. A summary is included below in Table 5. For most of the evaluation period there has been a high number of detailed PFM-related conditionalities, with a strong concentration on revenue collection, financial management, reporting and monitoring, ex-post oversight and audit, budget preparation, procurement and PFM reform management. The reduced number of conditions in recent years reflects the efforts made by the GBS partners to move towards a more limited, strategic set of conditions for budget support disbursement¹⁴. It also reflects the improving quality and the increasing level of detail included in the SRFP annual reports.

In summary, **the role of GBS donors in the policy dialogue on PFM was seen as helpful in accelerating the preparation of a comprehensive PFM reform plan and in keeping attention focused on the importance of PFM reforms.** In these ways, it served to protect the political space for reforms. It was not, however, seen as effective in attempting to widen the political space for reforms, or in accelerating PFM reforms, in areas such as revenue administration, where there appeared to be significant opposing forces. Dialogue was also seen to be helpful in putting reform ideas on the table and in helping to develop and refine implementation approaches to specific reforms – in short, in widening the policy space for reform.

2.6. EXTERNAL PRESSURES FOR REFORM

EQ4 To what extent has there been domestic public pressure or regional institutional pressure in support of PFM reform and what has been the influence on the external constraints to reform?

The evaluation framework considers three main mechanisms of “demand-side” influence on PFM reforms. These could potentially impact on the political space for reforms – encouraging political leaders to give attention to PFM reform objectives, which might otherwise not have been addressed, or on the

¹⁴ Several of the concerned DPs produced policy communications on Budget Support over 2003–2006, which advocated a more limited use of conditionality, in part this drew upon research on the role of conditionality in structural adjustment programmes, which demonstrated that its influence was limited at best, and potentially a source of unnecessary tension and avoidable transaction costs.

Table 5 Numbers of PFM-related budget support conditionalities 1999–2011 (prior actions, benchmarks & indicators)

Sector	1999	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total general
Approval and Scrutiny					1	1	3	2	1	1			9
Budget preparation	2	4	3	5	2		5	5	4	1			31
Debt management												1	1
Ex post oversight and audit		5	3	3	3	4	3	5	5	3			34
FM, reporting and monitoring		10	4	1	3	5	8	3	2	1	2		39
Internal Audit							4	1	2			1	8
Internal Controls			1			1	3	1	1	1		1	9
PFM reform management		3	2	2	1	1	4		2	4	1		20
Procurement			1	3	2	3	5	5	6	1			26
Revenue Collection			3	1	5	10	5	10	8	4	2	2	50
Treasury systems		4	1	1			1	1	1				9
Total general	2	26	18	16	17	25	41	33	32	16	6	4	236

policy space for reforms – that is widening the range of PFM reform design ideas open for consideration.

The demand for improved economic governance by civil society and the public

There is a small number of civil society organisations with capacity for engaging with public expenditure and financial management issues who are active in Burkina Faso. However, Burkina Faso's political system is a highly centralized state system, embedded in strong hierarchical traditions. The 2005 PER outlined the limited level of citizen participation in the budget process, and the difficulties in accessing information:

Burkina Faso has a long-standing tradition of social mobilization. Civil society participation, however, remains relatively shallow and the budgeting process currently does not include any entry points for its involvement. Civil society has very little information on the govern-

ment's budget and, although the budget itself is published, there are no initiatives in place to publicize it. Similarly, there are no organized forums in which to share and discuss the annual budget guidelines with civil society. NGOs are particularly interested in improved availability of budget information and are interested in increased involvement in the budgeting process. The capacity of civil society to effectively engage in budget analysis, however, is currently very weak. (World Bank, 2005)

Overtime CSOs have engaged more consistently and actively in monitoring government compliance with its budgetary commitments, as well as in the aid relationship more generally. Several are members of the Groupe de Référence National pour l'Évaluation de l'Appui Budgétaire Général au Burkina Faso, or National Reference Group for the Evaluation of General Budget Support. Two CSOs are members of the Steering Committee for the SRFP. More participatory consultation has been a feature of the process to develop the next national poverty reduction strategy, the SCADD.

Despite these positive trends, the World Bank in 2009 noted that domestic accountability still remained weak:

Patron-client relationships continue to exist in the state system, hampering the effectiveness of reform implementation and the impact of public debate. A general culture of top-down governance has resulted in societal deference to the exercise of state authority... While social accountability has been reinforced by regular elections, the high levels of illiteracy, adhesion to traditional concepts of hierarchy, and the low capacity of civil society and the independent media limit the effectiveness of independent reflection on government functions. (World Bank 2009b.)

During fieldwork, a focus group of civil society organisations, engaged in public finance and public policy issues was brought together. Their judgement was that participation was increasing and access to information was improving, notably through the publications placed on the MEF web-site (in particular, the budget itself), through the dissemination of reports by the *Cour des Comptes* (CdC) and the *Autorité Supérieure de Contrôle de l'Etat* (ASCE), and through the increasing discussion of public finance issues in the media. However, the influence of CSOs on political decision-making was seen as weak; indeed the perception of the focus group was that donors had much more influence. We conclude that **in Burkina Faso, CSOs may be consulted for the sake of their ideas, i.e. they may perhaps open up policy space, but they have very limited direct influence on the political space for reforms.**

Oversight from the Legislature

The National Assembly of Burkina Faso is composed of 111 Deputies elected by direct popular vote. It approves the budget law (*loi de finances*) and the consolidated annual accounts (*loi de règlement*), as well as receiving the CdC report on the consolidated annual accounts. It discusses budget issues within the COMFIB (Commission Finance et Budget). The 2002 CFAA underlined the relative imbalance of power toward the Executive, in particular due to the majority of the ruling party: “the National Assembly has rarely used efficiently the prerogatives granted by the Constitution in relation to PFM” (World Bank, 2002).

Unfortunately, it did not prove possible to meet directly with any Members of Parliament but the CSO Focus Group, interviewed during fieldwork, reported an increased engagement of Parliament in budgetary issues over the course of the past decade. However, with the ruling party's majority having persisted across a number of elections, **the Legislature was not seen as a significant influence over the scope and nature of PFM reforms, which continued to be driven overwhelmingly by the Executive.**

WAEMU influence on PFM in Burkina Faso

Burkina Faso serves as the host country for the headquarters of the West African Economic and Monetary Union (WAEMU) and in 2007 President Compaoré took upon the presidency of the organization. Since the creation of the union in 1994, Burkina Faso has been instrumental in pushing forward WAEMU's PFM agenda. It has taken pride in being the first country to transpose WAEMU directives in national legislation, and several of these directives were inspired by Burkina Faso's experience.

Article 67 of WAEMU's founding Treaty requires harmonization of budget legislation and procedures, in order to ensure their synchronization with multilateral surveillance procedures. Accordingly, over 1997 to 2000 the WAEMU Council of Ministers issued six PFM directives to be implemented in its eight member countries. These directives, along with the Union's 1999 Pact of Convergence, Stability, Growth, and Solidarity, and the directive on tax policy, are essential elements of WAEMU's emphasis on improving fiscal management and strengthening the basis for a joint monetary policy.

These directives had a significant impact on PFM in Burkina Faso. For example, the Directive on Transparency required all member states to create an independent *Cour des Comptes* by 31st December 2002. Burkina Faso created its CdC in 2000. Similarly, the Government's revision of the budget nomenclature and public accounting framework in 2003 aimed to ensure coherence with WAEMU Directives¹⁵.

In June 2009, the Commission and Member States of the WAEMU completed the revision and updating of six directives. These revised directives represent a major evolution in PFM practices within the WAEMU. They incorporate modern PFM concepts and concepts aimed at increasing control, transparency and accountability, such as the introduction of aspects of accrual accounting, the requirement for structured, public debates on the budget framework in Parliament, strengthened powers of the CdC and the use of a treasury single account system at the Central Bank. Yet, more remarkably, they also involve a nexus of measures aimed at developing operational programme-based, medium term, results-based budgets. Key to this will be the introduction of a programmatic classification system, combined with the delegation to spending ministers of the Minister of Finance's power to author-

15 The first set of directives were transcribed in national legislation through: law n° 006–2003/AN of 24 January 2003, decree n° 2003–665 of 31 December 2003 on budget nomenclature, decree n° 2004–0295 of 21 June 2004 on the “plan comptable de l'État”, decree n° 2005–255 of 2005 on the “règlement général de la comptabilité publique” and decree n°2003–269 of 27 May 2003 on procurement.

ise payments (*déconcentration de l'ordonnancement*), with the expectation that that delegated authority would in turn be passed on to sub-warrant holders within the spending ministries, who would effectively be the coordinators of programmes, and thus responsible for the key results areas in the budget.

Such a system is at odds with the traditional francophone system inherited by Burkina Faso at the time of independence, which has always relied on a centralised control over inputs. Yet, it clearly builds on Burkina Faso's own hitherto disappointing experience with the introduction of programme budgets, and reflects a desire within the Executive to make programme budgets an effective management tool to generate greater and more tangible results from public spending.

The 2009 harmonised framework is due to be transposed into national legislation by December 31st, 2011, and to come into force between January 1st, 2012 and December 31st, 2017. Support is being provided by the WAEMU Commission and various development partners (UNDP, IMF). Without doubt, there will be teething problems in the construction of the necessary operational systems and there are also likely to be problems generated by inter-departmental rivalries, as previously centralised structures are forced to adapt to a more decentralised mode of working. Yet, from the interviews made during fieldwork, the mission was left in no doubt of the commitment, at the political and administrative levels, to instituting these radical changes.

Because a number of ex-staff from the Burkina Faso finance ministry work for the WAEMU Commission, and because the Commission continues to retain close ties with current government officials, it would seem that WAEMU has been able to operate as a type of “laboratory of PFM ideas”, striving to give operational form to the ambitions of the Burkina Faso government (amongst others within the region), with the advantage of having the opportunity to test these ideas against the wider experience of the region and against international practice, based on the support to WAEMU provided by the IMF and other international partners. Clearly, **the WAEMU Commission has had a big impact on the policy space for reforms but it may also be that it has widened the political space, drawing on an initial commitment to change and helping to expand political ambitions over time.**

2.7. RELEVANCE OF PFM REFORM INPUTS

EQ5 How relevant was the PFM reform programme to the needs and the institutional context? Was donor support consistent with national priorities? To what extent were adaptations made in response to the context and the changing national priorities?

We assess relevance in three main dimensions: (i) were reform inputs relevant to the identified PFM weaknesses and institutional context in Burkina Faso; (ii) were reform inputs adapted to the context, especially to the level of ownership and capacity for reform implementation; and (iii) was there sufficient flexibility in the design of the support to adapt the design and implementation of

support to changing needs. We consider these questions for the programme as a whole, drawing examples from the three sets of reforms which have been studied in more detail, namely the reforms connected with budget preparation systems (the *budget-programmes* and the CDMT), with revenue administration systems and with the development of an integrated financial management system (the *Circuit Intégré de la Dépense*).

Reform inputs have been directed at areas of PFM weakness.

Since the development of the PRGB in 2002 (and its evolution into the SRFP in 2007), reform inputs have been structured so as to support a coherent programme of work, designed in response to the weaknesses specifically diagnosed through the CFAA, CPAR, HIPC AAP and IMF ROSC and later adapted in the light of the results of the PEFA evaluations of 2007 and 2010.

Reform inputs have also been directed at areas of concern to Government. Whilst there was some external pressure to move swiftly towards the establishment of a PFM reform plan, both the PRGB and the SRFP are generally perceived as plans, which addressed issues of concern to Government. Over the evaluation period, government leadership over these reforms has been strong and the degree of government commitment of financial and human resources has been high. The one area within the reform programme where there is some doubt over the degree of government commitment is in relation to reforms to revenue administration. Certainly, in terms of achieving the essential objective of increasing the proportion of GDP collected as domestic revenue, these reforms have been less successful than others and there have been several World Bank and IMF reports pointing to a lack of government commitment to revenue reforms¹⁶.

Our interpretation is somewhat different. There is a clear concern within Government over the political costs of removing exemptions on VAT items, as well as on the agriculture and mining sectors. By and large, these exemptions have not been removed, despite the pressure that has been exerted by donors to have them removed. On the other hand, significant improvements have been made in the quality and efficiency of revenue administration, including the introduction of a single tax identification number (*Identifiant Financier Unique – IFU*), the establishment of a large taxpayers division (*Direction des Grandes Entreprises*), the successful introduction of three inter-linked computer systems (SYDONIA, SINTAX and CIR), and a major reform of tax legislation (in 2010)¹⁷. These reforms could not have been introduced and sustained without an internal commitment to these reforms – at both political and administrative levels. Our interpretation is that Government is committed to modernising and improving the efficiency of tax administration but that it has chosen, for political reasons, to proceed slowly with the expansion of the tax base.

Reforms were generally appropriate to the institutional and capacity context, but not always. The PRGB and the SRFP represented

16 See IMF (2006) and World Bank (2009). Further detail is also provided in the Desk Report on Burkina Faso.

17 See table F6 in Annex F.

feasible plans of work, which could be implemented with the technical, managerial and financial resources available. Not all planned outputs have been produced and some have been produced with significant delays but overall the efficiency in execution has been high, which suggests that plans were generally realistic and appropriate to the context¹⁸. However, there have been differences across components in this respect:

- **The introduction of the Circuit Intégré de la Dépense (CID) and the progressive computerisation of the financial management system** is an example of a reform, whose simple design and gradualist approach to implementation were excellently adapted to the institutional and capacity context. The development and introduction of the system was supported by the World Bank. It started with the introduction in 1996 of the *CID* module, which integrates all steps of the expenditure process, from budget preparation to execution. The accounting and revenue modules then followed (*CIE* and *CIR*) both of which were operational from 2000. Other modules have been subsequently added, including *SYGADE* for debt management, *SIGASPE* (for payroll and personnel management), and, more recently, *SINTAX* for tax collection, *SYDONIA* for customs, *CIFE* for external financing and *SIMP* for procurement. Apart from the gradualist approach to development, another feature has been a pragmatic approach to the degree of integration of the system. Instead of having all systems fully integrated in real time, which would demand a high degree and reliability of inter-connectivity, connections between most modules of the system are managed on a periodic basis (some nightly, some weekly) using a software tool, called *i-bus*. Whilst the progressive development of the system has suffered occasional set-backs and problems¹⁹, the end result has been a relatively low cost, integrated financial management system, managed directly by the *Direction des Services Informatiques* of the Ministry of Finance, using systems appropriate to the needs and to the telecommunications infrastructure²⁰.
- **The experience with programme budgeting (budgets-programme – BP) and with the related processes of sectoral and global CDMTs (MTEFs)** forms a sharp contrast to that of the CID and the computerisation process. Following a visit to Canada in 1997, the then Minister of Finance, Jean Baptiste Campaoré became interested in programme budgeting as a way of linking public spending to development results. With the support of the World Bank, *budgets-programmes* were launched in 6 pilot ministries in 1998 and extended to all ministries in

18 See the more detailed discussion of efficiency under evaluation question 7 below.

19 Notably, the initial team who developed the CID departed prematurely and had to be replaced unexpectedly. In addition, the initial software used for the *Cid* became obsolete and had to be upgraded over 2004/05.

20 A further point to stress is that the centralized system of public finance management, which has prevailed in Burkina Faso over the evaluation period, has meant that the number of required users of the system has been relatively small. As responsibility for commitment of expenditure (*engagement*) and authorization of payment (*ordonnancement*) become deconcentrated, more users will need to be brought onto the system, which will have important implications for hardware, for interconnectivity and for training.

2000. However, the objectives were misunderstood by sector ministries, who used *budgets-programmes* as a method to demand additional resources rather than as a method for more efficient and transparent programming of existing resources. With the introduction in 2000 of the CDMT-Global as a tool to determine aggregate fiscal targets and define sectoral ceilings for budget preparation, the problem of using *budgets-programmes* as “wish lists” was essentially resolved, but the fundamental purpose of the exercise remained unclear to most sector ministries, who continued to produce *budgets-programmes* as a supplement to their normal budget submissions but made no use of them in the process of executing the budget. Given the evident lack of influence of the *budgets-programmes*, from 2004 onwards a number of donors pushed for the introduction of sectoral MTEFs (*CDMT sectoriels*) and some provided technical assistance to support sectoral ministries in their development. Unfortunately their introduction simply duplicated the *BP* process and caused further confusion at the sector ministry level, without fundamentally improving the process of expenditure programming. In 2008, after nearly ten years of largely fruitless efforts, a committee was established to review the experience and develop a revised approach to programme budgeting. It was led by the Ministry of Finance but included members of sector ministries and also drew on the advice of IMF AfriTAC. The Committee recognised the need to develop comprehensive guidance on the process of definition and elaboration of programmes, on the selection of indicators, on the elaboration of multi-year *budget-programmes* and on the process of monitoring and evaluation of their execution. A small team was created within the Ministry of Finance to lead this process, working during 2010 with seven pilot ministries. In 2011 a new strategy document was prepared as well as two detailed methodological guides – one for implementation and one for monitoring and evaluation, and the process was extended to 16 pilot ministries²¹. In short, an appropriate, structured process to the introduction of programme budgeting has now been adopted and is under implementation. Yet, the initial reforms led to 8 years of largely wasted efforts because of the failure to appreciate the complexity of programme budgets and the particular difficulties which would be presented by the absence of an overall fiscal framework, of well developed sector programmes and, perhaps most crucially, of programme classifications within the chart of accounts. A more carefully sequenced and better resourced programme of reforms was needed, with more provision for training and methodological support. The Government looked to its Development Partners for advice on these issues, and up until 2008 the response was fundamentally inadequate. Yet, until this date, the Government’s monitoring of the PRGB/ SRFP also showed itself unable to bring a swift halt to proceedings and promote a change of direction.

21 The process was given added impetus by the UEMOA directives of June 2009 (see above), requiring the introduction of programme classifications within the chart of accounts, and the deconcentration of *engagements* and *ordonnancements*.

There has been an active learning process and a (mostly) regular adaptation of reform designs. Adaptation and learning from experience have been two essential – and very valuable – features of the Bourkinabé experience. In some cases – most notably with *budgets-programmes*, the learning process has been slow but the presence of a well-structured institutional framework for coordinating and monitoring reforms (the SP-PPF) has meant that learning has been constant. As a result, reforms have been adapted progressively to the needs and to the institutional and capacity constraints.

In conclusion, reform inputs were relevant in targeting identified areas of PFM weakness, in addressing the reform issues of interest to the political leadership, and, for the most part, in adapting to the constraints thrown up by the institutional context. Moreover, the learning and adaptation process, which has been a feature of PFM reforms, has allowed for the less relevant or less appropriate reforms to be changed over time. Essential to all of these successes has been the leadership of Government both over the design and the implementation process.

There are additional lessons to be drawn from the contrasting experiences of the *CID* and the *budgets-programmes*:

- Firstly, large-scale reforms such as the introduction of programme budgeting or integrated financial management systems are complex and need to be introduced gradually and with careful attention to sequencing.
- Where these reforms can build on internal capacity and home-grown solutions, they are more likely to remain relevant to the institutional and capacity context – as was the case with Burkina Faso’s integrated financial management system.
- Where there is insufficient internal knowledge and experience to build on home-grown solutions but there is a political commitment (as was the case with the *budgets-programmes*), governments need to rely more heavily on external advice on the programming and sequencing of reforms. The development agencies supporting reform need to provide such advice in a coordinated and timely way, and to provide continued coaching and guidance over an extended period of time. This requires a consistent, medium to long-term commitment²².

22 Early experience with *budgets-programmes* is not sufficiently well documented to be certain of the weaknesses in the external technical support. However, whereas support since 2008 has been provided consistently by one source (IMF Afritac), several agencies were involved over 1997 to 2007, with none of them showing a real long-term commitment to the process and with competing ideas often being presented to Government (eg. *budgets-programmes* vs. *CDMTs sectoriels*).

3 Outputs: the Delivery of PFM reforms

3.1 INTRODUCTION

As we have noted above, over the period of 2001–2011, there was a major process of PFM reform, with donor-funded inputs of an estimated value of US \$ 30–35 million and substantial government funding, probably of an equivalent value. This section assesses the delivery of PFM reforms in Burkina Faso, addressing the following questions:

- Which outputs were delivered and to what extent did direct donor support contribute to these outputs?
- How efficiently were these outputs delivered?
- What have been the binding external constraints on the delivery of PFM reform outputs – political, financing or policy factors?

3.2 KEY REFORM OUTPUTS

EQ6 What have been the outputs of the PFM reform process and to what extent has direct donor support contributed to these outputs?

Major reform outputs were delivered over the period, covering all areas of the PFM cycle but most especially budget preparation, revenue collection, financial management & reporting, procurement and ex post oversight and scrutiny. In addition, substantial resources were dedicated to PFM reform management and to legislative changes pertaining to the overall system, such as the preparation of the new Organic Budget Law, approved in 2003.

Table F.6 in annex F provides a synthesis of the key outputs of PFM reform over 1996 to 2010. The main highlights are as follows:

- Major reforms of the legal framework on accounting took place in 2003 (with the new OBL), on fiscal decentralisation in 2006, on procurement issues in 2007, and on taxation issues in 2010.
- There has been a constant stream of reforms throughout the period considered for this evaluation, covering all aspects of PFM.
- Two specific reforms have been ever-present throughout the period, namely the introduction of programme budgets and the MTEF, and the upgrading and refinement of the financial management information system. Reforms in revenue collection and procurement have also been virtually continuous, but more multi-faceted.
- There has been a progressive development of new modules of the financial management information system (accounting, revenue, taxes, customs,

payroll, debt management, procurement and external financing), as well as upgrading of the core budget execution module (CID) to reflect budget classification changes and to modernise the software platform. In addition, coverage has been extended to 10 of the 13 regions.

- In addition to the creation of a significant number of internal committees, major institutional changes include the creation of the *Cour des Comptes* in 2000, and of the ARMP (*Autorité de Régulation des Marchés Publics*) and ASCE (*Autorité Supérieure de Contrôle de l'Etat*) in 2007.
- With regard to the management of PFM reform, the two key dates are 2002, with the adoption of the PRGB (extended in 2004 to cover revenue collection), and 2007 with the adoption of the SRFP.
- Most outputs documented relate to organisational changes, legal/regulatory reforms and development of business processes and information systems. There is very limited information documented on the development of people and skills, although we are aware from project documentation²³ that there were substantial training and capacity building inputs incorporated within each of the major business process reforms.
- In addition, Burkina Faso produces a regular outflow of graduates in public accounting and financial management from the ENAREF (*Ecole Nationale des Régies Financières*). As a recurrent function, this has not been documented as a “PFM reform” but it is worth noting firstly that the ENAREF has been in place for over 20 years, developing a regional reputation (and thus attracting students from other countries in the region) and secondly that the scale of investment in PFM-related training appears to be considerably higher than the average in Sub-Saharan Africa

External project financing has not been a critical success factor in itself. Most of the outputs put in place over the period had external support (with the exception of some legal reforms and the regular training of staff through the ENAREF, which were financed exclusively through the national budget) but what is more notable is that all of the reform outputs received some funding from the Government budget. Thus, although the presence of external project funding has certainly increased both the scale and pace of reforms, it seems likely that many reforms would have continued under direct financing from the national budget in the absence of this project funding. However, available funding from the National Budget was itself boosted by (externally provided) Budget Support. Without Budget Support and without external project funding, PFM reforms would certainly have been more modest.

Some external technical assistance has been of critical importance. Not all externally provided technical assistance was relevant or timely and not all of it was of good quality but the general assessment of external TA by government officials is a positive one. Moreover, some TA inputs were cru-

23 In particular, see the description of inputs under Evaluation Question 1 above, which shows that according to project design documents, some 51 % of PFM reform inputs over 2001–2011 were dedicated to people and skills.

cial to reform success. For example, notwithstanding the essentially “home-grown” nature of the integrated financial management system, the combination of international and local financial management and IT specialists has been essential to its progress. The re-design of the approach to programme budgeting since 2008 has also benefited considerably from external technical assistance (from IMF AfriTAC), as have reforms to procurement and revenue collection. It is highly doubtful that Government would have been able to directly recruit international advisers of the right calibre and at the right times, in the absence of the project structures and other technical assistance arrangements, through which specialists were identified and contracted.

In the case of Burkina Faso, timely and well chosen technical assistance support would appear to have been a more important contribution from donor agencies than project finance itself.

The analysis of TA projects has not been sufficiently detailed to provide a comprehensive assessment of the factors distinguishing the most effective TA. However, two factors are clearly present: effective TA has been demand-driven, both in the sense of responding to a political interests and in the sense of being guided and managed by government staff. Secondly, effective TA has been adapted to the institutional context, in the sense that technical solutions (particularly, the pacing and sequencing of the sub-components of those solutions) have been derived from international experience but tailored to the specific context of laws, rules and practises existing in Burkina Faso as well as to the human resource constraints. In addition, we have the impression that effective TA has often been in the form of “on-the-job” support, where technical assistants have worked alongside government counterparts developing joint work outputs. Certainly, this was the case with TA support to the *CID* (the integrated financial management system) and to the support provided to programme budgeting since 2008.

3.3 EFFICIENCY AND COORDINATION OF REFORM OUTPUTS

EQ7 How efficiently were these outputs generated? Was the pacing and sequencing of reforms appropriate and cost-effective? Was the cost per output acceptable?

Overall, the implementation of the PFM reform programme seems to have been efficient, even if it is difficult to judge in a precise way the efficiency with which PFM reform outputs were generated. A more precise judgement would require a detailed comparison of outputs produced against outputs planned, examining their quantity, quality and timeliness, against both original and revised targets. Burkina Faso’s PFM reform programme has been regularly updated to adapt plans to the experience of implementation, which makes the recreation of a detailed schedule of revised output targets a complicated undertaking, especially given the breadth of the overall programme.

Nevertheless, there are some more specific observations that can be made on efficiency:

- Major reform outputs were delivered during the evaluation period, including significant IT developments, for a total cost of approximately US 70 million, which suggests a good level of efficiency in terms of unit costs, in comparison to the other case study countries, Ghana and Malawi.
- Most of the outputs explicitly programmed within the Government's PFM reform programme (PRGB & SRFP) were delivered and, for the most part, without excessive delays, with the major exception of work on the budgets-programmes/ CDMT sectoriels, where it is only recently that truly functional outputs have been delivered, after nearly ten years of work.
- Externally provided TA which was not explicitly linked to outputs defined in the reform programme (PRGB & SRFP) was considerably less efficient, for example:
 - Disbursement rates for the (mainly multi-sector) institutional support projects of the African Development Bank, France and the World Bank were low (See Table F.3 in Annex F.)
 - The Swiss TA project for tax reform, which was deliberately provided outside of the framework of the SRFP (due to different perceptions over the priorities for tax reform), has also had low disbursements since its initiation in 2009.
 - Over the evaluation period, the IMF financed 57 TA missions to provide support to tax reform, many of which seem not to have produced concrete results in terms of reform outputs or outcomes. (The bulk of these were staffed by the IMF Fiscal Affairs Department, but some were also undertaken by the IMF Afri-TAC for West Africa, whose other TA inputs were generally well regarded.)

The quality of pacing and sequencing of reforms has in general been good, with the gradual development and expansion of the integrated financial management information system (the CID and its related modules) being quite exemplary in this respect. The sequencing of work on the medium term expenditure framework and programme budgets was much poorer, involving the attempted introduction of programme budgets before there was an aggregate medium term fiscal framework in place, when many sector policy and strategy frameworks were unclear and when the processes for tracking performance during budget execution at the programme level were yet to be designed²⁴. However, on the positive side, the Government and its partners did learn from this experience and work undertaken in this area since 2008 has been much better structured.

The contribution of external partners to the overall efficiency of the programme has been mixed. On the one hand, donors have supported the coordinated approach to PFM reform promoted by the Government through the PRGB and SRFP; yet, on the other hand, where there were disagreements over the correct approach to tax reform, donors continued to

52 24 See the more detailed discussion above under Evaluation Question 5 on relevance.

pursue a more independent line, leading to significant inefficiencies in programme delivery. Similarly, external advice has been helpful to the effective implementation of the integrated financial management system, to procurement reforms and to the restructuring of the approach to programme budgeting since 2008; yet donors were in large part responsible for the poor pacing and sequencing of work on the medium term expenditure framework and programme budgets prior to 2008. In short, donors were largely responsible for the most egregious examples of inefficiency, even if they also contributed, through the structured monitoring of the programme, through Budget Support and project funding and through TA, to the generally positive overall performance.

3.4 EXTERNAL DRIVERS AND BLOCKERS OF CHANGE

EQ8 What have been the binding external constraints on the delivery of PFM reform: political, financing or policy factors? How has this varied across the different PFM reform components?

Political commitment has been at the heart of Burkina Faso's success in implementing its PFM reforms. This political commitment has been (i) consistent and long-standing, (ii) deep, and (iii) technically informed:

- i. Historically, good public financial management and governance have been clear priorities for the successive governments of Burkina Faso, since the 1980s. Within the evaluation period, governance has been one of the four pillars of the first Poverty Reduction Strategy Paper (*CSLP*) adopted in 2002 and has remained at the forefront of the Government's agenda. Both the PRGB and the SRFP were approved at Cabinet level (*Conseil des Ministres*), and the Government has dedicated high levels of financial and human resources to their implementation.
- ii. Political commitment has been deep, starting from the President, himself, (who has consistently shown his commitment to PFM reforms by his pronouncements, his appointments and his consistent support of successive Ministers of Finance) but also embracing successive Prime Ministers and Ministers of Finance, leaders of the major institutions of control (*Cour des Comptes, IGB, ASCE*), the senior management of MEF/ MFB and the technical staff of MEF/ MFB.
- iii. Political commitment has also been technically informed. At the civil service level, the ENAREF (*Ecole Nationale des Régies Financières*) has been in place for over 20 years, producing a regular outflow of high quality graduates in public accounting and financial management. At the political level, we may see from Table 6 the high quality of successive Ministers of Finance since 1991, all of whom had a strong previous experience in PFM and three of whom later became Prime Ministers.

Table 6 Ministers of Finance since 1991

1991–1992	M. Frédéric Korsaga: former Minister of Trade; former Minister of Plan and Cooperation; former Director General of the Caisse des Dépôts et Investissements; former minister of Transport, Environment and Tourism (1982–1983) Later became President of the Conseil Economique et Social; Ambassador to France; Commissioner at the WAEMU Commission and ADB Administrator. Currently economic advisor to the President
1992–1993	M. Roch Kaboré: former Director General of the Banque Internationale du Burkina (1984–1989) and Minister of Transport Later became Prime Minister (1994–1996); Special advisor to the President (1996–1997); President of the National Assembly (since 2002)
1993–1994	M. Ousmane Ouédraogo: former vice-Governor of the BCEAO
1994–1996	M. Zéphirin Diabre: former Member of Parliament Later became economic advisor to the President and Deputy Director General of UNDP (1998–2006)
1996–1997	M. Kadré Ouédraogo: former executive secretary at CDEAO (1985–1993); former Governor at BCEAO (1993–1996) Became Prime Minister (1996–2000); Ambassador in Brussels
1997–2001	M. Tertius Zongo: former Delegate Minister in Charge of Budget & Planning (1995–1997); former Director General of Cooperation (1992–1997); former Chief of Department of Multilateral Cooperation (1988–1992); former Director General at the Office of Cereals (1995–1998) Later became Ambassador to the US, and Prime Minister (2007–April 2011)
2002–2008	M. Jean-Baptiste Compaoré: former Delegate Minister for Finance & Budget (2000–2002); former General Secretary at the Office of the Prime Minister (1996–2000); former bank inspector at the WAEMU (1990–1995); former advisor at the cabinet of the Presidency (1995–1996); former executive at the BCEAO (1981–1990) Later became First Deputy Governor and currently interim Governor at the BCEAO
2008–to date	M. Lucien Bembamba: former Delegate Minister in charge of the Budget (2007–2008); former President of the National Public Debt Committee (2006); former Director General of Treasury and Public Accounting (1993–2007); former administrator of the BCEAO (1982–1993)

Source: <http://www.petiteacademie.gov.bf/>; <http://www.afdevinfo.com>

Interestingly, the commitment to PFM reform has not been very wide. Across the political spectrum, we have noted the very limited engagement of Deputies of the National Assembly with issues of PFM reform. Indeed, several of the CSO and government staff interviewed were of the view that the National Assembly, as a whole, were more likely to press for higher levels and more laxity in public spending than for tighter controls. Amongst the wider public, a high premium is placed on peace and stability, to which PFM reform may be seen to contribute, but overall there is a clear aversion to the payment of taxes, which has forced the Government to be cautious in widening the tax base.

Within Government, the PFM reform programme has in the past been criticised for its limited outreach to line ministries and decentralised/decentralised entities. The GBS evaluation stated in 2006 that:

Line ministries, provincial administrations and even the Ministry of Economy and Development and some Departments in MFB are more marginally involved in the reform process. Their awareness and understanding of the reforms is often limited and fragmented, which in turn prevents fuller support on their side. (Lanser et al, 2006)

Lanser et al clearly perceived the centralised control over PFM reform as a potential impediment to its success. De Renzio (2011) takes quite a different view:

Political leadership was made more effective by the degree of centralisation of both budget institutions and of the budget reform process. The Ministry of Finance has extensive powers over other ministries, allowing it to ensure reform compliance. In fact, the heads of the Finance & Administration Directorates in sector ministries are formally Ministry of Finance officials, and therefore accountable to the Ministry of Finance for reform implementation. The concentration of the coordination function for all budget reform initiatives in a technical secretariat (SP-PPF) attached to the Minister's office also gave the reform process more drive and credibility. (De Renzio, 2011)

Our sense is that the view of Lanser et al derives from a normative judgement over the desirability of decentralisation and participation and, perhaps, from a lack of appreciation of the aspects of PFM reform where wider consultation was undertaken. For example, the preparation of the PRGB and, more especially, the SRFP are both reported to have been highly consultative processes; the CID and its related IT applications has a formally constituted *group d'utilisateurs*, which gives regular feedback on the system to its managers in the DGSI. Nevertheless coordination and most implementation of PFM reform are without doubt centralised but we would agree with De Renzio that, within the particular context of Burkina Faso in the period up to 2011, centralisation has been a significant advantage. Nevertheless, the implementation of the WAE-MU directives will imply a decentralisation of budgetary authority (in keeping with a focus on reduced control over inputs and greater control of budgetary outputs and outcomes), and ownership of the PFM reform programme will need to be broadened, if its implementation is to continue to be efficient.

At the political level, the weakness of the opposition and the concentration of political power have again not required a broadening of ownership and commitment to reform. Yet, as political circumstances change over time, a wider commitment to PFM reform will be needed, if the same level of consistent support is to be sustained.

Where specific PFM reforms have stalled, political constraints have been the dominant factor. The resistance to the elimination of tax exemptions and to the immediate widening of the tax base has been the most clear-cut example of this, although as we have noted above, efficiency improvements have been consistently supported and, over time, political resistance to the widening of the tax base has diminished, as illustrated by the major tax reforms introduced in 2010. It is notable, however, that where and when there has been political resistance to tax reform, this has been immune to the external influence of donors or to the application of conditionality in the disbursement of Budget Support tranches.

Financial limitations have not been the binding constraints during the evaluation period. The PFM reform programme enjoyed significant funding both from external sources and through the national budget. Certain reforms – such as the development of integrated financial management systems, might potentially have proceeded faster with higher funding but it seems likely that they would quickly have run up against human resource capacity constraints. In general, the level of funding available appears to have been consistent with implementation capacity.

Policy space constraints have limited progress on the development of programme budgeting and on the simplification of budget execution procedures. In relation to programme budgeting, we have noted the significant errors of reform sequencing which hampered reform progress prior to 2008. In part, these mistakes were made because there was political pressure for the quick introduction of programme budgets, in part because of the lack of coordination over donor support for programme budgets and sectoral MTEFs. However, we would also judge that on the side of the donor agencies advising Government, there was insufficient knowledge and experience of programme budgeting in the context of a developing country with a francophone expenditure management system. As research on these issues has deepened and more experience has been gained, a better base for good quality advice has been developed but this was clearly not available to Burkina Faso in the earlier years of the evaluation period.

The simplification of budget execution procedures has remained off the PFM reform agenda until very recently, when documentary requirements have been simplified and certain expenditure controls eliminated – notably the *avis d'octroi des crédits* (within year advice on budget credit limits). Even now, there is a three-fold system of control – between the *ordonnateur* (or warrant holder), the *contrôleur financier* (the financial controller, who is an agent of MEF, although now in most cases located within the spending ministries) and the Treasury, who continue to demand a review of the full expenditure dossier, despite the fact that a payment order which has been “*ordonnance*” and approved by the *contrôleur* is already a legal liability for the State. From the perspective of those responsible for service delivery, these controls are a major handicap, which raise transaction costs and slow down expenditure execution unnecessarily. Why was their simplification never adopted as part of the PFM reform agenda? Our assumption is that both the internal stakeholders (at sectoral and central levels) and the external stakeholders amongst the PFM reform donors supporting reform must have considered such controls “normal” – an inevitable part of the budget execution process. It is only since there has been more sharing of PFM experiences between francophone and non-francophone systems and an increasing concern for expenditure outcomes – and therefore for more autonomy and responsibility for spending ministries, that the need for such controls has started to be questioned. The implementation of the UEMOA directives will require a reform of these controls but it is only in 2010 and 2011 that this has become part of the PFM reform agenda.

4 Outcomes and overall assessment

4.1 INTRODUCTION

This section looks at the relationship between reform outputs and intermediate outcomes. Analysis is based on existing diagnostics of PFM reform outcomes in Burkina Faso, notably the HIPC tracking exercises of 2001 and 2004, and the PEFA exercises of 2007 and 2010. Table G.3 in Annex G presents a full comparison of scores between each of these four assessments. Whilst the comparison is interesting and can be instructive in relation to specific issues, the differences in the methodologies are too substantial for such comparisons to provide a meaningful assessment of overall trends. Following the methodology proposed in the Inception Report, our assessment of outcomes is therefore based primarily on an evaluation of the significance of the scores provided by the two PEFA assessments of 2007 and 2010.

4.2 CHANGES IN PEFA SCORES

EQ9 What have been the intermediate outcomes of PFM reforms, in terms of changes in the quality of PFM systems?

Table G.2 in Annex G shows the details of all the PEFA scores both by dimension and sub-dimension for 2007 and 2010, following the standard PEFA scoring system. We note that between 2007 and 2010, there has been a significant improvement in Burkina Faso's PFM systems, with a total of 21 of the 69 sub-dimension scores for PFM outcomes and processes having improved, 45 remaining stable and only 3 deteriorating²⁵.

Table G.4 in Annex presents information from the same sources, limiting the analysis to the 64 sub-dimension scores included within PEFA indicators PI-5 to PI-28 and grouping these sub-dimension scores according to the six PFM clusters, developed in Andrews (2010). The same information is shown by cluster in Table 7 and in the accompanying spider diagram in Figure. 6 As may be seen, average scores improved in every cluster, except External Accountability²⁶.

25 The 5 sub-dimension scores for indicators D-1 to D-3, covering Donor practices, are thus excluded. 1 of these declined and 4 remained unchanged.

26 The PEFA scores are converted to cardinal values by assigning a value of 4 to an A score, 3 to a B score, 2 to a C score and 1 to a D score. "No scores" would not be included in the calculation, although in the case of Burkina Faso, all sub-dimensions were scored in each of the two years. Indicators PI-1 to PI-4 are excluded from the analysis because they measure the quality of budget out-turns, rather than the quality of the system itself. (See Andrews, 2010.)

Figure 7 overleaf shows progress in comparative perspective. For each of the 6 PFM clusters, it plots the 2007 and 2010 PEFA scores for Burkina Faso against a box plot of the minimum value, first quartile, median, third quartile and maximum value scores for the 100 PEFA assessed countries in the De Renzio et al sample (2010) used for the quantitative study. There was improvement in 5 of 6 clusters, with four of the cluster scores already above the median value in 2007 and showing further improvement, one – resource management – moving from below to above the median value over the period and one – external accountability – remaining near the median value.

Table 7 Burkina Faso: Average PEFA Scores by Cluster, 2007 and 2010

PEFA Scores by Cluster (64 Indicators)	Burkina Faso	
	2007	2010
Strategic Budgeting	2.75	3.25
Budget Preparation	3.26	3.40
Resource Management (Inflows, Outflows, Procurement & Payroll)	2.33	2.78
Internal Control, Audit and Monitoring	2.22	3.22
Accounting and Reporting	3.00	3.13
External Accountability	2.33	2.00

Figure 6 Spider Diagram of PEFA Scores, 2007 & 2010

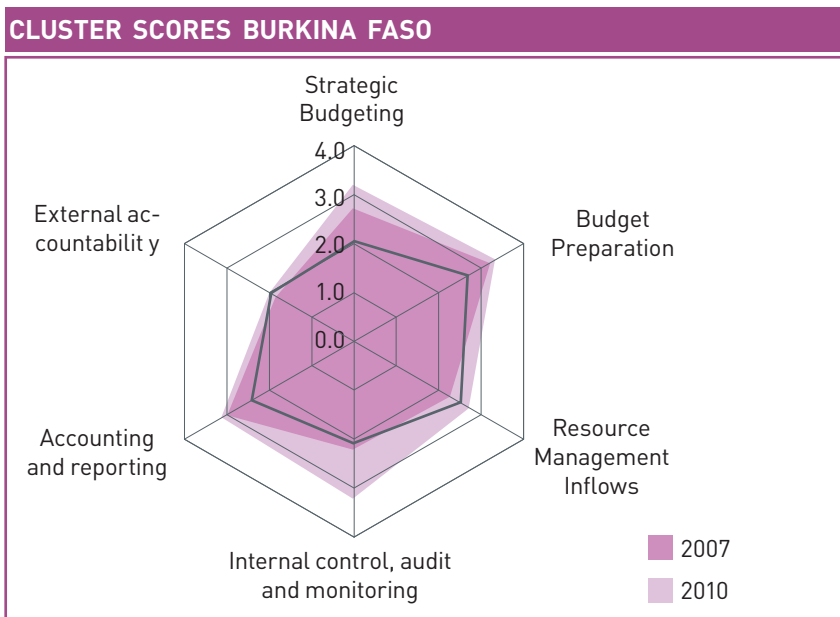
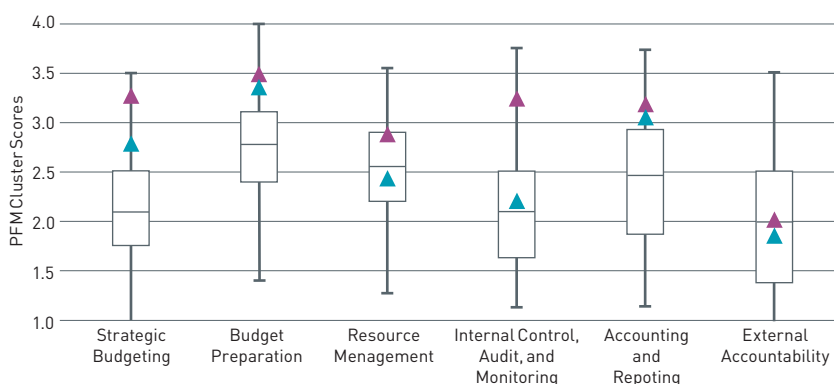


Figure 7 Burkina Faso PEFA Scores 2007 & 2010, compared to median score for 100 countries



Sources: GoBF 2007c) and 2010 a); De Renzio et al 2010.

Figure 7 shows the notable improvements achieved between the two PEFA assessments of 2007 and 2010 but it also clearly demonstrates that in 2007 Burkina Faso already had relatively strong PFM systems in comparison with other middle and low income countries. This was in large part the consequence of the PFM reforms introduced in the early years of the evaluation period, notably the introduction of a Medium Term Fiscal Framework (*CDMT Global*) in 2000, which improved the capability for strategic budgeting, the adoption of the WAEMU directives on budget classification in 2004 (improving budget preparation) and the steady improvement of control, accounting and reporting systems through the progressive development of the integrated financial management system (CID and the related modules).

4.3 RELEVANCE OF PFM IMPROVEMENTS TO SERVICE DELIVERY, ESPECIALLY FOR WOMEN

EQ 10 To what extent are the outcomes generated relevant to improvements in the quality of service delivery, particularly for women and vulnerable groups?

The relevance of PFM improvements to service delivery, in particular for women and vulnerable groups, is assessed by considering a number of PEFA indicators, which are likely to be of special relevance for improving service delivery and tracking its effects on women and vulnerable groups. A summary of this analysis is presented in Table 8 below.

In the absence of improved public access to information, the overall relevance of PFM reforms to women and vulnerable groups has been modest. In order to identify whether expenditure programmes of specific importance to women and vulnerable groups are receiving adequate allocations, two conditions must be fulfilled. Firstly, budget clas-

sification systems must permit a distinction between different spending programmes or sub-functions, and ideally should include corresponding performance targets. Secondly, the budget and expenditure reports, which employ these classifications, must be made available to the public. In Burkina Faso, the first condition has been largely fulfilled but not the second. Thus, the impact of improved classification systems and improved reporting has been mitigated by the relatively poor access of the public to information on public spending. Nevertheless, commitments have been made to make improvements in this area. If these commitments are respected, the planned introduction of programme budget classifiers over 2012 and 2013 will make a major difference to the ability to analyse spending on programmes relevant to key areas of service delivery for women and vulnerable groups.

Table 8 Assessment of Relevance of Outcomes to Service Delivery, especially for Women & Vulnerable Groups

Relevant PEFA indicators	Question to address	Conclusions
PI-5	Does the classification of the Budget permit protection or prioritisation of specific functions or programmes?	The budget classification system was already strong in 2007 due to the introduction of a functional classification, in addition to the normal administrative and economic classifications, and the existence of codes to track spending on poverty reduction. Improvements in each of these areas continued up to 2010, which would clearly have been helpful in prioritising spending. There are plans to introduce programmatic classifiers in the near future, which would make a more significant difference to the ability to protect and prioritise spending on women and vulnerable groups.
PI-6	Does the information presented in Budget Documentation include performance data or targets for priority programmes?	The information included in Budget Documentation is up to the highest international standards, in terms of the quality of presentation of the budget framework and the clarity with which expenditure estimates are presented. However, neither performance data nor performance targets for priority programmes are currently included.
PI-10 and PI-24 & 25	Does the quality of in-year reports and final accounts (PI-24 & 25) and the access of the public to this information (PI-10) permit analysis and discussion of spending and performance for priority programmes?	The quality of in-year budget execution reports was already high in 2007 (B+) and improved up to 2010 (A). Similarly, the timeliness and quality of final accounts were good (B+) in 2007 and remained so up to 2010 (B+). Unfortunately, public access to this type of information remains relatively poor (C), meaning that public discussion of the performance of poverty-reducing areas of spending is quite limited.
PI-16	Is the predictability of funds for commitment of expenditure improving?	The predictability of funds for commitment of expenditures improved significantly over the period (from D+ to B+), with the introduction of a formalised mid-year review in 2009, and with the MEF's commitment to attempt to limit budget virements and restructuring to the period of the mid-year review only.
PI-23	Is the quality of information on resources received by service delivery units improving?	Since the annual surveys on use of resources at primary school and health centre levels were discontinued (due to their cost and the difficulties in their interpretation), the quality of information at the central level on information received by service delivery units has been poor (D).

Source: GoBF 2007 c) and 2010 a).

4.4 THE EFFECTIVENESS OF PFM REFORMS: FROM INPUTS TO INTERMEDIATE OUTCOMES

EQ 11 Have reform efforts been effective? If not, why not? If yes, to what extent have PFM reform outputs been a causal factor in the changes identified in intermediate outcomes?

Burkina Faso’s PFM reform programme has been successful in generating improvements in most key aspects of public finance management. The PEFA assessments of 2007 and 2010 (illustrated in Figures 6 & 7 above) attest to the significant improvements in PFM systems achieved over the course of the evaluation period. Taking the period as a whole, the areas where the highest PEFA scores were achieved were in strategic budgeting, budget preparation, internal control and accounting and reporting. Resource management is the area, which saw the largest improvement over the 2007 to 2010 period, as a consequence of the introduction of long delayed tax reforms, as well as improvements in debt and cash management and procurement systems. Overall, these five PFM “clusters” are the ones, where PFM reforms have advanced fastest.

By contrast, the quality of external scrutiny and audit has remained largely unchanged, showing a modest decline between the 2007 and 2010 PEFA assessments. Although external audit has been an area of attention, following the creation of the *Cour des Comptes* in 2002, it has not been an area of high reform spending, in large part because the difficulties of recruiting adequately qualified auditors and lawyers for the CdC have placed a capacity limit on the pace of growth of the organisation and, by implication, on the level of training and capacity building assistance which could be effectively provided. Legislative scrutiny, which is the other key aspect of this “cluster,” has not been a major focus of attention of PFM reforms, and is one of only two areas (the other being the timeliness of budget support disbursements), where PEFA scores deteriorated between 2007 and 2010.

Therefore, **the pattern of improvements in intermediate outcomes closely matches the pattern of production of PFM reform outputs**, both in terms of the clusters where efforts were focused, and the timing of improvements, for example in resource management. On the positive side, this suggests that PFM reforms have been effective. On the more negative side, it suggests that there is limited impetus for PFM improvements from sources outside of the formal PFM reform programme. For example, the quality of public access to fiscal information, which could potentially have been improved in response to public pressure for more information, has shown no change at all between 2007 and 2010, as measured by the PEFA assessments. Similarly, the timeliness and the thoroughness of the Legislature’s examination of the report of the *Cour des Comptes* on the *Loi de Règlement* (final accounts) have actually deteriorated. Thus, in Burkina Faso the Executive has been able to direct a well-structured and effective programme of PFM

reforms, and to attract external funding in support of this programme, but other actors – notably civil society and the Legislature – are yet to engage effectively with the aspects of the PFM reform agenda, where their influence might be expected to be significant.

External project funding of the PFM reform programme has clearly facilitated progress but was not essential to its success.

There has been a strong political and technical commitment to the PFM reform programme and it seems likely that National Budget funding (including Budget Support financing) would have been identified to finance key reform components in the absence of external project funding. External advice provided through technical assistance and through dialogue processes has probably been of greater importance than external project funding per se.

EQ 12 To what extent do the gains identified at the Intermediate Outcome levels appear sustainable? Is the process of PFM reform sustainable?

There is little doubt that in the short to medium term the improvements attained in PFM outcomes over the last ten years are likely to be sustained.

There is a strong commitment to these reforms at the political and technical levels. There is a strong coordinating body (SP-PPF) to continue to lead the reform process. Technical capacities within Government to manage and further develop these reforms are relatively strong, and the prospects of obtaining a continued mix of government and donor funding for further reforms seem good. Moreover, reforms have already achieved a high level of functionality across most of the key areas of intervention, so even without additional reform funding, it should be possible to sustain the majority of the gains of past reforms.

In the medium to long term, the need to move away from a centralised model of management and implementation of reforms will present a challenge. There are three principal dimensions to this problem:

- In terms of the political leadership of PFM reform, with the President now in his final term of office²⁷, preparations need to be made for a new leader, who may not be so committed to PFM reform as the current President, nor so supportive of his/her Minister of Finance. A widening of the engagement with PFM reform is required both within the ruling party and across the political spectrum as a whole, so that the commitment to good public finance management is broadened from a Government commitment to a National commitment.
- Secondly, in terms of the wider concerns of society, it is clear that the responsibility for good public finance management needs to be broadened, so that it is not only the concern of the Executive Government. An Executive committed to efficient and effective management of public finances –

²⁷ President Blaise Compaoré was elected in November 2010 to take up his second 5-year term of office, since the Constitutional restriction of 2 terms was introduced. He therefore cannot stand again in 2015, without a Constitutional amendment.

as the current Executive has been – is always desirable and will usually help to ensure effective PFM reforms. But for good PFM systems to be sustained in the long term, they also require transparency and accountability. This requires that the Legislature should use the fiscal reports which it receives – notably the *projet de la Loi du Budget* (the draft Budget) and the *Loi de Règlement* to promote debate and hold Government to account. It also requires that Civil Society should demand that fiscal and budgetary information be made public and should promote public debate on the use of national resources. Neither of these actors is currently playing its role effectively.

- Finally, within the public service, it is also necessary to broaden the leadership of the PFM reform process. As the Burkinabé systems of public finance have matured, they have involved a higher level of decentralisation of authority for spending to sector ministries. With the introduction of the WAEMU directives, this process will be accelerated, with the authority to authorise expenditure (the power of ‘*ordonnancement*’) being decentralised to sector Ministers and in turn to Programme Managers within sector ministries. Not only will this require a wider training and capacity-building process, but also a more complex process for coordination of PFM reforms. The SP-PPF will need to prepare itself for this process.

5 Conclusions and Wider Lessons

This evaluation looked at two main questions: (i) where and why do PFM reforms deliver results and (ii) where and how does donor support to PFM reform efforts contribute most effectively to results? Our key findings are incorporated in the Executive Summary and in the accompanying Summary Table 1. The corresponding lessons for Governments and Development Partners are presented below.

5.1 KEY FINDINGS

In summary, the findings show that between 2001 and 2011, Burkina Faso has been successful in delivering results from its PFM reforms. Major improvements have been attained across all areas of the PFM system, with the one exception of external scrutiny and audit, although even here some progress has been made over the ten year period, including notably the creation of a functional and independent Court of Accounts, consistent with the requirements of the WAEMU directives. The 2009 Public Expenditure Review assessed that: “Burkina Faso is a leader in PFM in Africa” (World Bank 2009). Along with Mauritius, it is the only Francophone SSA country, which has a CPIA score above 2.5, whilst also having PEFA scores, which place it in the top quartile for the continent.

Three factors have been crucial to the success of Burkina Faso’s PFM reforms:

- A clear and sustained political commitment to the PFM reform process;
- A strong framework for driving the implementation of reforms and for their technical coordination and
- A structured framework for channelling donor support to the programme, monitoring progress and managing dialogue with external and domestic stakeholders.

These factors, in turn, created a learning framework, in which it has been possible to adapt reforms to capacity constraints (most notably with the integrated financial management system, which benefited from an active “*group d’utilisateurs*”) and to political constraints (particularly in the case of tax reform.) This has also, to a degree, made it possible to correct for initial mistakes in the pacing and sequencing of reforms. In some cases, such as with regard to programme budgeting/ MTEFs, the learning process has been slow but, nevertheless, adaptations have been made and the recently created manuals for formulating and monitoring programme budgets (2011) do seem to provide a feasible approach to the institutionalisation of these reforms.

Two underlying factors are also relevant in explaining the success of Burkina Faso’s reforms. Firstly, the technical and managerial capacity of the

public servants involved in PFM functions is substantially higher than the average for Sub-Saharan Africa. This is in part because the PFM reform programme itself has placed a premium on training and capacity building, but probably more significantly because the ENAREF (*Ecole Nationale des Régies Financières*) has been in place for over 20 years, producing a regular outflow of high quality graduates in public accounting and financial management, and because the public service as a whole is disciplined and well organised.

The second contextual factor, which has been of considerable importance, has been the degree of centralisation of political power, of budget institutions as a whole and of the budget reform process itself. The fact that the President leads the main political party, which also enjoys a substantial majority in the National Assembly, has meant that the sorts of political compromises, which would be necessary in many neighbouring countries (as well in the other case study countries, Ghana and Malawi) have not generally been necessary in Burkina Faso. This has allowed the Government to pursue a consistent and coherent approach to the implementation of PFM reforms. In addition, throughout the evaluation period, the Ministry of Finance has enjoyed extensive powers over other ministries, giving it more authority to ensure reform compliance. Finally, the concentration of the coordination function for all budget reform initiatives within the SP-PPF attached to the Minister's office has also lent authority to the reform process.

As we have noted in our discussion of sustainability, the centralisation of authority has been an advantage within the context of the specific objectives of reform pursued over the past 10–15 years²⁸. Yet, as objectives evolve – in particular to start to address aspects of results-based management and to consider questions related to the speed and efficiency of public spending, some decentralisation of budgetary authority will be necessary. Indeed, it is called for in the most recent WAEMU directives. In order to support this decentralisation, the SP-PPF will need to develop a stronger “out-reach” function and a more decentralised mode of operation. Similarly, at the political level, as the next Presidential elections approach, those currently leading PFM reforms – in particular the Minister of Finance and his team – will need to find ways of spreading knowledge of the reform process and of winning a wider base of political support.

5.2 LESSONS FOR GOVERNMENTS MANAGING PFM REFORMS

Burkina Faso provides a good case study of successful reform. Lessons emerge which are likely to be universally applicable to Developing Countries managing PFM reforms. We highlight five in particular:

28 De Renzio (2011) presents centralization as an inherent advantage for the successful implementation of PFM reforms. Whilst we strongly agree that it has been so in Burkina Faso over the past 10–15 years, we do not agree that it would always be an advantage. Certain types of reforms demand less hierarchical and more decentralized forms of working – particularly within a framework of results-based management.

- **Firstly, it is essential to ensure clear and coherent support for PFM reform within the Executive and, over time to broaden support across the political spectrum.** The motivation for PFM reform is fundamentally political – that is, to increase the efficiency and effectiveness of public spending and, by implication, to pursue more effectively the development goals established for the national budget. It is a common mistake to perceive PFM reforms as purely “technical” measures and this perception needs to be corrected so that there is wide political support for reform. In the first instance, this must start within the Executive, with the Minister of Finance and his/ her team working closely with the President and/ or Prime Minister to promote reforms, and then widening the scope of consultations to include the Cabinet (*Conseil des Ministres*) and other members of the ruling party. In time, it should also be an objective to sensitise opposition members to the need for PFM reforms, so as to ensure continuity in the event of a change of Government.
- **Secondly, serious attention needs to be given to the design and staffing of the structures established to coordinate and manage PFM reforms.** It is important that those responsible for coordinating reforms should have both technical competence and authority. The Burkina Faso model of a technical secretariat reporting directly to the Minister of Finance is a good one. Such a model would normally work better than a secretariat attached to the Presidency or to the Prime Minister’s Office, whose legitimacy would commonly be brought into question by the senior officials of the Ministry of Finance. Another key feature of Burkina’s model is that authority for implementation was retained at the level of the relevant competent authority (the President of the Court of Audit, the Directors General of Tax, Customs, Treasury, the Budget, etc.) This helped to avoid any doubts over the responsibility for implementation and ensured the SP-PPF was not over-burdened with both implementation and coordinating/monitoring responsibilities.
- **Thirdly, those responsible for coordinating PFM reforms should exert firm control over external support to PFM and over dialogue and negotiations with Budget Support donors, related to PFM reform.** An important feature of the Burkina model has been the unification of responsibilities for attracting and managing external support to PFM reform with those for coordinating implementation by the departments and institutions of Government. This has helped to ensure a strong alignment of external support to domestic priorities. It should be stated that, in managing such a model, Government staff need to be prepared to be assertive in imposing Government priorities and ensuring that they are respected. In the case of Burkina, this process was facilitated by the proximity of the SP-PPF to the Minister of Finance and by the Secretariat’s understanding both of domestic political priorities and of the concerns of Development Agencies. It was also facilitated by the significant numbers of national professional staff working for the Development Agencies, which helped to ensure a good understanding of local issues and processes and high degree of continuity in staffing.
- **The structures established for monitoring PFM reform should also promote the practise of learning from experience and adapting implementation plans accordingly.** PFM reform is inevitably com-

plex and initial plans are likely to need adaptation and adjustment. If implementation of reform is to be efficient, the monitoring process must identify reform bottle-necks quickly and take speedy corrective measures. By and large, these learning processes worked well in Burkina Faso but where they did not – such as with regard to programme budgeting – the costs in lost time and effort were substantial.

- **Finally, the regular training of PFM staff needs to be a consistent priority.** The most important aspect of this is to ensure a consistent output of people with core skills in auditing, accounting, economics, procurement and financial management. In many developing countries, the related training bodies have deteriorated over time and commonly fail to produce graduates of a sufficient number and quality. In such cases, investment needs to be made to re-establish PFM training institutions of adequate quality, and to ensure their recurrent funding over time. Burkina Faso has not fallen into this common trap and through the ENAREF continues to have a source of well qualified financial managers. It is important for Burkina Faso to preserve and raise the standards of the ENAREF and for other countries to find ways of emulating this model.

5.3 LESSONS FOR DEVELOPMENT AGENCIES SUPPORTING PFM REFORMS

A secondary objective of the evaluation was to identify where, when and how external support for PFM reform could be most effective. Overall, external support to Burkina's PFM reforms was both efficient and effective, but not always. Elimination of the type of mistakes made in Burkina over the past ten years would make future external support to PFM reform more effective, both in Burkina and more widely. Four key lessons emerge for donors:

- **Align support as closely as possible to the Government programme and avoid pursuing independent initiatives.** In Burkina Faso, externally financed support to PFM reform was most efficient and effective, when it directly financed, or supported through technical assistance, actions and interventions identified explicitly within the Government PFM reform programme. The least efficient interventions were those, which supported actions fully outside of the programme or only tangentially related to it (such as actions on tax reform not supported by Government), and those interventions (such as loosely defined institutional support programmes), without explicitly defined outputs and outcomes. Thus, technical assistance and institutional support should focus on specific outputs to which there is a shared commitment, and should be combined with Budget Support, where appropriate.
- **Ensure that advice is up to date and informed by the experience within country, within the region and by wider international experience.** External support can play a very useful role in bringing to bear new and more widely informed perspectives on PFM problems, with which the Government is struggling. By opening "policy space" in this way, it can help to resolve problems but when external advice is not well informed and simply reflects the prevailing "conventional wisdom", it serves to close policy

space and to perpetuate existing problems. External agencies have a duty to ensure their advice is right, wherever possible, and, where this is not immediately possible, to ensure that they stick at the task, working jointly with Government and learning from initial mistakes until an adequate solution is found. In Burkina Faso, the Government was not well served by the advice it received on programme budgets and sectoral MTEFs over 1998 to 2008. The initial problem was that the sequencing of reform actions was not well identified but thereafter poor advice was perpetuated because support was provided in a piece-meal way, with different external agencies attempting to address different aspects of the same problem independently or attempting to provide different solutions to the same problem simultaneously. The provision of external advice brings with it duties and responsibilities, which must be fully embraced.

- **Ensure that aid policy and practise works in favour of the PFM system and not against it.** Aid dependent countries face the perpetual problem of having to adapt their domestic PFM systems to the requirements of their external aid partners. Where aid partners use their own project management and financial management arrangements, working through NGOs or private contractors and remaining fully outside of country systems, an information problem may easily arise where lack of knowledge of the external intervention leads to duplication with government functions or incoherent spending decisions. These information problems can be serious but in Burkina Faso – and elsewhere – more significant problems have been created by aid mechanisms making partial use of government systems, or adopting special disbursement criteria for the use of the Government budget. Three particular problems arose, which undermined the good management of public finances in Burkina Faso, and which are common problems in aid dependent countries:
 - *The late disbursement of budget support tranches scheduled in the treasury/ cashflow plan for the 1st or 2nd quarter:* The purpose of cash-flow planning is to minimise domestic borrowing requirements for liquidity purposes. When large-scale disbursements such as budget support are made late, the cash-flow plan is significantly undermined and it becomes necessary either to undertake unplanned borrowing or to delay planned expenditures. In both cases the financial and economic costs are high. Over the last four years, this has unfortunately been a frequent occurrence with budget support to Burkina Faso.
 - *The imposition of special disbursement conditions or special reporting requirements for “basket funds” or “trust funds” managed through the national budget process:* Between 2000 and 2003 Burkina Faso was required to manage “HIPC resources”²⁹ through a separate account, following a special budget procedure (outside of the *Circuit Intégré de la Dépense*) and accounting for the funds separately. This special procedure (to demonstrate the additionality of HIPC resources) slowed down expenditure, complicated the monitoring of poverty-reducing expenditure, and reduced the coherence of expenditure

29 “HIPC resources” in this context refers to the annual savings in external debt servicing generated by HIPC debt relief.

allocation decisions. From 2003 onward, HIPC resources were integrated into the mainstream budgeting and expenditure process but a similar arrangement was later introduced for the education sector's SWAp basket, which is required to be managed through a separate special account (*Compte d'Affectation Spéciale du Trésor – CAST*). Difficulties have emerged because of the late release of donor resources into the CAST, which has meant that activities budgeted under the CAST have been subject to repeated delays.

- *The opening of special project accounts outside of the Single Treasury Account:* The development of a Single Treasury Account is a major objective of the Government's PFM Reform programme, which is actively supported by the Government's Development Partners. Unfortunately, the majority of the bank accounts, which remain unclosed and operate outside of the STA arrangement are accounts opened for externally financed projects. The existence of these accounts firstly increases the costs of financing government spending – because it can generate large idle balances sitting in these project accounts, which are not available to the Treasury to meet short-term liquidity requirements. Secondly, it also creates a control problem because the rules for the operation of these accounts are often not made clear to the Treasury or to the government institutions responsible for internal and external control and, because such accounts frequently stay open after the closure of the corresponding projects, creating a potential avenue for misuse of government funds.

- **Respect the Executive, but work with multiple actors where appropriate, including Civil Society, the Legislature and relevant regional bodies.** The final lesson from Burkina Faso concerns the domestic partners, with whom Development Agencies should work in supporting PFM reform. In the vast majority of cases, the main partner will be the Executive, because most PFM reforms depend upon the decisions and actions of the Executive. In Burkina Faso, much has been achieved by external agencies working closely with the Executive and the primacy of this relationship within the PFM reform process should not be forgotten. At the same time, the Executive is not the only actor in PFM reform. The Legislature plays a major role in approving the budget, monitoring its use and reviewing final audit reports. In Burkina Faso, the Legislature is not very effective in these roles and would probably have benefitted from external institutional support to help strengthen its effectiveness. Similarly, Civil Society Organisations working on budgetary and public expenditure issues have not received very much external support or encouragement. Development Agencies can support such bodies both directly and indirectly, by putting pressure on governments to improve ease of access to fiscal and budgetary information by civil society. One partner who has received more institutional support from Development Agencies is WAEMU, and as we have noted, WAEMU has played a very positive role both within Burkina Faso and in the region as a whole, in promoting effective public finance management. The relevance of such regional institutions to PFM reform should not be forgotten.

Annex A: Evaluation Questions & Judgement Criteria

Level of Analysis	Evaluation Question	Judgement criteria/ Possible indicators
Inputs & Context: the design of PFM reform	EQ 1 What has been the nature and scale of PFM reform inputs provided by Government and Donors?	<ul style="list-style-type: none"> i. Government funds for PFM reforms committed and actually disbursed by year over the evaluation period ii. Donor funds for PFM reforms committed and actually disbursed by year over the evaluation period iii. Nature of support provided to PFM reform efforts (equipment, training, TA, diagnostic work.) iv. Focal areas for reforms by function (based on PFM “clusters” as in Andrews 2010) v. Focal areas for reforms by organisational location/ level of government (Ministry of Finance, Sector ministries, Local Governments, Parliament, CSOs, etc.)
	EQ 2 What type of structures have been used for the design and management of these reform inputs? Have these structures served to provide a coordinated and harmonised delivery framework?	<ul style="list-style-type: none"> i. Structure of design team and related consultation process: Balance of inputs by Donors/ Govt/Consultants; Extent of input/ consultation with end users of PFM system (Sector ministries, LGs and service institutions). ii. Management & co-ordination structure for PFM reforms (Ad hoc Project Units vs. Normal management structures; Govt-controlled vs. Shared Donor-Govt management; Use of consultants for managerial or purely advisory roles) iii. Arrangements for monitoring & evaluation. iv. Level of harmonisation and alignment of different donor contributions
	EQ 3 What types of complementary actions have Donors taken to support PFM reforms and what has been their significance? Have they had any influence on the external constraints to reform?	<ul style="list-style-type: none"> i. Use of country systems: extent to which external aid is ‘on plan’, ‘on budget’ and ‘on treasury’? ii. Ranking of donor efforts to support national systems as expressed in Paris Declaration monitoring reports and PEFA indicators D2 and D3. iii. Scale and evolution over the evaluation period of aid flows provided as GBS, SBS or debt relief and relative contribution to reduction of treasury management costs and to discretionary resources available to Government, (including effect on financing constraints for PFM reform outputs). iv. Nature and evolution over time of dialogue on PFM within GBS/PRSC, SBS structures or similar donor-govt fora, including use of PFM reform conditions in GBS/ SBS disbursement conditions. v. Influence of dialogue on the “political” and “policy space” constraints restricting choice of PFM reform outputs. (Consistency of actual changes with PFM reform triggers and/ or points of emphasis in GBS/ PRSC dialogue)

Level of Analysis	Evaluation Question	Judgement criteria/ Possible indicators
Inputs & Context: the design of PFM reform		<ul style="list-style-type: none"> vi. Consideration of counter-factual: <ul style="list-style-type: none"> ✓ Outputs: would PFM reforms have evolved differently in absence of GBS and related policy dialogue structures? ✓ Outcomes: Would intermediate outcomes have been different if use of country systems had been lower?
	<p>EQ 4 To what extent has there been domestic public pressure or regional institutional pressure in support of PFM reform and what has been the influence on the external constraints to reform?</p>	<ul style="list-style-type: none"> i. Nature of engagement with PFM reform issues within civil society, academia and the media. ii. Extent of participation of CSOs in policy dialogue on PFM reform. iii. Presence/ absence of specific research and advocacy by CSOs on PFM reform issues. iv. Relevance of PFM issues to political outcomes: <ul style="list-style-type: none"> ✓ Discussion of PFM issues within election campaigns ✓ Discussion of service delivery issues related to PFM in election campaigns ✓ Voter concerns during elections (from Afro Barometer and other relevant publications) v. Existence of regional or international bodies (eg. WAEMU, EITI) promoting specific norms on PFM issues, and their relative influence on domestic political discourse. vi. Evolution in the quality of public/ CSO engagement with PFM issues over time and its influence on PFM reform outputs. vii. Consideration of counter-factual: would PFM reform outputs have evolved differently in absence of domestic public pressure or pressure from regional/ international institutions?
	<p>EQ 5 How relevant was the PFM reform programme to the needs and the institutional context? Was donor support consistent with national priorities? To what extent were adaptations made in response to the context and the changing national priorities?</p>	<ul style="list-style-type: none"> i. Scale and focus of support in relation to identified PFM weaknesses at start and during implementation of reforms (including weaknesses in HR endowments, quality of institutions & rules, quality of systems & business processes, and quality of organisations). ii. Consistency of donor-funded support with Government PFM reform efforts, with ongoing public administration reforms and overall Govt policies. iii. Extent to which scope and focus of support were adapted to the context, especially to the level of ownership and the capacity for reform implementation. iv. Consistency & coherence with wider Donor policies in country v. Consistency with the Paris Declaration objectives as regards ownership, harmonisation and alignment. vi. Flexibility in design of support and existence of adequate feed-back/ learning mechanisms in order to adapt the design and implementation of support to changing needs.

Level of Analysis	Evaluation Question	Judgement criteria/ Possible indicators
Outputs: the delivery of PFM reforms	<p>EQ 6 What have been the outputs of the PFM reform process and to what extent has direct donor support contributed to these outputs?</p>	<ul style="list-style-type: none"> i. Documentation of outputs : <ul style="list-style-type: none"> ✓ by PFM function (according to PFM clusters in Andrews 2010) and ✓ by type of output (People & Skills; Laws & Rules; Systems & Business processes; Organisational changes) ii. Matching of outputs to PFM reform inputs, differentiating if possible Government & Donor inputs. iii. Analysis of chronology of events to determine causal links between donor support to reform and observed changes at output level. iv. Consideration of counterfactual: would these outputs have been generated in absence of donor support to PFM reform?
	<p>EQ 7 How efficiently were these outputs generated? Was the pacing and sequencing of reforms appropriate and cost-effective? Was the cost per output acceptable?</p>	<ul style="list-style-type: none"> i. Consistency of outputs produced with planned programme (quantity and timing) ii. Extent of coordination between outputs iii. Quality of pacing and sequencing of output production: <ul style="list-style-type: none"> ✓ internally coherent/ efficient? ✓ Consistent with capacity endowments? ✓ Appropriate to degree of ownership/ nature of political & admin support for reform? iv. Relative cost of outputs in relation to budgeted costs. v. Influence of external support to PFM reform upon pacing and sequencing. vi. Counterfactual: would pacing & sequencing of outputs have been different in absence of external PFM support?
	<p>EQ 8 What have been the binding external constraints on the delivery of PFM reform: political, financing or policy factors? How has this varied across the different PFM reform components?</p>	<ul style="list-style-type: none"> i. Degree of ownership of reforms at the administrative and political levels (narrow vs. broad; depth of commitment to reform and motivations for this commitment). ii. Quality of interaction between administrative and political cadres. iii. Extent and nature of political accountability (within ruling party, vis-a-vis Legislature, vis-a-vis Electorate & Civil Society) and extent to which this is patronage or performance-based. iv. Economic context and its influence on financing of PFM reform: per capita GDP and % growth in evaluation period, significance of domestic revenue, significance of aid, level of total and discretionary public spending; absence/ presence of macro crises. v. Has timeliness of funding been an issue? vi. Nature of “conventional wisdom” on PFM reforms: does prevailing thinking exclude certain reform options? vii. Has policy discussion on PFM reform been open in terms of range of participants and range of ideas? viii. Overall, what have been the binding constraints on the PFM production possibility frontier? ix. How has this varied between different reform components?

EF Level	Evaluation Questions	Judgement criteria/ Possible indicators
Outcomes & overall assessment of PFM reform and of donor support to PFM reform	EQ 9 What have been the intermediate outcomes of PFM reforms, in terms of changes in the quality of PFM systems?	<ul style="list-style-type: none"> i. Changes in performance of PFM system over period as measured by HIPC AAP indicators and PEFA indicators. ii. Nature of PFM system changes identified: <ul style="list-style-type: none"> ✓ By PFM function (according to PFM cluster) ✓ By nature of change (Upstream, De jure, Concentrated vs. Downstream, De facto, Deconcentrated).
	EQ 10 To what extent are the outcomes generated relevant to improvements in the quality of service delivery, particularly for women and vulnerable groups?	<ul style="list-style-type: none"> i. Changes in quality of PFM system directly relevant to service delivery, especially for women & vulnerable groups: <ul style="list-style-type: none"> ✓ Classification of the budget (PI-5): does this permit protection/ prioritisation of specific functions or programmes? ✓ Information in Budget documentation (PI-6): does this include performance data or targets for priority programmes? ✓ Does the quality of in-year reports and final accounts (PI-24 & 25) and the access of the public (PI-10) permit analysis and discussion of spending & performance for priority programmes? ✓ Is the predictability of funds for commitment of expenditure (PI-16) improving? ✓ Is the quality of information on resources received by service delivery units (PI-23) improving? ii. Extent to which improvements may be attributed to the PFM reform programme, and particularly to external support? iii. Consider the counterfactual: would these changes have happened in the absence of the reform programme/ the externally supported component of the reform programme?
	EQ 11 Have reform efforts been effective ? If not, why not? If yes, to what extent PFM reform outputs been a causal factor in the changes identified in intermediate outcomes?	<ul style="list-style-type: none"> i. Causes of changes, specifically contribution of identified PFM reform outputs. ii. Consistency of actual changes with objectives and outcome targets of PFM reform programme. iii. Extent to which external constraints (political, financial, policy) have undermined effectiveness of PFM reform. iv. Consider counterfactual: what change could have been expected at Intermediate Outcome level in absence of PFM reform as a whole, and in absence of external support to PFM reform?
	EQ 12 To what extent do the gains identified at the Intermediate Outcome levels appear sustainable ? Is the process of PFM reform sustainable?	<ul style="list-style-type: none"> i. Recent trends in Outcomes: do these suggest past gains will be sustained? ii. Is there a commitment (at political and administrative levels) to continue PFM reforms? iii. Are there organisational structures in place (on supply & demand sides) to sustain PFM reforms? iv. Is there the financial and technical capacity within Government to sustain PFM reform in the absence of external support? v. If not, is there a framework in place for continuing external support while building local capacity?

Annex B: Fiscal Tables

Table B.1 Consolidated operations of the central government

% of GDP	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (est)
Total revenue and grants	24,9	22,7	17,8	19,1	15,2	17,1	16,8	17,8	20,0	17,1	19,4	22
Revenue			10,9	11,4	12,1	12,8	12,3	12,3	13,5	13,1	13,5	15,6
Tax revenue	14,5	13,0	10,2	10,6	10,8	11,8	11,4	11,3	12,5	12,1	12,4	13,0
Non-tax revenue			0,7	0,8	1,2	1,0	1,0	0,9	1,1	1,1	1,1	2,6
Grants	9,3	8,6	7,1	5,2	5,3	4,3	4,4	5,6	6,5	4,0	5,8	6,4
Total expenditure and net lending*	28,9	27,0	21,8	21,4	20,3	21,4	21,7	22,9	25,7	21,6	24,1	26,8
Recurrent expenditure	11,9	12,5	10,4	11,4	10,4	10,5	11,2	12,1	13,8	12,3	12,5	12,4
Wages and salaries	5,4	5,7	4,7	4,5	4,5	4,4	4,8	5,0	5,8	5,4	5,7	5,7
Goods and services			1,9	2,7	2,4	2,3	2,5	2,6	2,9	2,6	2,4	2,3
Transfers			2,9	3,1	2,8	3,1	3,3	4,0	4,8	4,0	4,0	3,9
Interest costs	0,9	1,1	0,8	0,7	0,7	0,7	0,6	0,5	0,4	0,3	0,4	0,5
Capital expenditure (total)	17,0	14,3	11,5	10,1	9,0	11,0	10,9	11,3	11,8	8,9	11,5	12,9
Domestic	4,3	3,0	3,0	3,8	3,6	5,5	5,0	4,9	5,4	5,4	6,6	6,5
Foreign	12,6	11,3	8,4	6,3	5,4	5,9	5,9	6,4	6,4	3,5	4,9	6,3
Net lending			-0,1	-0,1	0,9	-0,2	-0,4	-0,5	0,0	0,3	0,1	-0,1
Overall balance												
Including grants*	-4,0	-4,3	-3,9	-4,8	-2,9	-4,3	-4,9	-5,1	-5,7	-4,5	-4,7	-4,8
Excluding grants*	-13,3	-12,9	-10,9	-10,0	-8,2	-8,6	-9,4	-10,7	-11,6	-8,4	-10,6	-11,2
Total financing												
Foreign (net)			12,6	9,3	8,7	4,4	4,6	3,9	3,1	2,8	2,7	3,2
Domestic (net)			-0,4	-1,0	0,3	-0,4	-0,5	-1,4	2,1	1,1	-0,3	2,1
Memorandum items:												
GDP (in billions of FCFA)	1518	1561	2096	2277	2494	2698	2959	3199	3252	3689	3986	4280
GDP in constant 2008 US\$ (millions)												

Source: IMF (2002), IMF (2005), IMF (2008), IMF 2010b)

* commitment basis

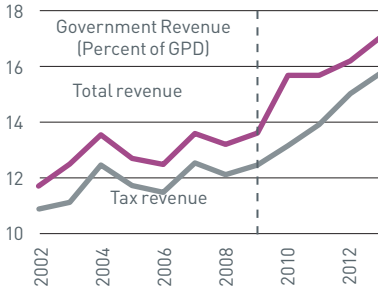
Table B.2 Poverty-reducing social expenditures (2001–2010)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (proj.)
	(CFAF billions)									
Total poverty-reducing social expenditure	80.4	108.9	116.0	145.0	161.8	167.2	182.6	198.5	259.6	274.5
Total current expenditure	64.9	76.7	83.8	94.0	112.6	121.7	143.1	146.2	172.0	209.8
Total capital expenditure	15.5	32.2	32.8	50.9	49.2	45.5	39.5	52.2	87.6	64.7
Health	27.3	38.5	37.9	48.1	54.2	55.7	60.2	60.1	69.8	83.8
Current expenditure	24.1	31.5	29.9	31.9	39.4	43.6	50.6	49.9	55.4	67.8
Capital expenditure	3.2	6.9	8.0	16.3	14.8	12.1	9.6	10.2	14.5	16.0
Education	35.1	42.7	47.9	56.9	64.5	70.6	76.6	82.2	91.4	109.2
Current expenditure	29.8	30.5	37.6	44.2	53.1	59.5	67.6	72.8	82.7	99.8
Capital expenditure	5.3	12.2	10.3	12.7	11.4	11.1	9.0	9.5	8.8	9.4
Rural roads	1.9	1.8	2.3	3.3	3.7	3.9	2.7	2.3	15.4	4.1
Current expenditure	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1
Capital expenditure	1.9	1.8	2.3	3.3	3.6	3.7	2.7	2.2	15.3	4.0
Women's welfare and other poverty-reducing social expenditure	16.2	25.9	28.5	36.6	39.4	37.0	43.2	53.8	82.9	77.4
Current expenditure	11.1	14.7	16.3	18.0	20.1	18.5	24.9	23.5	33.9	42.2
Capital expenditure	5.1	11.2	12.2	18.6	19.3	18.6	18.3	30.3	49.0	35.3
	(Percent of GDP)									
Total poverty-reducing social expenditure	3.9	4.9	4.8	5.7	5.6	5.3	5.6	5.4	6.5	6.4
Total current expenditure	3.1	3.4	3.4	3.7	3.9	3.8	4.4	4.0	4.3	4.9
Total capital expenditure	0.7	1.4	1.3	2.0	1.7	1.4	1.2	1.4	2.2	1.5
Health	1.3	1.7	1.6	1.9	1.9	1.8	1.9	1.6	1.8	2.0
Current expenditure	1.2	1.4	1.2	1.2	1.4	1.4	1.6	1.4	1.4	1.6
Capital expenditure	0.2	0.3	0.3	0.6	0.5	0.4	0.3	0.3	0.4	0.4
Education	1.7	1.9	2.0	2.2	2.2	2.2	2.4	2.2	2.3	2.6
Current expenditure	1.4	1.4	1.5	1.7	1.8	1.9	2.1	2.0	2.1	2.3
Capital expenditure	0.3	0.5	0.4	0.5	0.4	0.3	0.3	0.3	0.2	0.2
Rural roads	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.1
Current expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.1

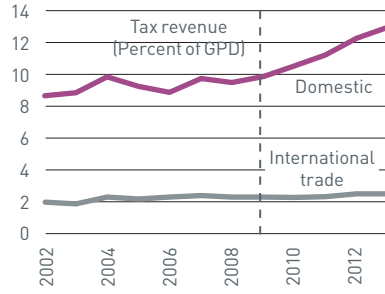
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 (proj.)
Women's welfare and other poverty-reducing social expenditure	0.8	1.2	1.2	1.4	1.4	1.2	1.3	1.5	2.1	1.8
Current expenditure	0.5	0.7	0.7	0.7	0.7	0.6	0.8	0.6	0.9	1.0
Capital expenditure	0.2	0.5	0.5	0.7	0.7	0.6	0.6	0.8	1.2	0.8
(Percent of total expenditure)										
Total poverty-reducing social expenditure	17.5	22.3	20.0	24.9	24.7	22.3	21.9	25.3	27.1	25.4
Total current expenditure	14.1	15.7	14.4	16.1	17.2	16.3	17.2	18.7	18.0	19.4
Total capital expenditure	3.4	6.6	5.6	8.7	7.5	6.1	4.7	6.7	9.2	6.0
Health	5.9	7.9	6.5	8.3	8.3	7.4	7.2	7.7	7.3	7.7
Current expenditure	5.2	6.4	5.1	5.5	6.0	5.8	6.1	6.4	5.8	6.3
Capital expenditure	0.7	1.4	1.4	2.8	2.3	1.6	1.1	1.3	1.5	1.5
Education	7.6	8.7	8.2	9.8	9.8	9.4	9.2	10.5	9.6	10.1
Current expenditure	6.5	6.2	6.5	7.6	8.1	8.0	8.1	9.3	8.6	9.2
Capital expenditure	1.2	2.5	1.8	2.2	1.7	1.5	1.1	1.2	0.9	0.9
Rural roads	0.4	0.4	0.4	0.6	0.6	0.5	0.3	0.3	1.6	0.4
Current expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure	0.4	0.4	0.4	0.6	0.6	0.5	0.3	0.3	1.6	0.4
Women's welfare and other poverty-reducing social expenditure	3.5	5.3	4.9	6.3	6.0	4.9	5.2	6.9	8.7	7.1
Current expenditure	2.4	3.0	2.8	3.1	3.1	2.5	3.0	3.0	3.5	3.9
Capital expenditure	1.1	2.3	2.1	3.2	3.0	2.5	2.2	3.9	5.1	3.3

Figure 2 Burkina Faso: Fiscal Indicators, 2002–13

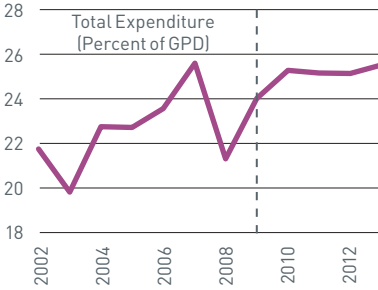
Revenue performance remains strong despite uneven economic activity,...



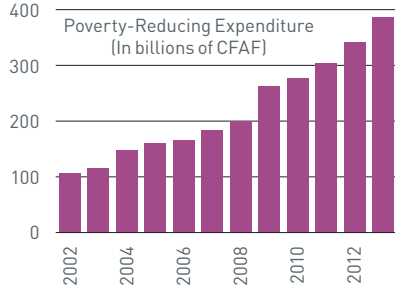
...and tax performance is driven by domestic taxes.



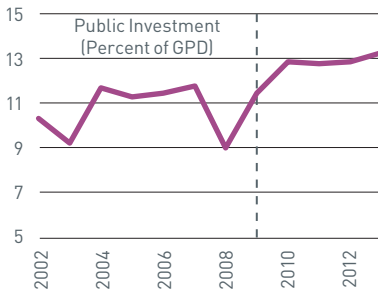
Expenditure growth is expected to stabilize,...



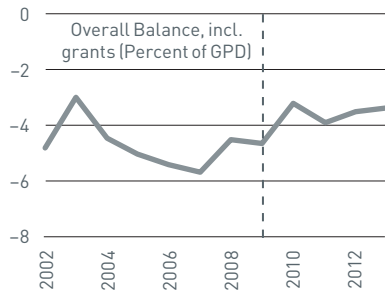
...with rising pro-poor spending and...



...public investment.



Fiscal consolidation efforts have been sustained



Source: Burkinabe authorities and IMF staff estimates and projections

Annex C: GBS conditions related to PFM Reform

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2006	Approval and Scrutiny	adopter la loi de finances 2007 sur la base des plafonds sectoriels du CDMT 2007–2009 conforme aux priorités du CSLP	CGAB (2006)
CGAB CSLP	CGAB	2006	budget preparation	Produire des CDMT 2007–2009 pour les secteurs santé, éducation, finances et budget et élaborer une stratégie d'implantation des CDMT sectoriels	CGAB (2006)
CGAB CSLP	CGAB	2006	budget preparation	Mettre en œuvre dans le CID la classification fonctionnelle avec une codification pour le suivi des dépenses sociales	CGAB (2006)
CGAB CSLP	CGAB	2006	Revenue Collection	Concevoir un projet de stratégie globale de refonte du système fiscal de la DGI	CGAB (2006)
CGAB CSLP	CGAB	2006	Internal Controls	Evaluer le fonctionnement de la délégation de crédits et des régies d'avance et adopter un plan d'action pour relever le taux d'exécution des crédits délégués	CGAB (2006)
CGAB CSLP	CGAB	2006	PFM reform management	adopter une stratégie sectorielle de renforcement des finances publiques et son plan d'action triennal	CGAB (2006)
CGAB CSLP	CGAB	2006	FM, reporting and monitoring	Poursuivre la mise en œuvre du dispositif de suivi des financements extérieurs sur la base du plan de travail pour l'année 2006	CGAB (2006)
CGAB CSLP	CGAB	2006	Ex post oversight and audit	transmettre à l'AN et au conseil constitutionnel le projet de loi consacrant la CC comme juridiction supérieure de l'ordre financier	CGAB (2006)
CGAB CSLP	CGAB	2006	Procurement	Adopter par décret les textes portant création, attribution, composition et fonctionnement de l'autorité de régulation des marchés publics (ARMP)	CGAB (2006)
CGAB CSLP	CGAB	2006	Procurement	Réviser les attributions, la composition et le fonctionnement de la Direction Centrale des Marchés publics et mettre en œuvre un mécanisme de suivi des marchés dans les principales administrations contractantes	CGAB (2006)

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2006	Internal Audit	Renforcer les capacités des corps de contrôle (IGE, IGF, Inspections techniques) pour la gestion des finances publiques (ressources humaines, équipement et formation)	CGAB (2006)
CGAB CSLP	CGAB	2006	PFM reform manage- ment	Adopter la politique nationale de lutte contre la corruption et son plan d'action et démarrer la mise en œuvre du plan d'action selon le calendrier prévu	CGAB (2006)
CGAB CSLP	CGAB	2006	FM, reporting and moni- toring	Effectuer l'enquête sur le suivi des dépenses au niveau des services déconcentrés de la Santé et de l'Éducation de Base	CGAB (2006)
CGAB CSLP	CGAB	2006	budget prepara- tion	Allocations budgétaires des secteurs sociaux (santé, éducation de base, action sociale)	CGAB (2006)
CGAB CSLP	CGAB	2006	Treasury systems	Taux d'exécution du budget (liquidation) (santé, éducation de base, ligne PRGB)	CGAB (2006)
CGAB CSLP	CGAB	2006	budget prepara- tion	Part du budget transféré aux régions (MATD y compris collectivités, Santé, MEBA, MESSRS)	CGAB (2006)
CGAB CSLP	CGAB	2006	Revenue Collection	Taux de réalisation des recettes fiscales	CGAB (2006)
CGAB CSLP	CGAB	2006	Procure- ment	Délais de règlement des commandes de l'Etat	CGAB (2006)
CGAB CSLP	CGAB	2006	FM, reporting and moni- toring	Délais de production des comptes de gestion et des projets de lois de règlement	CGAB (2006)
CGAB CSLP	CGAB	2006	Ex post oversight and audit	Disponibilité du rapport public de la CdC	CGAB (2006)
CGAB CSLP	CGAB	2006	Internal Audit	Marchés audités par IGF (nombre et valeur)	CGAB (2006)
CGAB CSLP	CGAB	2006	PFM reform manage- ment	Disponibilité du rapport de la haute autorité de lutte contre la corruption	CGAB (2006)
CGAB CSLP	CGAB	2007	Approval and Scrui- tinity	adopt the 2008 finance law based on sectoral ceilings set for the 2008-2010 MTEF in accordance with PRSP priorities	World Bank (2007)
CGAB CSLP	CGAB	2007	budget prepara- tion	set the 2008-2010 MTEF for the health, education, finances and budget sectors	World Bank (2007)

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2007	budget prepara- tion	develop the 2008–2010 program bud- gets for the ministries of infrastructure, transportation and housing, environ- ment, and the water sanitation sub- sector.	World Bank (2007)
CGAB CSLP	CGAB	2007	Revenue Collection	adopt and submit to the national assem- bly the draft General Tax Code	World Bank (2007)
CGAB CSLP	CGAB	2007	Revenue Collection	Develop the fiscal policy reform project	World Bank (2007)
CGAB CSLP	CGAB	2007	Revenue Collection	finalize the development of the govern- ment revenue tracking application (CIR) and run tests	World Bank (2007)
CGAB CSLP	CGAB	2007	FM, reporting and moni- toring	implement the accounting module of the CICL software to 22 urban mu- nicipalities so as to strengthen their deconcentrated budget management; adopt a calendar for the development and deployment of CICL's administra- tive management module; extend the network of the Ministry of Finance's deconcentrated services for the Budget Directorate General (DGB), the Cen- tral Directorate for Financial Control (DCCF), Public Accounting Office and Treasury (DGTCP) and General Taxation Authority (DGI)	World Bank (2007)
CGAB CSLP	CGAB	2007	Procure- ment	Adopt by decree the new general pro- curement regulation and the regula- tion of the delegate contracting owner in accordance with the directive on the UEMOA community regulations; adopt the texts relating to the creation and composition of the Procurement regulatory Agency (ARMP) including the independent dispute settlement body representing private sector and civil society	World Bank (2007)
CGAB CSLP	CGAB	2007	Procure- ment	pursue the public procurement reform by producing a set of databases to be used as reference data for the M&E system to be set up, and operationalize the DGMP, including the appointment of representatives within 2 ministries and 2 regions in the image of financial con- trollers within the sectoral ministries	World Bank (2007)

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2007	Internal Controls	pursue capacity strengthening of public finance management control bodies (Human resources, equipment and training); IGF, Ministry of Finance and Budget; training of IGF inspectors to control municipal operations, and strengthening logistics and equipment; Direction centrale du controle financier (DCCF), Ministry of Finance and budget: trining officers in controlling and recycling techniques on the Integrated Expenditure Circuit (CID); Inspection Generale de l'Etat (IGE): study visit for inspectors in the sub§region to ex-change experiences	World Bank (2007)
CGAB CSLP	CGAB	2007	Ex post oversight and audit	reinforce the independence and efficiency of the Independent Audit Court by the adoption of decrees on: (i) the review of small communes' records and accoutns by a regional accountant (tresorier); (ii) the execution of the Cour des Comptes budget through related arrangements similar to those of the FASO ombudsman or the High Council for Communication.	World Bank (2007)
CGAB CSLP	CGAB	2007	Ex post oversight and audit	revise the texts that are relevant to the anti-corruption mechanism-related bodies, starting with HACLCC with the aim of strengthening coherence and efficiency of the mechanism both at national and international level	World Bank (2007)
CGAB CSLP	CGAB	2007	Procurement	Procurement share agreed within tender frame	World Bank (2007)
CGAB CSLP	CGAB	2007	Procurement	procurement distribution (open tender, restricted, negotiated,MOD)	World Bank (2007)
CGAB CSLP	CGAB	2007	budget preparation	Allocations budgétaires des secteurs sociaux (santé, éducation de base, action sociale)	World Bank (2007)
CGAB CSLP	CGAB	2007	Treasury systems	Taux d'exécution du budget (liquidation) (santé, éducation de base, ligne PRGB)	World Bank (2007)
CGAB CSLP	CGAB	2007	budget preparation	Part du budget transféré aux régions (MATD y compris collectivités, Santé, MEBA, MESSRS)	World Bank (2007)

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2007	Revenue Collection	Taux de réalisation des recettes fiscales	World Bank (2007)
CGAB CSLP	CGAB	2007	FM, re- porting and monitoring	Délais de production des comptes de gestion et des projets de lois de règle- ment	World Bank (2007)
CGAB CSLP	CGAB	2007	Ex post oversight and audit	Disponibilité du rapport public de la CdC	World Bank (2007)
CGAB CSLP	CGAB	2007	Internal Audit	Marchés audités par IGF (nombre et valeur)	World Bank (2007)
CGAB CSLP	CGAB	2007	Ex post oversight and audit	Disponibilité du rapport de la haute autorité de lutte contre la corruption	World Bank (2007)
CGAB CSLP	CGAB	2008	Approval and Scruti- ny	Adopt the draft 2009 finance bill based on the overall MTEF sectoral ceilings for 2009–201 1, in accordance with PRSP priorities	world bank (2008a)
CGAB CSLP	CGAB	2008	Revenue Collection	Design a tax policy reform strategy and include in the draft appropriation bill for 2009 the short term measures that are in conformity with the guidelines of the strategy,	world bank (2008a)
CGAB CSLP	CGAB	2008	budget prepara- tion	Set the 2009–201 1 MTEF for the health, education, economic and finance sec- tors, and engage the experimental MTEF for the judicial sector	world bank (2008a)
CGAB CSLP	CGAB	2008	Procure- ment	Adopt and disseminate regulatory texts and standard documents (i.e., sam- ple bid forms, general administrative clauses manual [CCGA]) on the new communal and national regulatory framework for public contracts	world bank (2008a)
CGAB CSLP	CGAB	2008	Procure- ment	Draft a provisional report on the na- tional strategy for capacity building in procurement	world bank (2008a)
CGAB CSLP	CGAB	2008	Procure- ment	Experiment the procurement informa- tion system (SIMP) in three ministries (MEBA, Health and MEF) and in two regions (Hauts Bassins and Nord)	world bank (2008a)
CGAB CSLP	CGAB	2008	PFM reform manage- ment	Publish on line essential information on public finances	world bank (2008a)

ANNEX C: GBS CONDITIONS RELATED TO PFM REFORM

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2008	Ex post oversight and audit	Continue the structural adjustment of the anti corruption facility, especially by rendering operational the Higher State Control Authority (ASCE)	world bank (2008a)
CGAB CSLP	CGAB	2008	Internal Audit	Continue the strengthening of the management capacities of technical and general inspectorates of ministries and institutions	world bank (2008a)
CGAB CSLP	CGAB	2008	budget preparation	Allocations budgétaires des secteurs sociaux (santé, éducation de base, action sociale)	world bank (2008a)
CGAB CSLP	CGAB	2008	Treasury systems	Taux d'exécution du budget (liquidation) (santé, éducation de base, ligne PRGB)	world bank (2008a)
CGAB CSLP	CGAB	2008	budget preparation	Part du budget transféré aux régions (MATD y compris collectivités, Santé, MEBA, MESSRS)	world bank (2008a)
CGAB CSLP	CGAB	2008	Revenue Collection	Taux de réalisation des recettes fiscales	world bank (2008a)
CGAB CSLP	CGAB	2008		share of public procurement concluded within tender timeframe	world bank (2008a)
CGAB CSLP	CGAB	2008	Procurement	procurement distribution (open tender, restricted, negotiated, MOD)	world bank (2008a)
CGAB CSLP	CGAB	2008	Ex post oversight and audit	Scope, nature and monitoring of external audit, via the Court's public report	world bank (2008a)
CGAB CSLP	CGAB	2008	Internal Audit	Marchés audités par IGF (nombre et valeur)	world bank (2008a)
CGAB CSLP	CGAB	2008	Ex post oversight and audit	Higher state control authority public report available	world bank (2008a)
CGAB CSLP	CGAB	2008	PFM reform management	Annual corruption rates published by Transparency International	world bank (2008a)
CGAB CSLP	CGAB	2008	Ex post oversight and audit	Scope, nature and monitoring of external audit, via the Court's public report	world bank (2008a)

Donor	Pro-gramme	Year	Sector	Condition	Source
CGAB CSLP	CGAB	2009	Approval and Scrutiny	adopt the 2010 draft appropriation law on the basis of the sectoral ceilings of the overall 2010–2012 MTEF, in conformity with PRSP priorities	world bank (2009a)
CGAB CSLP	CGAB	2009	Revenue Collection	implementation of the overall fiscal policy strategy notably by the adoption and tabling before the national assembly detailed proposals for the reform of the VAT, business tax and the investment code	world bank (2009a)
CGAB CSLP	CGAB	2009	budget preparation	design and adopt a program budget implementation strategy and start its implementation in at least three pilot ministries (MS, MEBA, MAHRH)	world bank (2009a)
CGAB CSLP	CGAB	2009	PFM reform management	enhance budget transparency at the level of local authorities	world bank (2009a)
CGAB CSLP	CGAB	2009	Procurement	continue the devolution of the DGMP in three ministries (MAHRH, MID, MESSRS) and three new regions (Mouhoun, East and Sahel)	world bank (2009a)
CGAB CSLP	CGAB	2009	PFM reform management	enhance public finance transparency by improving access by the public to information	world bank (2009a)
CGAB CSLP	CGAB	2009	PFM reform management	review the national policy on the fight against corruption and adopt its action plans in consultation with all stakeholders	world bank (2009a)
CGAB CSLP	CGAB	2009	Internal Controls	enhance control services by the DGCF	world bank (2009a)
CGAB CSLP	CGAB	2009	Ex post oversight and audit	set up the chamber of budget and financial discipline within the State Audit Office and start investigating cases	world bank (2009a)
HIPC	HIPC	2001	Ex post oversight and audit	Complete and send the year-end budget execution report for 1998 budget (including three-year history) (lois de règlement) to the Supreme Audit Court (Cour des Comptes) by March 2001	IMF (2000)
HIPC	HIPC	2001	PFM reform management	Disseminate the recently adopted national plan for good governance, including dissemination by March 31, 2001, to all district authorities, and organization of workshops with local authorities and civil society.	IMF (2000)

Donor	Pro-gramme	Year	Sector	Condition	Source
HIPC AAP	HIPC	2001	PFM reform management	apply WAEMU guidelines on public finances including to local government (medium term)	IMF (2003)
HIPC AAP	HIPC	2001	FM, reporting and monitoring	integrate the computerized expenditure management systems of the department for cooperation and the budget/treasury (short term)	IMF (2003)
HIPC AAP	HIPC	2001	budget preparation	Implement the WAEMU budget classification (short term)	IMF (2003)
HIPC AAP	HIPC	2001	budget preparation	Make the necessary adjustments to automatically generate a functional budget classification (short term)	IMF (2003)
HIPC AAP	HIPC	2001	Treasury systems	Link commitment decisions to cash reserves and reinforce use of cash flow plan	IMF (2003)
HIPC AAP	HIPC	2001	Treasury systems	prepare an annual cash flow plan and update monthly	IMF (2003)
HIPC AAP	HIPC	2001	FM, reporting and monitoring	extend computerized expenditure management system to local level (medium term)	IMF (2003)
HIPC AAP	HIPC	2001	FM, reporting and monitoring	reinforce the use of tracking surveys on decentralised level	IMF (2003)
HIPC AAP	HIPC	2001	FM, reporting and monitoring	disseminate the results of tracking surveys within the administration	IMF (2003)
HIPC AAP	HIPC	2001	Treasury systems	take an administrative decision as regards the treasury account balances prior to 1994 (short term)	IMF (2003)
HIPC AAP	HIPC	2001	Treasury systems	regularly produce treasury account balances and submit accounts to the Supreme Audit Court jointly with budget execution reports (short term)	IMF (2003)
HIPC AAP	HIPC	2001	Ex post oversight and audit	fully operationalize the Supreme Audit Court (short term)	IMF (2003)
HIPC AAP	HIPC	2001	FM, reporting and monitoring	Respect the delays in presenting budget execution reports to the national assembly	IMF (2003)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	PRGF	2001	FM, reporting and monitoring	finalization of the interconnection of the payroll and civil service databases	IMF (2002)
IMF	PRGF	2001	Ex post oversight and audit	adopt the administrative and institutional stipulations for the effective operation of the Supreme Audit Court (Cour des Comptes)	IMF (2002)
IMF	PRGF	2001	FM, reporting and monitoring	adoption of the audited budget acts from 1995 to 1998	IMF (2001)
IMF	PRGF	2002	Revenue Collection	More efficient use of the single tax identification number	IMF (2002)
IMF	PRGF	2002	Revenue Collection	better control of tax exemptions	IMF (2002)
IMF	PRGF	2002	Revenue Collection	upgrading of large taxpayers' unit	IMF (2002)
IMF	PRGF	2002	PFM reform management	adoption of operational action plan consolidating the recommendations of the PRGB, ROSC/AAP, and CFAA	IMF (2002)
IMF	PRGF	2002	Treasury systems	continued streamlining of deposits with the treasury	IMF (2002)
IMF	PRGF	2002	FM, reporting and monitoring	setup of reliable balances and operating accounts	IMF (2002)
IMF	PRGF	2002	PFM reform management	activation of anticorruption unit	IMF (2002)
IMF	PRGF	2002	Ex post oversight and audit	appointment of judges to the supreme audit court	IMF (2002)
IMF	PRGF	2003	Revenue Collection	establishment of a computerized tax management system for big enterprises	IMF (2003)
IMF	PRGF	2003	Ex post oversight and audit	timely submission to parliament of the 2004 budget	IMF (2003)
IMF	PRGF	2003	budget preparation	adoption of WAEMU conforming budget nomenclature	IMF (2003)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	PRGF	2003	FM, reporting and monitoring	regularization of annual budget execution by closing all remaining private accounts at the treasury	IMF (2003)
IMF	PRGF	2003	Ex post oversight and audit	swift submission of annual audited budget act for 2001 to parliament and timely submission of annual audited budget act for 2002	IMF (2003)
IMF	PRGF	2004	Ex post oversight and audit	submission to the national assembly of the 2002 draft annual audited budget act	IMF (2004)
IMF	PRGF	2004	Ex post oversight and audit	submission to the Auditor General Office of the general balance sheets of the Central Accountant of the Treasury (Agent Comptable Central du Trésor), the General Spending Accountant (Payeur Général) and the General Revenue Accountant (Receveur général) as described in para 19 of the LOI dated March 4, 2004	IMF (2005)
IMF	PRGF	2004	Revenue Collection	Implementation of the customs computerization system SYDONIA++ in ten main customs field offices, as described in paragraph 15 of the LOI dated March 4, 2004	IMF (2005)
IMF	PRGF	2004	Revenue Collection	Introduction of a taxpayer registration system, as described in paragraph 15 of the LOI dated March 4, 2004	IMF (2005)
IMF	PRGF	2004	Revenue Collection	establishing a single large taxpayer unit in the tax administration main office in Ouagadougou, as described in paragraph 15 of the LOI dated March 4, 2004	IMF (2005)
IMF	PRGF	2004	budget preparation	Submission to the National Assembly of the 2003 draft annual audited budget act, as described in paragraph 19 of the LOI dated March 4, 2004	IMF (2005)
IMF	PRGF	2004	Revenue Collection	Installation of the SYDONIA++ customs computer system at remaining five principal customs houses.	IMF (2005)
IMF	PRGF	2005	Revenue Collection	production by the tax directorate of monthly outcomes and quarterly progress reports on the 10 management indicators for three computerized offices	IMF (2005)
IMF	PRGF	2005	Revenue Collection	introduction of a new taxpayer identification system based on a revised single taxpayer identification number	IMF (2005)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	PRGF	2005	Revenue Collection	transfer of collection of the RSI tax (régime simplifié d'imposition) from the Treasury Directorate to the Tax directorate	IMF (2005)
IMF	PRGF	2005	Ex post oversight and audit	Submission to the Auditor General Office of the 2003 general balance sheets of the Central Accountant of the Treasury, the General Spending Accountant, and the General Revenue Accountant.	IMF (2005)
IMF	PRGF	2005	Revenue Collection	Adoption by the Customs Directorate of instructions for customs valuation, and transmission to the pre-inspection company of customs data allowing for the reconciliation of the pre-inspection and declared values of imports.	IMF (2005)
IMF	PRGF	2005	Ex post oversight and audit	Submission to the Auditor General Office of the 2004 general balance sheets of the Central Accountant of the Treasury, the General Spending Accountant, and the General Revenue Accountant.	IMF (2005)
IMF	PRGF	2005	Revenue Collection	Implementation by the Large Taxpayer Division (DGE) of fiscal controls of at least 60 companies.	IMF (2005)
IMF	PRGF	2005	Revenue Collection	Establishment by the Customs Directorate of a special unit to monitor the use of imports benefiting from fiscal exonerations	IMF (2005)
IMF	PRGF	2005	Revenue Collection	Launch by the Tax Directorate of a comprehensive census of large and medium-sized enterprises in Ouagadougou and Bobo-Dioulasso and publication of a report on the status of its implementation.	IMF (2005)
IMF	PRGF	2005	Revenue Collection	Establishment of a fully operational Joint Brigade of the Tax and Customs Directorates with an annual work program for 2006.	IMF (2005)
IMF	PRGF	2006	Revenue Collection	Submission to the Minister of Finance of a report on the six joint audits of the Joint Brigade of the Tax and Customs Directorates.	IMF (2005)
IMF	PRGF	2006	Revenue Collection	Completion of the taxpayer census in Ouagadougou and Bobo-Dioulasso, and submission to the Minister of Finance of an implementation report.	IMF (2005)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	PRGF	2007	Revenue Collection	Use Sintax to generate a list of LTO late filers and nonfilers for the main tax categories (VAT, corporate income, tax on income from securities, and tax on income from real estate), and send reminders within a week after the declaration deadline.	IMF (2008)
IMF	PRGF	2007	Revenue Collection	Implement the single customs declaration form.	IMF (2008)
IMF	PRGF	2007	Revenue Collection	Make main ASYCUDA modules fully functional in computerized offices and put them into operation, beginning with Ouagadougou.	IMF (2008)
IMF	PRGF	2007	Revenue Collection	Put in operation a computerized customs-specific valuation database in the computerized offices.	IMF (2008)
IMF	PRGF	2007	FM, reporting and monitoring	Introduce a comprehensive system for tracking foreign-financed expenditures.	IMF (2008)
IMF	PRGF	2007	Revenue Collection	Submit the single tax code to parliament consolidating all tax legislation.	IMF (2008)
IMF	PRGF	2007	Revenue Collection	Secure approval from the Council of Ministers for a tax policy reform strategy in line with Fund staff recommendations.	IMF (2008)
IMF	PRGF	2008	Revenue Collection	Cabinet approval of comprehensive tax policy reform strategy	IMF (2008)
IMF	PRGF	2008	Revenue Collection	Submission to parliament of a draft 2009 budget that includes tax policy measures consistent with the tax policy reform program	IMF (2008)
IMF	PRGF	2008	Revenue Collection	Submit a comprehensive tax policy reform program to parliament	IMF (2008)
IMF	PRGF	2008	Revenue Collection	Use Sintax to generate a list of LTO late filers and nonfilers for the main tax categories (VAT, corporate income, tax on income from securities, and tax on income from real estate), and send reminders within a week after the declaration deadline	IMF (2008)
IMF	PRGF	2008	Revenue Collection	Harmonize VAT thresholds for large, medium, and small taxpayers and subject small taxpayers to simplified taxation instead of VAT, in line with Fund recommendations	IMF (2008)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	PRGF	2008	Revenue Collection	During the third quarter of 2008, assign at least 50 percent of customs declarations to the green and blue channels and keep the percentage of declarations thus selected but assigned for further controls by individual inspectors to less than 10 percent	IMF (2008)
IMF	PRGF	2008	FM, re- porting and monitoring	Introduce comprehensive system for tracking of poverty reducing expenditures	IMF (2008)
IMF	PRGF	2008	Internal Controls	Develop an action plan for improving the effectiveness of ex ante expenditure controls, including elimination of redundant procedures	IMF (2008)
IMF	PRGF	2009	Revenue Collection	Submit to the Council of Ministers detailed proposals on the reform of corporate tax, the investment code, and VAT, based on IMF recommendations, the strategy for comprehensive reform of tax policy, and WAEMU Community directives	IMF (2010)
IMF	PRGF	2009	Revenue Collection	Submit to the National Assembly tax policy reform related to VAT, corporate tax, and the investment code, which will enter into force with the 2010 budget law. It is planned to include in the budget law the raising of VAT thresholds for small, medium, and large enterprises as of January 2010, and to make small enterprises liable for simplified taxation instead of VAT, in accordance with IMF recommendations and WAEMU directives.	IMF (2010)
IMF	PRGF	2009	Revenue Collection	Electronically connect five additional border posts and the General Directorate of Customs.	IMF (2010)
IMF	PRGF	2009	FM, reporting and monitoring	Improve the performance of the system for monitoring poverty reduction expenditure, incorporating all expenditure financed by own resources except for personnel.	IMF (2010)
IMF		2010	FM, re- porting and monitoring	Produce on a continuous basis a quarterly report on poverty reducing expenditures based on the new system.	IMF (2010)
IMF	ECF	2010	PFM reform management	Adopt legal documents that implement the new fiscal reform strategy approved by parliament in January 2010.	IMF (2010b)

Donor	Pro-gramme	Year	Sector	Condition	Source
IMF	ECF	2010	FM, reporting and monitoring	Produce a quarterly report on poverty-reducing expenditure, on a continuous basis, using the new tracking system adopted in October 2009, starting in June 2010.	IMF (2010b)
IMF	ECF	2010	Revenue Collection	Prepare a new Treasury Cash Flow plan Table	IMF (2010b)
IMF	ECF	2010	Debt management	Finalize the procedure manual on external debt management	IMF (2010b)
IMF	ECF	2010	Revenue Collection	Electronically connect two additional customs posts to the main Customs system.	IMF (2010b)
IMF	ECF	2011	Internal Audit	Prepare an audit of expenditure commitment systems in line ministries	IMF (2010b)
IMF	ECF	2011	Revenue Collection	Set up an electronic system to improve merchandise valuation in two customs posts	IMF (2010b)
IMF	ECF	2011	Revenue Collection	Set up a one-stop window for customs clearance	IMF (2010b)
IMF	ECF	2011	Internal Controls	Complete the civil service census and harmonize the payroll system and the civil service roster	IMF (2010b)
WB	EMRSO	1999	budget preparation	adoption of a medium term expenditure framework for the six key ministries identified in the 1999 budget guidelines and completion of a thorough public expenditure review in education and health (according to the agreed steps and timetable defined during negotiations)	world bank (2000)
WB	EMRSO	1999	budget preparation	implementation of the newly adopted "reform of the state" consistent with the MTEF approach, especially its provisions on the decentralization of the use of a share of public resources, local recruitment for contractual positions in education and health, and merit-based promotion system at the national level	world bank (2000)
WB	PRSC/G	2001	budget preparation	adopt a MTEF for the 2002-2004 period that is consistent with PRSP priorities	World Bank (2009)
WB	PRSC/G	2001	budget preparation	hold training sessions on program budgeting for budget officers (DAAFs and DEPs) of the Ministries of Agriculture, Livestock, Environment, Justice and Transport	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2001	FM, re- porting and monitoring	finalize the government's integrated system of administrative and salary management (SYGASPE)	World Bank (2009)
WB	PRSC/G	2001	FM, reporting and moni- toring	adopt budget procedures to ensure more effective tracking and management of HIPC resources: create a special treasury account opened on the books of the Paymaster General and known as the "special growth and poverty reduction fund" where all the revenues and expenses for operations under the HIPC initiative will be recorded and made available to the public. [lasted until 2007]; adopt a corrective appropriation bill for earmarking the HIPC funds received in 2000, and authorization granted by the National Assembly to the Minister of Economy and Finance to proceed with distribution by decree of the resources expected in 2001; adopt special measures to step up procedures for use of these resources and to ensure transparent management of public finance	World Bank (2009)
WB	PRSC/G	2001	Ex post oversight and audit	Submit budget reports for FY 1996, 1997, 1998 to the Supreme Audit Court by March 31, 2001	World Bank (2009)
WB	PRSC/G	2001	Ex post oversight and audit	Adopt "lois organiques" providing for independent supreme institutions: Supreme Audit Institution, State Council, Constitutional Council and Cour de Cassation	World Bank (2009)
WB	PRSC/G	2001	PFM reform manage- ment	Adopt a work programme for the Executive Secretary in charge of Good Governance	World Bank (2009)
WB	PRSC/G	2001	FM, re- porting and monitoring	Complete and release national accounts for 1994 through 1998	World Bank (2009)
WB	PRSC/G	2002	budget prepara- tion	adoption of a budget bill for 2002 based on ceilings set with reference to the 2002–2004 MTEF and PRSP priorities	World Bank (2009)
WB	PRSC/G	2002	budget prepara- tion	completion of program budgets consistent with PRSP objectives in key ministries (including Economy and Finance, Infrastructure, secondary and tertiary education), performance indicators included	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2002	Internal Controls	regionalization of payment order issuance through appointment of “delegated payers” and “secondary payers” within ministries to empower regional government entities	World Bank (2009)
WB	PRSC/G	2002	FM, reporting and monitoring	completion of PER studies (including infrastructure, justice, secondary and tertiary education)	World Bank (2009)
WB	PRSC/G	2002	FM, reporting and monitoring	finalization of module on external financing of computerized expenditure circuit and deployment of new software for management of external financing	World Bank (2009)
WB	PRSC/G	2002	FM, reporting and monitoring	preparation, by august 15, of a status report on budget implementation as of end June 2001, followed by corrective measures if necessary	World Bank (2009)
WB	PRSC/G	2002	Procurement	Implementation of a program to improve public procedures and capacity in the area of procurement: (i) adoption of a procurement procedures manual; (ii) redefinition of the roles of the two major departments (Direction Générale de la Coopération and Direction Centrale des Marchés Publics) and adoption of capacity building measures; (iii) revision of the general rules for public procurement to make them consistent with international standards of transparency and efficiency; (iv) facilitation of SME access to public procurement; and (v) verification that 50% of public procurement will have been subject to competitive procurement practices as required by law and that the largest contracts will be subject to public audit.	World Bank (2009)
WB	PRSC/G	2002	Ex post oversight and audit	submission of budget execution reports for fiscal years 1999 and 2000 and their remittal to the Supreme Audit Institution	World Bank (2009)
WB	PRSC/G	2002	Ex post oversight and audit	satisfactory implementation of the action plan for strengthening the Supreme Audit Institution on the basis of the recommendation of the PRGB and the CFAA	World Bank (2009)
WB	PRSC/G	2002	budget preparation	adoption of transparent mechanisms for allocating resources managed at the district level (e.g. posting budgets allotted to each health facility in public places in the districts)	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2003	budget preparation	adoption, by May 1, 2002, of the MTEF for the 2003–2005 period that is in keeping with priorities under the revised and updated PRSP	World Bank (2009)
WB	PRSC/G	2003	budget preparation	adoption of a draft 2003 budget based on ceilings set by the 2003–2005 MTEF and priorities of the PRSP	World Bank (2009)
WB	PRSC/G	2003	budget preparation	incorporation into 2003 budget of recommendations emerging from public expenditure review	World Bank (2009)
WB	PRSC/G	2003	Procurement	satisfactory implementation of the recommendations from the CPAR	World Bank (2009)
WB	PRSC/G	2003	Procurement	strengthening of the DCMP (human resources and financial management)	World Bank (2009)
WB	PRSC/G	2003	Ex post oversight and audit	completion of budget report for the 2001 fiscal year and its transmission to the Supreme Audit court by June 30, 2002	World Bank (2009)
WB	PRSC/G	2003	PFM reform management	Satisfactory implementation of the recommendations from the PRGB and CFAA	World Bank (2009)
WB	PRSC/G	2003	Procurement	completion of audits by private audit firms of public procurement executed by the agency Faso Basra	World Bank (2009)
WB	PRSC/G	2003	PFM reform management	Satisfactory implementation of the work program for the executive secretary in charge of good governance	World Bank (2009)
WB	PRSC/G	2003	budget preparation	continued use of transparent mechanisms for allocating resources managed at the district level	World Bank (2009)
WB	PRSC/G	2003	Treasury systems	continuation of system of delegating budget credits to health districts	World Bank (2009)
WB	PRSC/G	2004	budget preparation	strengthen MTEFs, introduce program budgets, institute PER procedure and oversight	World Bank (2009)
WB	PRSC/G	2004	FM, reporting and monitoring	adopt budget deconcentration procedures and extend the computerized expenditure management system (CID) to 5 regional capitals	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2004	Revenue Collection	begin development of a computerized revenue management system (CIR)	World Bank (2009)
WB	PRSC/G	2004	Procurement	adopt procurement regulations and procedures, reinforce capacity, adopt standard texts, verify application through audits, prepare application texts for new decree	World Bank (2009)
WB	PRSC/G	2004		prepare a national good governance plan, regular preparation and submission of budget execution reports, operationalize the Supreme Audit Court, reinforce controls by IGE and IGF, operationalize the high authority for the coordination of the fight against corruption, implement WAEMU budget classification, prepare treasury balances on a monthly basis	World Bank (2009)
WB	PRSC/G	2004	FM, reporting and monitoring	finalize SIGASPE, prepare an action plan for extending SIGASPE to line ministries	World Bank (2009)
WB	PRSC/G	2004	Approval and Scrutiny	Adopt the draft budget and program budgets for 2004 on the basis of sectoral ceilings of the 2004–2006 MTEF and in line with the priorities of the PRSP	World Bank (2008)
WB	PRSC/G	2004	FM, reporting and monitoring	Operationalize the extension of the CID to a total of 5 regional capitals with a connection to the government accounting system (CIE)	World Bank (2008)
WB	PRSC/G	2004	Procurement	verification of the applicaiton of the new procurement decree, the manual of procedures and the standard documnts for a sample of public procurement during 2003 by the IGF	World Bank (2008)
WB	PRSC/G	2004	PFM reform management	Satisfactory implementation of PRGB measures in the area of budget management and ex-post control in particular: application of the WAEMU budget classification; preparation of treasury account balances on a monthly basis and preparation of the account balances for 2002; strict application of the timetable for budget operations to reduce the level of expenditure committed and not yet paid; elaborate and begin implementation of an action plan for the creation of an accounting	World Bank (2008)

Donor	Pro-gramme	Year	Sector	Condition	Source
				system for government property; continue the capacity reinforcement at the IGE and IGF and adopt a coherent status for staff in all control services.	
WB	PRSC/G	2005	Approval and Scrutiny	adopt the draft budget for 2005 on the basis of sectoral ceilings of the 2005–2007 MTEF and in line with the priorities of the PRSP	World Bank (2009)
WB	PRSC/G	2005	FM, reporting and monitoring	Satisfactory implementation of actions for the treatment and monitoring of externally financed investment spending based on the AFRITAC report: clarify the roles of different departments and establish procedures and supporting documentation for DGCOOP, DGTCP, DGB, DCCF, and DGEP; constitute a project database; verify the table of credit and grant agreements	World Bank (2009)
WB	PRSC/G	2005	Revenue Collection	pursue the preparation of the CIR: establish choices for possible solutions and a demonstration	World Bank (2009)
WB	PRSC/G	2005	PFM reform management	evaluate budget deconcentration and prepare recommendations to increase its efficiency	World Bank (2009)
WB	PRSC/G	2005	Revenue Collection	adopt a decree for the regulation of concession and leasing contracts to ensure best international practice in this area	World Bank (2009)
WB	PRSC/G	2005	Procurement	put in place a tripartite committee for monitoring procurement reforms	World Bank (2009)
WB	PRSC/G	2005	Procurement	adopt the arrêtés concerning the conditions for the issuance and withdrawal of accreditation for public works, corresponding to norms of transparency and equity	World Bank (2009)
WB	PRSC/G	2005	Procurement	define the framework for the developing of a computer application to set up a database and a software application to follow the procurement process consistent with the existing expenditure framework (CID)	World Bank (2009)
WB	PRSC/G	2005	Internal Controls	continue the auditing of procurement contracts by IGF	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2005	FM, reporting and monitoring	satisfactory implementation of the action plan for the creation of a government property accounting system: purchase software; train agents in procedures and the new software; begin the physical verification of government property	World Bank (2009)
WB	PRSC/G	2005	FM, reporting and monitoring	adopt the 2003 budget execution report	World Bank (2009)
WB	PRSC/G	2005	Ex post oversight and audit	submit the final account statements for 2001–2003 to the Supreme Audit Court	World Bank (2009)
WB	PRSC/G	2005	Ex post oversight and audit	train magistrates of the supreme audit court	World Bank (2009)
WB	PRSC/G	2005	FM, reporting and monitoring	consolidation of SIGASPE and extension to line ministries	World Bank (2009)
WB	PRSC/G	2005	FM, reporting and monitoring	finalize the software for the integrated accounting system for local communities (CICL)	World Bank (2009)
WB	PRSC/G	2006	Approval and Scrutiny	adopt the draft budget for 2006 on the basis of sectoral ceilings of the 2006–2008 MTEF and in line with the priorities of the PRSP	World Bank (2009)
WB	PRSC/G	2006	Internal Controls	prepare an action plan to introduce delegated credits to the Ministry of Justice	World Bank (2009)
WB	PRSC/G	2006	Internal Audit	Implement the recommendations of the audit of HIPC resources carried out in 2004	World Bank (2009)
WB	PRSC/G	2006	FM, reporting and monitoring	Improved monitoring of externally financed investment spending: design and implement an action plan for a complete information system based on the software SYGADE; customize SYGADE for the monitoring of external financing; develop interfaces between SYGADE, the computerized expenditure circuit (CID) and the State integrated accounting system (CIE); training in the use of the software SYGADE is completed	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2006	Revenue Collection	develop CIR and put in place first modules	World Bank (2009)
WB	PRSC/G	2006	budget preparation	notify deconcentrated services of their budgets at the latest 10 weeks after putting in place the budget	World Bank (2009)
WB	PRSC/G	2006	Procurement	adopt the action plan based on the recommendations of the 2005 CPAR	World Bank (2009)
WB	PRSC/G	2006	Procurement	begin implementing the software application to monitor the procurement process in the CID	World Bank (2009)
WB	PRSC/G	2006	Internal Audit	continue auditing of procurement contracts by IGF	World Bank (2009)
WB	PRSC/G	2006	FM, reporting and monitoring	the accounting system for government property is operational	World Bank (2009)
WB	PRSC/G	2006	FM, reporting and monitoring	the physical verification of government property is completed	World Bank (2009)
WB	PRSC/G	2006	Approval and Scrutiny	adopt the 2004 budget execution report	World Bank (2009)
WB	PRSC/G	2006	Ex post oversight and audit	submit the 2004 final account statements to the Supreme Audit Court	World Bank (2009)
WB	PRSC/G	2006	Internal Controls	reinforce the staff and budget of control services	World Bank (2009)
WB	PRSC/G	2006	FM, reporting and monitoring	continue the deployment of SIGASPE to government entities	World Bank (2009)
WB	PRSC/G	2006	FM, reporting and monitoring	deploy the CICL software	World Bank (2009)
WB	PRSC/G	2006	PFM reform management	finalize the framework for the transfer of resources and competencies to communes	World Bank (2009)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2007	Approval and Scrutiny	adopt the draft budget for 2007 on the basis of sectoral ceilings of the 2007–2009 MTEF and in line with the PRSP priorities	World Bank (2007)
WB	PRSC/G	2007	Procurement	satisfactory implementation of the action plan drawn from the 2005 CPAR as evidenced by: the adoption of a decree creating a regulatory agency for public procurement (ARMP); and revision of the attribution, composition and functioning of the General Directorate for Public Procurement (DGMP)	World Bank (2007)
WB	PRSC/G	2007	budget preparation	implement the functional budget classification with a marker for poverty spending to allow for trackign of such spending	World Bank (2007)
WB	PRSC/G	2007	Ex post oversight and audit	strengthen the capacity of audit institutions for PFM	World Bank (2007)
WB	PRSC/G	2008	FM, reporting and monitoring	Deconcentrated budget management has been strengthened as demonstrated by: (i) the introduction of the accounting module of the CICL software in at least 20 urban municipalities and the adoption of a calendar for the development and deployment of CICL's administrative management module; and (ii) the establishment of several branch offices of the Ministry of Economy and Finance (at least 3 for DGB, 10 for DGTCP, 7 for DGI, and 2 for DCCF)	world bank (2008a)
WB	PRSC/G	2008	budget preparation	Administrative structures in charge of developing program budgets are effectively working in the ministries of infrastructure and environment and baseline data are collected to improve predictability in budget allocation (including for road maintenance), enhance effectiveness in public spending and strengthen the ministries' institutional capacities.	world bank (2008a)
WB	PRSC/G	2008	Procurement	Procurement reform progresses as evidenced by: (i) the production of baseline data for the monitoring and evaluation of procurement systems; and (ii) the establishment of procurement units in at least 2 line ministries and 2 regions.	world bank (2008a)

Donor	Pro-gramme	Year	Sector	Condition	Source
WB	PRSC/G	2008	Ex post oversight and audit	The independent audit institution is strengthened as evidenced by the adoption of decrees on: (i) the review of small communes' records and accounts by a Regional Accountant (Tresorier); and (ii) the execution of the Cour des Comptes budget through related arrangements similar to those of the FASO Ombudsman or the High Council for Communication.	world bank (2008a)
WB	PRSC/G	2009	PFM reform management	The approved budget and information on budget execution (on a functional basis and for each ministry) and on transfers to local governments are published on the Government's website.	world bank (2009a)
WB	PRSC/G	2009	Ex post oversight and audit	The annual reports of the Court of Accounts for 2006 and 2007 have been published	world bank (2009a)
WB	PRSC/G	2009	Ex post oversight and audit	The High Authority for State Oversight (ASCE) has started its activities as evidenced by the publication of a baseline report on the extent of corruption in the country and the adoption of a statistical reporting system on pending and closed corruption cases. Terms and conditions of employment of inspectorate bodies' staff across ministries are reviewed to make them more attractive.	world bank (2009a)

Annex D: Chronology of Political & Economic Events

Time period	Political Context	Economic context
1960s-70s	<p>1960: The Upper Volta becomes independent from France.</p> <p>1970: A new constitution was approved in a national referendum.</p> <p>1977: A new multi-party constitution is promulgated.</p>	
1980s	<p>August 1982: The country entered a revolutionary phase and was renamed Burkina Faso. Captain Thomas Sankara staged a coup d'état that marked the start of a five-year revolution aimed at instilling a greater sense of national identity, fostering stronger national ownership of the development process and promoting a culture of individual integrity</p> <p>1984: the country was renamed from Upper Volta to Burkina Faso (land of upright or honourable people')</p> <p>1987: Capt. Sankara was ousted by Capt. Blaise Compaoré. A change of regime launches a "rectification" of the revolution. This includes a shift toward more market-oriented economic policies and re-engagement with the international community.</p>	<p>Economic policies were modelled on Pan-African socialist theory, and included a strong emphasis on investment in human development, food self-sufficiency, equitable income distribution and nationalisation of private sector entities. Food production expanded and strong progress was made in literacy and basic education. However, poor macroeconomic and fiscal management had negative consequences for growth. An overvalued currency within the common currency zone exacerbated this problem, and real per capita growth from 1980 to 1994 (a turning point in which the currency was devalued by 50 percent) was a dismal -0.5 percent per annum.</p> <p>1984-1988: During this period of 'self-adjustment' severe measures were taken in an attempt to bring about economic and financial recovery without the participation of the Bretton Woods institutions.</p>
1990s	<p>June 1991: New constitution ushering in civilian rule and multi-party democracy</p> <p>Presidential elections. The Government of President Blaise Compaoré – who was elected in 1991 and again in 1998- implemented policies of trade, market and price liberalisation with support for structural reform from the World Bank and other development partners.</p>	<p>Although growth began to accelerate following the devaluation (1994), there was little change in poverty incidence in the late 1990s, as well as stagnant social indicators on health and education. Weak growth over more than three decades also resulted in an unsustainable debt overhang by the late 1990s when Burkina Faso became one of the first countries eligible for the Highly-Indebted Poor Countries initiative.</p>

Time period	Political Context	Economic context
1990s	<p>1992: Legislative elections</p> <p>1996: A meningitis outbreak kills 4,000 people.</p> <p>1997: Legislative elections</p> <p>1998: Presidential elections. Re-election of President Compaoré</p> <p>The journalist, Norbert Zongo is assassinated; this leads to popular mobilisation for good governance and respect for human rights and democracy.</p> <p>June 1999: There is a general strike over economic grievances and alleged human rights violations.</p>	<p>The IMF begins an Agreed Structural Adjustment Facility (SAF) in Burkina Faso 1991–1993. Lancement des programmes d’ajustement structurel.</p> <p>1994: The 50% devaluation of the CFA franc led to intervention by donors.</p> <p>Creation of the West African Economic and Monetary Union (WAEMU).</p> <p>1997: Burkina Faso becomes eligible for the Highly Indebted Poor Countries (HIPC) initiative. Burkina receives debt relief under both the original and the enhanced HIPC Initiative to the value of US\$424 million by the end of 1999 in Net Present Value (NPV 2005) terms.</p>
2000	<p>April 2000: the constitution was amended, reducing the presidential term from seven to five years (beginning in 2005), and allowing a serving president to be re-elected only once</p>	<p>Burkina Faso’s first Poverty Reduction Strategy Paper (CSLP) is published. Burkina became one of the first countries to prepare a full poverty reduction strategy, or Cadre Strategique de Lutte contre la Pauvrete (CSLP).</p> <p>Customs association and Tarif Extérieur Commun of the WAEMU zone.</p>
2001	<p>A meningitis epidemic kills more than 1,500 people.</p>	<p>Burkina qualifies for a topping-up debt relief assistance of US\$129 million in end-2001 NPV terms (2005). The total relief provided reduces the NPV of Burkina’s outstanding debt by nearly 50 percent at the Completion Point.</p>
2002	<p>October: the Ivory Coast accuses Burkina Faso of sheltering dissident Ivorian soldiers. Burkina Faso raises concerns about attacks on Burkinabes in Ivory Coast after September’s Ivorian military uprising.</p> <p>Legislative elections held.</p>	<p>The Common Budgetary Support Group (SBC) is set up by a number of bilaterals in order to contribute to the implementation of the PRSSP through budgetary support. It is presided over by the European Union and includes France, the Netherlands, Belgium, Sweden, Denmark and Switzerland.</p> <p>A Supreme Audit Court is instituted in 2002 and begins evaluating budget execution reports for 1995–2001, which are then adopted by the National Assembly in 2003.</p>
2003	<p>Revision of the 2000–2003 PRSP. A new document is published: the CSLP 2004–08, This becomes a reference document for all development activities in country.</p>	<p>Per capita income growth increased over previous periods to around 2.6 percent per annum, contributing to an estimated 8 percent decline in the poverty headcount between 1998 and 2003 – led by cotton-producing rural areas. Despite this recent progress, Burkina</p>

Time period	Political Context	Economic context
2003		remains one of the poorest countries in Africa, with per capita income of USD 350 and a poverty incidence of 46 per cent in 2003.
2004	<p>March: A revised CSLP (PRSP) for 2004–2006 is discussed at a Donor Roundtable. It is adopted by the Government in November 2004.</p> <p>April: A military tribunal tries 13 people who are accused of plotting a coup against President Compaore in October 2003. Army captain Luther Ouali is jailed for 10 years for masterminding plot.</p>	<p>Real GDP grew at a rate of 6.0 percent per annum in the 2000–2004 period – a strong performance reflecting Burkinabé’ commitment to reform and astute management of exogenous shocks. Growth was led by expansion of cotton production and exports, and by associated increases in cereal production.</p> <p>2004: A Debt Sustainability Analysis (DSA) conducted by IMF staff indicates that Burkina’s debt outlook at the end of 2004 is worse than the projections made at the Completion Point. While the NPV of debt to exports ratio has been projected to stand at 193 percent in 2004, it stands at 207 percent according to the updated DSA.</p>
2005	<p>Burkina Faso’s new CSLP presented to the World Bank Board along with a fifth Poverty Reduction Support Operation in May 2005.</p> <p>2005: President Compaore wins a third term in office in the elections.</p> <p>2005: Promulgation of the law on the General Territorial Communities Code in Burkina Faso. Burkina Faso is organised into territorial communities bestowed with legal identity and financial autonomy. The territorial communities are the region and the commune.</p>	<p>January 2005: An agreement is signed between the Government and nine Development Partners (AfDB, World Bank, European Commission, Germany, Denmark, France, The Netherlands, Sweden and Switzerland). The objective of this agreement is to provide a General Budget Support Framework for the organisation of support to the implementation of the Poverty Reduction Strategy Framework in Burkina Faso (CGAB – PRSF). This agreement brings together two processes as the MOU for Joint Budget Support is replaced by the general framework for budget support for the implementation of the PRSP known as CGAB-CSLP (Cadre général d’organisation des appuis budgétaires en soutien à la mise en œuvre du cadre stratégique de lutte contre la pauvreté.) This now brings together all the international partners providing budget support. The Government and the IPs agree on an annual calendar of joint activities, and a joint performance assessment matrix is approved by all the stakeholders in July 2005</p>

Time period	Political Context	Economic context
2006	<p>April 2006: For the first time, municipal elections took place on April 23, 2006, in 302 newly established rural municipalities</p> <p>December 2006: Burkina Faso postpones a regional economic summit after deadly gun battles between police and soldiers in the capital.</p>	
2007	<p>May: The ruling party wins a majority in parliamentary polls.</p>	<p>2006–2007: Economic growth continues to slow down from 5.5 percent in 2006 to 4.0 percent in 2007 due to a fall in cotton production and adverse terms of trade shocks.</p>
2008	<p>April 2008: Two-day general strike follows weeks of protests about high living costs and demands for wage increases.</p>	<p>February and May 2008: The previous years' economic deceleration combined with a sharp increase in food prices and overall inflation, breeds discontent and causes riots over the high cost of living in some cities.</p> <p>2008: Official Development Assistance (ODA) is nearly 10% of GDP. Foreign budget support is estimated to have provided about CFAF120 billion in 2008. Around 85% of this comes from members of the budget support donor group (Cadre Général d'Organisation des Appuis Budgétaires – CGAB) , including the African Development Bank, Denmark, France, Germany, the Netherlands, Sweden and the European Union, together with IDA.</p>
2009	<p>April 2009: a law is passed by Parliament requiring at least 30% of candidates put forward for election by political parties to be women.</p> <p>2009: The PRSP revision period is started but is delayed for two years due to lateness of implementation.</p> <p>September : there was exceptionally heavy rainfall in the capital city of Ouagadougou that caused flooding, casualties, and left some 180,000 people homeless</p>	
2010	<p>November 2010: re-election of President Compaoré</p>	

Annex E: Chronology of Harmonisation & Alignment

Year	Burkina Faso	International Level
1991	UNDP supports the Development Cooperation Analysis System to monitor aid flows	
	1st Roundtable conference	
1993	2nd Roundtable conference	
1995	3rd Roundtable conference. Adoption of the Lettre d'Intention de Politique de Développement Humain Durable (LIP-DHD)1995–2005.	
1996–2000	Test sur la réforme de la conditionalité (test for the reformulation of budget support conditionality)	
1996	HIPC Decision point (original framework)	
2000	CSLP I (2000–2004) (Cadre Stratégique de Lutte contre la Pauvreté)	
	Ten year development plans in education (Plan de Decennal de Développement de l'Education de Base PDDEB)and health (Plan National de Développement Sanitaire PNDS)	
	HIPC completion point	
2002	Creation of the SBC-CSLP (Soutien Budgétaire Commun au Cadre Stratégique de Lutte contre la Pauvreté) [EC, Denmark, Netherlands, France, Switzerland, Sweden]	Monterrey conference on Financing for Development
	HIPC Decision point (enhanced framework)	
2003		High level forum on harmonisation in Rome – Rome Declaration
2004	CSLP II (2004–2006), complemented by CSRLP (Cadre Stratégique Regional de Lutte contre la Pauvreté) for each of the 13 regions and a three-year Plan d'Actions Prioritaires (PAP)	
	4th Roundtable conference on financing the CSLP II	
2005	Signature of the CGAB-CSLP agreement [AfDB, EC, Denmark, Netherlands, France, Germany, Switzerland, Sweden, World Bank] and definition of a common Performance Assessment Framework matrix.	High level forum on aid effectiveness in Paris – Paris Declaration
	Technical Secretariat for Aid Effectiveness established (STELA) created to support the Technical group on aid effectiveness	
	Burkina 2025 identifies long term vision for Burkina Faso's development	

Year	Burkina Faso	International Level
	Secrétariat Permanent pour le Suivi des Politiques et Programmes Financiers (SP-PPF)	
	9 commissions sectorielles et thématiques (sector and thematic commissions) coordinated by the Ministry of Foreign Affairs	
	Burkina Faso accesses the Multilateral Debt Relief Initiative	
2007	Plan d'action national sur l'efficacité de l'aide (national action plan on aid effectiveness)	
	Coordination Nationale pour l'Efficacité de l'Aide (CONEA) set up within DGCOOP	
	Adoption of 5 decrees on the coordination of development projects and programmes which makes the transmission of relevant project execution information mandatory	
	Adoption of the Plateforme de Gestion de l'Aide and installation of the Circuit Intégré des Financements Extérieurs (CIFE) to monitor aid flows	
2008	Burkina Faso is part of the IATI Technical Advisory Group and Steering Committee	High level forum on aid effectiveness in Accra – Accra Agenda for Action
2009	Signature of a Partnership Framework in support of Public Finance (CAPA/FP: Cadre de Partenariat pour la Gestion des Finances Publiques)	
	7 countries/organisations join the CGAB as observers [Japan, Austria, Canada, UNDP, Luxemburg, IMF and Taiwan]	
	Adoption of a "Stratégie de Croissance Accélérée et de Développement Durable 2011-2015" (SCADD) (CSLP III)	
	DPs put in place a "troika" to interface between the Government and development partners. Creation of the "Groupe Conjoint Gouvernement/PTFs"	
	Plan d'Action National Révisé sur l'Efficacité de l'Aide 2010-2012	
	GoBF adopts a « Note de Cadrage sur l'Efficacité de l'Aide »	
2011	Current sectors in which there is a sector coordination mechanism include : PNDS (Plan National de Développement Sanitaire), PN-AEPA (Programme National d'Approvisionnement en Eau Potable et Assainissement), VIH-SIDA, PDDEB, SRF (Stratégie de Renforcement des Finances Publiques), SNMF (Stratégie Nationale de Micro-Finance)	
	Ongoing work on a « Stratégie Commune d'Assistance Pays » (SCAP) [Joint country strategy] leads to the creation of four working groups: division of labour, rationalisation of sector working groups, joint diagnostics and harmonisation of procedures.	

Annex F: Summary tables on PFM Reform Inputs & Outputs

Table F.1 Inputs: Government non-financial inputs 2001–2011

Year	Month	Sector	Output category	Description	Source
2001	Sep	PFM reform management	Organisational Development	Internal diagnostic of public finance management leading to PRGB	GoBF (2007c)
2002	Not known	PFM reform management	Organisational Development	Organisational audit of DGTCP (Trésor et Comptabilité publique) and Direction Services Informatiques	GoBF (2007c)
2002	Not known	PFM reform management	Laws, Rules and Procedures	Action plan to ensure transparency and accountability in fiscal management	IMF (2003)
2003	Aug	PFM reform management	Organisational Development	Creation of the Comité de Pilotage du Plan d'Actions pour le Renforcement de la Gestion Budgétaire	GoBF (2007c)
2003	Not known	PFM reform management	Organisational Development	Organisational audit of DCMP	GoBF (2007c)
2003	Not known	Internal Controls	Info systems and business processes	Billetage operation to contrôler the payroll	GoBF, donors (2010)
2005	Aug	Budget Preparation	People, Skills	Seminar organised in Ouahigouya to assess and strengthen the move to Budget Programmes	GoBF (2007c)
2005	Not known	PFM reform management	Organisational Development	Organisational audit of DGCOOP and DRH of the MFB	GoBF (2007c)
2005	Not known	PFM reform management	Info systems and business processes	Revision of the CID to introduce new functionalities	GoBF (2007c)
2006	feb	PFM reform management	Organisational Development	Groupe de pilotage for the preparation of the SRFP (under SP SPPPF) (arrêté n°2006-0072/MFB/CAB/SP-PPF du 15 mars 2006) and recruitment of two international experts and one national expert to draft the SRFP	GoBF (2007c)
2006	Sep	Budget Preparation	Info systems and business processes	Seminar on budget programme in Ouagadougou (with GTZ support)	GoBF (2007c)
2006	Not known	Internal Controls	Info systems and business processes	Billetage operation to contrôler the payroll	GoBF, donors (2010)

Year	Month	Sector	Output category	Description	Source
2006	Not known	FM, reporting and monitoring	Info systems and business processes	Introduction of accounting of state assets/property, through sensitization of regional authorities, census of State assets, training of census agents	GoBF, donors (2010)
2006	Not known	PFM reform management	Organisational Development	Organisational audit of DAF and DCCF (Direction Centrale du Contrôle Financier)	GoBF (2007c)
2007	Jul	Ex post oversight and audit	Organisational Development	Action plan on five years elaborated on the basis of the report of the 2006 audit by 2AC	GoBF (2010a)
2007	Not known	PFM reform management	Organisational Development	Organisational audit of DGB, DEP of MFB and DGI (Impots)	GoBF (2007c)
2008	Not known	Procurement	People, Skills	Sensitization on the new procurement regulations – 14 information seminars for 1274 personnes	GoBF, donors (2010)
2009	Not known	Ex post oversight and audit	Organisational Development	Project to modify the Loi organique relative to the CdC, finished in july 2009 but not adopted yet in 2010 PEFA	GoBF (2010a)

Table F.2 Inputs: Chronology of major donor projects in support to PFM reform

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
AfDB	Capacity building in four ministries											
IMF/ AFRITAC												
EC											PARI	
France	PAAFIE I					PAAFIE II				PAREF		
GTZ												
SECO								Sup- port to SYGADE				
UNDP											PRGE	
WB	PIDP							EMRO				
Denmark												

PABG: Project d'Appui à la Bonne Gouvernance; PARI: Programme d'Appui Régional à l'Intégration; ABRP: Appui Budgétaire à la Réduction de la Pauvreté; PAAFIE: Programme d'Appui aux Administrations Economiques et Finacières; PAREF: Programme d'Appui aux Réformes Economiques; PIDP: Public Institutional Development Project; PRGE: Programme de Renforcement de la Gouvernance Economique; EMRO: Economic Management Reform Operation; ACBP: Administration Capacity Building Programme

In red, projects for which financial information is available

ANNEX F: SUMMARY TABLES ON PFM REFORM INPUTS & OUTPUTS

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Good governance support project (PABG)						Project in support of Public Expenditure Programming and Control Institutions			
missions									
PARI appui à l'ON		8 BK 40, 8 BK 11, 7 BK 150, fonds de contrepartie							
						Appui à la CdC			
PAREF Support to MEF								SBS	
Support to decentralisation and Treasury									
					Support to debt management				
PRGE									
			ACBP						
			Project support to CIR	Project Support to CIR	Project support to CIR	Project Support to RESINA	SBS	SBS	

Table F.3 Inputs: major institutional strengthening programmes for which detailed documentation was available

	Donor	Date	Amount (million USD)*	Grant/ Loan	Coverage
Administration Capacity Building Programme (ACBP)	WB	2005–2011	3.97	Grant	multi-sector (six institutions involved)
Capacity Building in 4 Ministries	AfDB	1991–1999	4.81	Grant	multi-sector (four institutions involved)
Economic Mangement Reform Operation (EMRO)	WB	1998–1998	8.93	Loan	multi sector (four components, two of which related to PFM)
Projet d'Appui à la Bonne Gouvernance (PABG)	AfDB	2002–2007	0.81	Grant	Multi-sector
PAREF	France	2001–2005	0.71	Grant	PFM only
Projet in support of Public Expenditure Programming and Control Institutions	AfDB	2007–2011	3.78	Grant	PFM only
Public Institutional Development Project (PIDP)	WB	1992–2000	10.93	Loan	Multi sector (civil service reform, legal and judicial reform)

* Amounts are in constant 2008 USD. Committed amounts. Derived from project documentation based on estimate of amount relevant to PFM (amounts indicated concern specific PFM-related components or activities only). Total project amounts including other components are therefore higher.

Delays	Institutional setting
extended by 7 months	Based in Prime Minister's office, small Project Coordination unit integrated into SGPM (prime minister's office) and reporting to PS
initially to last 2,5 years, in the end extended by 5 years (and 18 months delay in entry into force) (three postponements and two reformulation exercises)	based in ministry of planning
no delays	High impact adjustment lending, one tranche
Originally scheduled for 24 months, the project was finally implemented over a 5-year period with four extensions	Under the supervision of the Ministry of Public Service and State Reform by the Permanent Secretariat of the National Good Governance Policy (PS-NGGP)
project initially planned for 36 months extended for two years	Project under the ministry of economy and finance (then under MFB), with steering committee, national coordinator (Directeur DEP of the MEF) and project coordinator (TA)
Initially 36 months starting jan 2007 – still ongoing	Implementing agency: ministry of finance, budget, economy and planning, Secretariat for the Steering Committee of the Budget Management Strengthening Programme (PRGB)
Prolonged by nearly four years	No project implementation unit was created Overall responsibility for program and project coordination and management was entrusted to the Ministry of Civil Service. In March 1997, a project coordinating unit was created within the Prime Minister's Office, under the authority of the Secretary General, and project implementation has dramatically improved thereafter.

Table F.4 List of donor support to PFM for which no documentation has been found

Year	Lead Agency	Other donors	Description	Source
1992	France		PAAFIE I	ade (2007)
1992	GTZ		Project to support economic management, statistics and public finance (budget programmes)	ade (2007)
1996	France		PAAFIE II support to institutional reforms, adaptation of the fiscal and customs framework, rehabilitation of the information system for fiscal and economic decision making.	ade (2007)
1998	SECO	Gov	SYGADE system to monitor debt, with support from SECO	GoBF (2010a)
1999	IMF		FAD mission assisting in upgrading the computer system used for large taxpayers	IMF (2002)
2001	France		PAREF TA to MFB (SG MEF – SPPPF, DGI, DGD)	ADE (2007)
2001	France		PAREF TA to decentralisation process (MATD) – not implemented due to lower priority given to decentralisation policy by Gvt	ADE (2007)
2001	France		PAREF TA to MFB (SG MEF – SPPPF, DGI, DGD)	ADE (2007)
2002	GTZ		Advisor to the MEF on socio-economic analysis and forecasting and analysis tools	World Bank (2004e)
2003	SECO		CICL (Comptabilité Intégrée des Collectivités Locales) software specifically designed to facilitate the production of financial accounts by municipalities, which the Treasury (DGTCP) has been implementing since 2003, with the support of Switzerland.	World bank (2008a)
2004	EC		Fonds de contrepartie – DGCOOP building	World Bank (2004e)
2004	SECO	gov	Domestic debt audit	IMF (2008)
2006	AfDB	GTZ	Because the budget-program and MTEF initiatives are a long-term reform, the Government has started to adapt administrative texts to establish a unit within the General Directorate for Budget which will be responsible for program budget and MTEF implementation. The African Development Bank and the GTZ have been supporting this initiative.	world bank (2007)
2006	AfDB		Support to public expenditure programming and control institutions, July 2006)	world bank (2007)

Year	Lead Agency	Other donors	Description	Source
2006	EC	gov	The Audit Court has also elaborated an Action Plan for the reinforcement of its capacity with assistance from the European Commission and support from the Government.	world bank (2007), world bank (2009a)
2006	WB		The Government has also benefited from an IDA Institutional Development Fund, to improve the capacity of institutions in charge of budget control.	world bank (2007)
2007	EC	gov	EU support to the CdC – in support of triennial action plan 2007–2010 (819 million CFA of which 80% is financed by EC, rest by GoBF	GoBF (2010a)
2008	France		Creation of the Budgetary and Financial Discipline Chamber is supported by the French cooperation through non-lending technical assistance.	world bank (2009a)
2008	WB	EC	An IDF grant and an-EU funded technical assistance project have lowered the financial and technical constraints on the Court's operations and are addressing organizational issues.	World bank (2008a)
2008	WB		Public Sector Reform Project supports the acceleration of the Court's program to judge accounts corresponding to years preceding its establishment; the Public Control Institutions IDF supports the hiring of private sector auditors to cross-train the Court's auditors and help them undertake financial audits; the Bank has also organized with GAC funding an international workshop aimed at strengthening the relationships between the Finance Commission of Parliament and the Court. The Bank is also financing technical assistance from the Moroccan Court of Accounts, in the form of peer review services to assist the Burkina Court implement some of its reforms. Finally, given that 68 percent of audit reports in FY08 were considered not acceptable, an audit firm assessed the Chartered Accounting Body in May 2009 and identified specific actions to strengthen-up the capacity of both public sector control institutions and private audit firms, which will be supported through another IDF grant.	world bank (2009a)

Year	Lead Agency	Other donors	Description	Source
2008			study to expedite the processing of payments and eliminate redundancies of controls	IMF (2008)
2010	EC		audit of procurement contracts 2008 and 2009 (planned)	EC (2010a)
Not known	AfDB		PERs – health, education, agriculture (with EC and UNICEF): AfDB support included providing consultants, drafting documents, and conducting consultative meetings	AfDB eval p.34
Not known	AfDB		studies in support of public expenditure programming and institutions which monitor and control public spending	AfDB eval p.33
Not known	AfDB		survey of public opinion on the quality of public expenditure	AfDB eval p.33
Not known	AfDB		inputs to public procurement system	
Not known	AfDB		TA has moved from separate to integrated within PBOs	AfDB eval p.35
Not known	CIDA		Support to procurement contracts	
Not known	Danida		Support to computerised revenue system (Programme d'Appui au Circuit Intégré de la Recette CIR)	Lanser et al (2004)
Not known	EC		Study on external financing (DGCOOP support)	
Not known	EC		Audit of procurement contracts 2001/02 and 2004, support to IGF	

Table F.5 Inputs: Diagnostics of PFM systems

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
WB	CPAR			CFAA		assessment of public expenditure tracking capacity	CPAR						
IMF			ROSC					review of implementation of PFM PAP	study on management of internal debt				
AfDB									Report on improving budget management				
							Governance profile						
all			HIPC AAP		HIPC AAP				PEFA				
EC				audits des marchés publics (2001–2004)				assessment CdC					
SECO						audit dette							
Government				Public Expenditure Reviews health, basic education, rural development, infrastructure, public investment, higher education, justice									PEFA

Table F.6 Key outputs of PFM reform per PFM sector

	1996	1997	1998	1999	2000	2001	2002	2003
Debt management	Comité National de la Dette Publique							
Budget Preparation		Launch of Budgets Programmes			Launch of MTEF ('CDMT global')			
Approval & Scrutiny								
Revenue Collection					CIR set up (revenue)	SYDONIA set up (customs) Single Tax Identification Number applies to all taxpayers (IFU)		Comité de suivi rapproché du recouvrement des recettes budgétaires de l'Etat
Treasury systems				Comité de Trésorerie	Comité de suivi de l'exécution budgétaire et de la trésorerie		Legislation on opening of bank accounts in commercial banks Comité de suivi des délais de paiement (CODEP)	
Internal Controls								

ANNEX F: SUMMARY TABLES ON PFM REFORM INPUTS & OUTPUTS

2004	2005	2006	2007	2008	2009	2010
				Politique Nationale d'endettement public et de gestion de la dette	Modification of Comité national and regulations on public debt	
	Budget calendar set out in decree	broadening of MTEF to sector ministries		comité de réforme de la programmation budgétaire (CRPB) Direction de l'informatisation du budget created within MFB Introduction of a budget mid term review	Comité de pilotage pour le budget de programme (CP/BP) and Cellule d'implantation du budget de programmes de l'Etat (CIBPE) Government outreach efforts on 2009 budget	
			Functionnal classification presented in annex to Budget Law			
establishment of large taxpayers division (DGE) SYDO-NIA++	SINTAX development starts New TIN, centralisation of tax collection responsibilities	Creation of 'perceptions spécialisées' in line ministries New IFU software	Single customs declaration form		Tax reform strategy SINTAX rollout achieved new measures for large taxpayers Elaboration of revenue forecasting model	Reform of tax legislation
						New classification of expenditure-supporting documentation

ANNEX F: SUMMARY TABLES ON PFM REFORM INPUTS & OUTPUTS

	1996	1997	1998	1999	2000	2001	2002	2003
Internal Audit								
Procurement								New procurement code, regulation, manuals
FM, reporting and monitoring	Beginning of CIF elaboration		New Public Accounting Plan	CID set up (expenditure) SIGASPE set up (payroll)	CIE set up (accounting) CID operational at decentralized level	New Public accounting regulations	Computerized management of externally-funded projects	WAEMU public accounting and budget nomenclature
Ex post oversight and audit					Cour des Comptes created	Haute Autorité de Coordination de Lutte contre la Corruption created	CdC operational	
PFM reform management			Law on AGA	Regulation on AGA	Regulation on AGA		PRGB (Plan de Renforcement de la Gestion Budgétaire) MFB and ME-DEV separated	New OBL

In green: Laws, rules and procedures

In blue: organisational changes

In red: information systems and business processes

ANNEX F: SUMMARY TABLES ON PFM REFORM INPUTS & OUTPUTS

2004	2005	2006	2007	2008	2009	2010
			High Authority for State Oversight (Autorité Supérieure de Contrôle de l'Etat—ASCE)		cadre de concertation des structures de contrôle (CCSCE) of the MEF	
			Inspection Générale du Budget created			
CNCS: Comité National de Coordination et de Suivi des Réformes des Marchés Publics			ARMP: Autorité de régulation des marchés publics Comité de Règlement des Différents (CRD) replaces Commission de Règlement à l'Amiable des Litiges (CRAL)	New procurement regulations	Système d'information Intégré des Marchés Publics SIMP	
Plan Comptable de l'Etat Quarterly budget execution reports produced	CICL (accounting for regions) Manual for elaboration of the TOFE		New regulation on project and programme implementation Creation of the Direction de l'Informatisation du Budget within MEF Introduction of fonctionnal classification	Direction générale du patrimoine de l'Etat (DGPE) start of a 'comptabilité matière' (accounting system of government property)		CIFE set up (External Financing)
National Plan for Improving Governance		Anticorruption strategy	CdC member of INTOSAI			
	Series of decrees on accounting and budget execution procedures Budget calendar formalised	Series of decrees on fiscal decentralisation	Strategy for Strengthening Public Finance (SRFP) Merger of Ministry of Finance and Budget and Ministry of Economy and Development.			

Annex G: PFM Reform Outcomes: HIPC & PEFA scores

Table G.1 Burkina Faso scores – HIPC AAP 2001 and 2004

	2001	2004
1 – Composition of the budget entity	B	B
2 – Limitations to use of off-budget transactions	A	A
3 – Reliability of budget as guide to outturn	B	B
4 – Data on donor financing	C	C
5 – Classification of budget transactions	B	B
6 – Identification of poverty-reducing expenditure		B
7 – Quality of multiyear expenditure projections	A	A
8 – Level of payment arrears	B	A
9 – Quality of internal audit	B	B
10 – Use of expenditure tracking surveys	A	A
11 – Quality of fiscal/banking data reconciliation	A	A
12 – Timeliness of internal budget reports		A
13 – Classification used for tracking poverty-reducing expenditures		B
14 – Timeliness of accounts closure		A
15 – Timeliness of final audited accounts	C	C
16 – Effective procurement		B

Source: World Bank(2004e), De Renzio and Dorotinsky (2007)

Table G.2 Burkina Faso scores: PEFA 2007 and 2010

Indicator	Dimension	2007 Assessment		2010 Assessment	
PI – 1: Aggregate expenditure out-turn compared to original approved budget	(i) The difference between actual primary expenditure and the originally budgeted primary expenditure (i.e. excluding debt service charges and externally financed project expenditure)	A		B	
PI – 2: Composition of expenditure out-turn compared to original approved budget	(i) Extent to which variance in primary expenditure composition exceeded overall deviation in primary expenditure (as defined in PI-1) during the last three years	C		C	
PI – 3: Aggregate revenue out-turn compared to original approved budget.	(i) Actual domestic revenue collection compared to domestic revenue estimates in the original, approved budget	D		C	
PI – 4: Stock and monitoring of expenditure payment arrears	(i) Stock of expenditure payment arrears (as a percentage of actual total expenditure for the corresponding fiscal year) and any recent change in the stock.	C	C+	A	B+
	(ii) Availability of data for monitoring the stock of expenditure payment arrears.	B		B	
PI – 5: Classification of the Budget	The classification system used for formulation, execution and reporting of the central government's budget	A		A	
PI – 6: Comprehensiveness of information included in budget documentation	Typology of information in the budget documentation most recently issued by the central government	A		A	
PI – 7: Extent of unreported government operations	(i) The level of extra-budgetary expenditure (other than donor-funded projects) which is unreported i.e. not included in fiscal reports.	B	B+	B	B+
	(ii) Income/ expenditure information on donor-funded projects which is included in fiscal reports	A		A	
PI – 8: Transparency of inter-governmental fiscal operations	(i) Transparent and rules based systems for the horizontal allocation among SN governments of unconditional and conditional transfers from central government.	A	A	A	A

Indicator	Dimension	2007 Assessment	2010 Assessment		
	(ii) Timeliness of reliable information to SN governments on their allocations from central government for the coming year.	A	A		
	(iii) Extent to which consolidated fiscal data (at least on revenue and expenditure) is collected and reported for general government according to sectoral categories.	A	A		
PI – 9: Oversight of aggregate fiscal risk from other public sector entities	(i) Extent of central government monitoring of autonomous government agencies and public enterprises	B	B+	B	B+
	(ii) Extent of central government monitoring of SN governments' fiscal position	A	A		
PI – 10: Public access to key fiscal information	Typology of fiscal information which is publicly available	C	C		
PI – 11: Orderliness and participation in the annual budget process	(i) Existence of and adherence to a fixed budget calendar.	B	B		
	(ii) Clarity/comprehensiveness of and political involvement in the guidance on the preparation of budget submissions (budget circular or equivalent).	B	B+	B	B+
	(iii) Timely budget approval by the legislature or similarly mandated body (within the last three years).	A	A		
PI – 12: Multi-year perspective in fiscal planning, expenditure policy and budgeting	(i) Preparation of multi-year fiscal forecasts and functional allocations	C	B		
	(ii) Scope and frequency of debt sustainability analysis	A	A		
	(iii) Existence of sector strategies with multi-year costing of recurrent and investment expenditure	B	B	B+	
	(iv) Linkages between investment budgets and forward expenditure estimates	C	B		
PI – 13: Transparency of Taxpayer obligations and liabilities	(i) Clarity and comprehensiveness of tax liabilities	D	B		
	(ii) Taxpayer access to information on tax liabilities and administrative procedures	C	D+	B	B
	(iii) Existence and functioning of a tax appeal mechanism	C	C		

Indicator	Dimension	2007 Assessment		2010 Assessment	
PI – 14: Effectiveness of measures for taxpayer registration and tax assessment	(i) Controls in taxpayer registration system	C		C	
	(ii) Effectiveness of penalties for non-compliance with registration and declaration obligations	C	C	C	C
	(iii) Planning and monitoring of tax audit and fraud investigation programmes	C		C	
PI – 15: Effectiveness in collection of tax payments	(i) Collection ratio for gross tax arrears, being the percentage of tax arrears at the beginning of a fiscal year, which was collected during that fiscal year (average of the last two fiscal years).	D		C	
	(ii) Effectiveness of transfer of revenue collections to the Treasury by the revenue administration.	B	D+	B	D+
	(iii) Frequency of complete accounts reconciliation between assessments, collections, arrears and receipts by Treasury.	D		D	
PI – 16: Predictability in the availability of funds for commitment of expenditures	(i) Extent to which cash flows are forecast and monitored.	A		A	
	(ii) Reliability and horizon of periodic in-year information to MDAs on ceilings for expenditure commitment	D	D+	B	B+
	(iii) Frequency and transparency of adjustments to budget allocations, which are decided above the level of management of MDAs	A		A	
PI – 17: Recording and management of cash balances, debt and guarantees	(i) Quality of debt data recording and reporting	B		B	
	(ii) Extent of consolidation of the government's cash balances.	C	B	B	B+
	(iii) Systems for contracting loans and issuance of guarantees.	B		A	
PI – 18: Effectiveness of payroll controls	(i) Degree of integration and reconciliation between personnel records and payroll data	A		A	
	(ii) Timeliness of changes to personnel records and the payroll	D	C+	C	C+
	(iii) Internal controls of changes to personnel records and the payroll	A		A	
	(iv) Existence of payroll audits to identify control weaknesses and/or ghost workers.	C		B	

Indicator	Dimension	2007 As- sessment	2010 As- sessment
PI – 19: Competition, value for money and controls in procurement	(i) Evidence on the use of open competi- tion for award of contracts that exceed the nationally established monetary threshold for small purchases (percent- age of the number of contract awards that are above the threshold)	D	C
	(ii) Extent of justification for use of less competitive procurement methods	C+	B
	(iii) Existence and operation of a procure- ment complaints mechanism	C	B
PI – 20: Effectiveness of internal controls for non-salary expenditure	(i) Effectiveness of expenditure commit- ment controls	A	A
	(ii) Comprehensiveness, relevance and understanding of other internal control rules/procedures	B	B
	(iii) Degree of compliance with rules for processing and recording transactions.	C+	C+
PI – 21: Effectiveness of Internal Audit	(i) Coverage and quality of internal audit function	C	A
	(ii) Frequency and distribution of reports	D	B
	(iii) Extent of management response to internal audit findings	D+	B+
PI – 22: Timeless and regularity of accounts recon- ciliation	(i) Regularity of bank reconciliations.	D	B
	(ii) Regularity of reconciliation and clear- ance of suspense accounts and advances	B	A
PI – 23: Availability of information on resources re- ceived by service delivery units	Collection and processing of information to demonstrate the resources that were actually received (in cash and kind) by the most common front-line service deliv- ery units (primary schools and primary health clinics), irrespective of which level of government is responsible for the operation and funding of those units.	C	C
PI – 24: Quality & timeli- ness of in-year budget reports	(i) Scope of reports in terms of coverage and compatibility with budget estimates	D	D
	(ii) Timeliness of the issue of reports	A	A
	(iii) Quality of information	B	A
PI – 25: Quality and timeliness of annual financial statements	(i) Completeness of the financial state- ments	B	B
	(ii) Timeliness of submission of the finan- cial statements	B	B
	(iii) Accounting standards used	B+	B+

Indicator	Dimension	2007 Assessment		2010 Assessment	
PI – 26: Scope, nature and follow-up of external audit	(i) Scope/nature of audit performed (incl. adherence to auditing standards)	D		D	
	(ii) Timeliness of submission of audit reports to legislature	C	D+	C	D+
	(iii) Evidence of follow up on audit recommendations	C		B	
PI – 27: Legislative scrutiny of the annual budget law	(i) Scope of Legislature's scrutiny	A		A	
	(ii) Extent to which the legislature's procedures are well-established and respected.	A		A	
	(iii) Adequacy of time for the legislature to provide a response to budget proposals.	A	C+	A	C+
	(iv) Rules for in-year amendments to the budget without ex-ante approval by the Legislature.	C		C	
PI – 28: Legislative scrutiny of external audit reports	(i) Timeliness of examination of audit reports by the Legislature (for reports received within the last three years)	B		C	
	(ii) Extent of hearings on key findings undertaken by the Legislature	A	C+	C	C
	(iii) Issuance of recommended actions by the Legislature and implementation by the Executive.	C		C	
D-1: Predictability of Direct Budget Support	(i) Annual deviation of actual budget support from the forecast provided by the donor agencies at least six weeks prior to the government submitting its budget proposals to the Legislature.	A		A	
	(ii) In-year timeliness of donor disbursements (compliance with aggregate quarterly estimates).	A	A	D	D+
D-2: Financial information provided by donors for budgeting and reporting on projects and programmes	(i) Completeness and timeliness of budget estimates by donors for project support	B		B	
	(ii) Frequency and coverage of reporting by donors on actual donor flows for project support	C	C+	C	C+
D-3: Proportion of aid that is managed by use of national procedures	Overall proportion of aid funds to central government that are managed through national procedures		C		C

Source: GoBF(2010a)

Table G.3 Burkina Faso scores: HIPC-PEFA per Intermediary outcome

Indicators	HIPC 2001*	HIPC 2004**	
Transparency and Comprehensiveness	Coverage of the budget/ Surveillance of Risk HIPC: 1; PI-9 and PEFA PI-8(iii)	B TOFE started in 1991. Does not cover AGA (World Bank (1993))	B No consolidated information on own resources of AGA (Autonomous Government Agencies, or EPE Etablissements Publics d'Etat) and collectivités locales (CL). Began implementation of CICL (logiciel de comptabilité intégrée des collectivités locales) which should allow the production of a comprehensive TOFE in due course. Estimated expenditure of EPE and collectivités locales not included in finance law in 2002: 6.8% of total expenditure
	Transparency in I-G relations PEFA PI-8(i) & (ii)		
	Extra-budgetary resources HIPC:2; PEFA: PI-7(i)	A	A Less than 3% of total expenditure financed by extra-budgetary sources: user fees, EPE own revenue.
	Budget documentation PEFA: PI-6		The National Assembly adopted a new budget law in January 2003 to enhance the quality, availability and timeliness of the publication of budget data. The law followed WAEMU guidelines and included provisions to ensure the comprehensiveness of budget laws, including multi-year projections of debt service obligations, lists of all special accounts and related expenditures, the government's balance sheet, monthly projections for budget implementation, and functional and economic classifications for the budget. (World Bank (2005a))
Public access to information PEFA: PI-10		Budget documents are public and annual budget laws are published in the official gazette. However, there is no public information center where the public can obtain information on the PRSP process and related policies and budgets... Information on budget execution is available to the government and donors during the year, but not to the wider public (World Bank (2005a))	

PEFA 2007***	PEFA 2010****
<p>Monitoring of AGAs: B</p> <p>Accounts of EPE presented annually. Not audited by the CDC.</p> <p>Monitoring of LGs: A</p> <p>CL budgets, accounts and loans well controlled by central government.</p> <p>Submission of information by LGs: A</p> <p>Budgets, budget execution reports and accounts of CL transmitted to central level in timely manner</p> <p>Lack of information on CL own resources.</p>	<p>Monitoring of AGAs: B</p> <p>No major change since 2007</p> <p>Monitoring of LGs: A</p> <p>No major change since 2007</p> <p>Submission of information by LGs: A</p> <p>No major change since 2007</p>
<p>A/A</p> <p>Fiscal decentralisation: clear rules for allocation of fiscal transfers; timely transmission of information on fiscal transfers</p>	<p>A/A</p> <p>No major change since 2007</p>
<p>B</p> <p>Issue of “régies de recettes” (user fees, charges, etc): weakly controlled and accounted for. Establishment of “perceptions spécialisées” in 5 ministries in 2007.</p> <p>Issue of “special funds” (fonds d’appui & fonds de financement): approx 20 funds</p> <p>Overall estimated between 1 and 5% of total expenditure</p>	<p>B</p> <p>Issue of “régies de recettes” and of “special funds” remain</p>
<p>A</p> <p>Lack of information on economic scenario on which the budget is based, and on impact of new fiscal measures.</p>	<p>A</p> <p>Improvement on economic scenario, but still lack of ex-ante analysis of impact of new fiscal measures. Remaining weaknesses on “etat des restes à recouvrer” and annual treasury plan.</p>
<p>C</p> <p>Only information available on MFB website is on attribution of contracts</p>	<p>C</p> <p>No major changes since 2007</p>

Indicators	HIPC 2001*	HIPC 2004**
Transparency and Comprehensiveness (2)	C	<p>Weak coverage of donor projects in finance law and TOFE. No coverage in CID of foreign financed expenditure</p> <p>Ratio finance law forecasts / DAC forecast in 2002: 46.1%; Ratio finance law forecast / IMF forecast in 2002: 70%</p> <p>One year delay in DGCOOP report (World Bank (2005a))</p>
	<p>Classification HIPC:5; PEFA:PI-5</p>	<p>B</p> <p>GoBF adopted UMEOA-compatible budget classification in 2003 – used from 2004.</p> <p>Includes economic, functional, organisational classification. No programmatic classification as such but mapping between admin and budget programmes. High level of non-disaggregated “dépenses communes interministérielles</p>
	<p>Transparency of taxpayer obligations PEFA PI-13</p>	
<p>Efficiency of taxpayer registration PEFA PI-14</p>		

PEFA 2007***	PEFA 2010****
<p>A</p> <p>DGCOOP reports cover more than 90% of estimated project disbursements. Information on budget support and IMF disbursements provided by the BCEAO.</p>	<p>A</p> <p>Monthly information on donor disbursements included in DGCOOP reports</p>
<p>A</p> <p>Budget classification compatible with GFS and UMEOA</p> <p>“dépenses communes interministérielles” represented 27.02%; 25.21% and 22.01% of total expenditure in 2004–2006</p>	<p>A</p> <p>Idem + new poverty reduction spending</p> <p>“dépenses communes interministérielles” represented 16.1% in 2010</p>
<p>Clear obligations D Access to information C Appeal C</p> <p>Clear rules and procedures for customs but less so for domestic taxation.</p> <p>No consolidated compilation of rules and regulations.</p> <p>Appeal systems exist but not very effective.</p>	<p>Clear obligations B Access to information B Appeal C</p> <p>Comprehensive revision of fiscal laws in 2010 addresses most weaknesses. Progress remains to be done on informal sector.</p> <p>New website and Centre agréés de gestion to improve citizen information</p> <p>Appeal mechanisms remain weak</p>
<p>Immatriculation C Penalties C Control C</p> <p>IFU: Identifiant Financier Unique set up but system weakly linked with others</p> <p>Sanctions and control system but are not effective</p>	<p>Immatriculation C Penalties C Control C</p> <p>IFU software in place since 2006, decentralised since 2009. Tax and customs files remain weakly interconnected</p> <p>SYNTAX (tax management) evolves with new module</p> <p>Better connexion of customs systems</p>

	Indicators	HIPC 2001*	HIPC 2004**
Linking budgeting, planning and policy	Participatory budget process PEFA: PI-11		
	Medium term forecasting HIPC: 7; PEFA: PI-12(i)	A	A MTEF prepared since 2000 but not used as a basis for budget preparation until 2002
	Costed sector strategies PEFA PI-12(ii)		Line ministries themselves are not organised (nor staffed) to prepare a real sector budget, based on efficiency and performance evaluation. Their budget proposals are usually based on the equivalent of a wish list and the line ministries' ability to negotiate with the MoF is extremely weak. Since line ministries have poor channels of communication both with the core ministries and their own service delivery levels, budget priorities and allocations are almost inevitably determined without a sufficient information base. Even the underlying assumptions and hypotheses do not reflect actual local needs or locally identified priorities. The proposals from each ministry are submitted to the MoF and substantially altered. The MoF has the last say in the budget proposal submitted to the Cabinet for approval before the Parliament. (World Bank (2004d))
	Debt sustainability PEFA PI-12(iii)		
	Linking investment and medium term recurrent costs PEFA PI-12(iv)		The programmatic links between the budget and the PRSP have remained weak. PRSP progress reports have focused little on the connection between program objectives and budget execution to explain actual outcomes of PRSP implementation. World Bank (2005a)
Linking budgeting, planning and policy (2)	Use of tracking surveys HIPC 10; PEFA PI-23	A	A Annual surveys on user satisfaction, cost of key health and education services and availability of funds for key service delivery entities, published in annual CSLP review
	Predictability of fund availability PEFA PI-16		

PEFA 2007***	PEFA 2010****
<p>Calendar: B Clear guidelines: B Timely adoption: A</p> <p>Clear budget calendar; approx 4 weeks given to budget agencies to prepare their budgets after reception of the Circulaire budgétaire. Ceilings approved by Council of Ministers Budget approved by National Assembly before the start of the budget year</p>	<p>Calendar: B Clear guidelines: B Timely adoption: A</p> <p>From 2008: Analysis of priority investments, jointly between domestic and externally-financed investments From 2008: mid term budget review</p>
<p>C</p> <p>Rolling medium term budget planning used for budget preparation (ceilings) but no use of outer years</p>	<p>B</p> <p>Outer years are used as a basis to derive following year envelopes</p>
<p>B</p> <p>Costed sector strategies cover 40% of total budget</p>	<p>B</p> <p>Costed sector strategies cover 75% of total budget</p>
<p>A</p> <p>Annual analysis of debt sustainability</p>	<p>A</p> <p>Annual analysis of debt sustainability</p>
<p>C</p> <p>Only a few ministries analyse medium term recurrent cost implications of investments</p>	<p>B</p> <p>Most ministries analyse medium term recurrent cost implications in their sector strategies. Conférences d'arbitrage investissement have improved investment planning</p>
<p>D</p> <p>Annual surveys not carried out in 2005 and 2006 Data on resources at decentralised level incomplete (nothing on user fees or direct purchasing by health and education districts)</p>	<p>D</p> <p>Similar situation. Data on funding from communes to schools and health centers not available at central level.</p>
<p>Cash planning A In year predictability D In year adjustment A</p> <p>Cash plans are available and adequate monitoring and institutional framework. Whole annual credits available early in the fiscal year. In case of liquidity issue (tension de trésorerie), formal and informal regulation mechanisms exist. Priority expenditure protected</p> <p>Lois de finances rectificatives amend initial budget law once or twice a year.</p>	<p>Cash planning A In year predictability B In year adjustment A</p> <p>From 2008: revue à mi parcours main reallocation mechanism, which strongly enhanced in-year predictability</p>

	Indicators	HIPC 2001*	HIPC 2004**
Control, Oversight and Accountability	Efficiency of tax and customs collection PEFA PI-15	<p>Despite some progress, the poor revenue performance reflects widespread exemptions and the reluctance of the authorities to fully implement the necessary reforms.</p> <ul style="list-style-type: none"> • Exemptions are still pervasive, hampering any marked increase in revenue collection. The VAT base excludes a large number of consumption goods, as well as the agricultural sector and the mining sector. There are also large exemptions granted by the investment code. Moreover, there have been instances of reform backtrack, such as the reintroduction of VAT exemptions on certain food items in 2003, and the contraction of the base for the income tax on wages and salaries (IUTS) in 2002. • There were significant delays in the implementation of tax and customs administrative measures, notably in the establishment of the DGE (which became operational only in mid-2005), and the computerization of tax and customs administrations. Moreover, some of these reform measures were not fully implemented. The monitoring and auditing of tax payers has improved in 2005, but they are still not up to speed, nor is collection enforcement. (Source: IMF2006) 	
	Arrears HIPC: 8; PEFA: PI-4	B	<p>A</p> <p>Since 2002 : Commission de suivi de délai des paiements and CID allow good monitoring of payment delays Average time between liquidation and paiement down from 57 days in 2001 to 47 in 2003</p>
Control, Oversight and Accountability (2)	Treasury management, debt and guaranties PEFA PI-17		
	Quality of fiscal information HIPC 11; PEFA PI-22(i) and (ii)	A	<p>A</p> <p>Monthly TOFE prepared by SP PPF. Main issue concerns donor grants</p>

PEFA 2007*****Arrears collection D
Transfer to treasury B
Reconciliation D**

Accumulation of arrears in particular on taxes, less on customs.
Transfers of taxes collected to Treasury within a week.
No consolidation of tax collection, arrears, and tax evaluation.

PEFA 2010******Arrears collection C
Transfer to treasury B
Reconciliation D**

Collection ratio for tax arrears around 80%

**Arrears stock: C [initially A]
data availability: B**

No arrears as per WAEMU definition. Arrears monitored within CID.
Average time between liquidation and payment up from 29 days in 2004 to 41 in 2006 [correction in 2010 PEFA to include « dégage-ment des dépenses engagées en fin d'année fiscale» led to a revision of the grade]

**Arrears stock: A
data availability: B**

Average time between liquidation and payment down from 48 days in 2007 to 35 in 2008
Arrêté N° 2008-154/MEF/CAB du 13 juin 2008 article 24 specifies a maximum time of 15 days between the request for inspection and the technical inspection by the Commission to certify the service delivery
An operation to clean up domestic arrears was carried out in 2008 with IMF support

**Data on debt B
Consolidation of bank accounts C
Control of new loans B**

Issues with quarterly consolidation of data, in particular from donors. External debt monitored through SYGADE, analysis through Debt-Pro
Weak control of bank accounts in commercial banks. In 2004, 302 bank accounts opened without authorization
The Comité National de la Dette Publique (CNDP) assesses new loans and the Conseil des Ministres gives its approval

**Data on debt B
Consolidation of bank accounts B
Control of new loans A**

Communication with donors through email is quicker. Circuit Intégré des Financements Extérieurs set up in 2009. Quarterly bulletin published from 2010.
Improved collaboration with commercial banks. Difficulty to impose sanctions on donor project accounts. In 2009, 226 bank accounts opened without authorization.
Adoption of a national policy of public debt management. Strengthened role of the CNDP

**Bank reconciliation B
Reconciliation and clearance D**

Monthly reconciliation of bank account held at Treasury
Annual reconciliation and clearance.
Balance Générale du Trésor prepared within 6 months, with some significant exceptions

**Bank reconciliation A
Reconciliation and clearance D**

Reconciliation is done within four weeks

	Indicators	HIPC 2001*	HIPC 2004**
Control, Oversight and Accountability (3)	Procurement PI-19		<p>B Not fully comparable</p> <p>Strong progress in 2004 following 2000 CPAR: new manual, preparation of annual cash plans, new decree setting up clear and comprehensive regulations and responsibilities.</p> <p>Remaining weaknesses in timeliness of procedures, and strong differences in prices paid by public and private sector.</p>
Control, Oversight and Accountability (4)	Internal control HIPC 9; PI-18; PI-20; PI-21	B	<p>B</p> <p>DCCF (a priori); IGF, IGE (created in 1993), HACLC (from 2003) (a posteriori)</p> <p>Lack of staff and need for clarification of different roles</p>

PEFA 2007***

Open tenders D
Justification when non open tender C
Appeal mechanism A

Lack of information on the proportion of open tenders, no information on EPE tenders. 2004 audit of 100 tenders show 66% of amount by open tender.

Excessive use of 'gré à gré', without adequate justification

Appeal through the Commission des Règlements à l'Amiable des Litiges, accessible to the public, and involving civil society

The 2005 CPAR assessed the performance of the national procurement system against the 12 benchmark indicators proposed by the working group composed of OECD/DAC and the World Bank at a score of 31 percent in 2000, prior to the implementation of the first series of PRSCs, and again at 55 percent in 2005. (source: World Bank 2007)

PEFA 2010****

Open tenders C
Justification when non open tender B
Appeal mechanism A

New code des marchés publics and new regulation for the "maitrise d'ouvrage"
 Creation of the Autorité de régulation des marchés publics in 2007

DGMP (Direction Générale des Marchés Publics) revamped in 2008, and creation of posts of Responsable des Marchés Publics within budget agencies.

Remaining lack of information on the share of open tenders, but estimated between 75% and 25%

Système d'information Intégré des Marchés Publics SIMP implemented since 2009
 EPE now monitored by DGMP, but no statistical information on the nature of their procurement

New role of IGF on procurement issues.

Reduction in the use of 'gré à gré', clear regulations and improved monitoring.

Strong improvement in the work of the appeal mechanism, comité de règlement des différends (CRD) replacing the CRAL

Daily publication of the Revue des marchés publics

Interconnection of wage system A
Delays in adjustments D
Traceability and control A
Surveys of payroll C

SIGASPE system to manage wages since 1999–2001, jointly between Ministry of Finance and Ministère de la Fonction Publique

Long delays in adjusting for modifications in career and correcting salary level

Control by Contrôle Financier and good traceability

Control (billetage) operation in 2003 and 2006, but no regular monitoring by Ministries

Commitment control C
Control B
Respect of procedures C

Quality of the information system (CID+CIE), which allows commitment control, except for "avances de trésorerie"

Duplication or triplication of control during expenditure chain. Weakness in the control of the "matérialité du service fait"

Interconnection of wage system A
Delays in adjustments C
Traceability and control A
Surveys of payroll B

No changes to SIGASPE

Delays for adjustments have been reduced significantly

Good traceability but internal control could be strengthened

Control operation in 2008, improved monitoring in health and education by ministries

Commitment control B
Control B
Respect of procedures C

Since 2008: better interconnection of financial management systems, CIR and SIGCM set up, all regions connected, analytical aspect of CID strengthened, Direction de l'informatisation du budget created within MFB

« Avance de trésorerie » disappeared in 2009

Indicators	HIPC 2001*	HIPC 2004**
Control, Oversight and Accountability (5)	Budget execution reports PEFA PI-24	
	Financial statements PEFA PI-25	

PEFA 2007***

High number of use of simplified procedure, "avance de trésorerie" and irregularities in expenditure
 Strong increase in the staff of the control financier, from 120 to 200 between 2005 and 2007
 Lack of staff in the service de l'ordonnancement

Effectiveness and coverage of controls A
Reports B
Implementation of recommendations D

IGE (under Prime Minister, integrated control),
 IGF (under MFB, financial control),
 IGT (under Direction du Trésor, accounting control)
 Good methodology and planning of controls, but lack of resources
 Irregular reporting, not public
 Weak monitoring of implementation, not systematic

Coverage of reports A
Periodicity of reports B
Reliability of information A

Reports comparable with budget, give ordonnancement and payment level of execution

TOFE 'de gestion' available within 10 days of the end of the month to the MFB, and within 45 days to the IMF.

Information on salaries available a bit later than the rest

Reliable information drawn from CID, CIE, and SIGASPE. Information on revenue not fully computerized.

Comprehensiveness B
Timeliness B
Nomenclature A

Loi de règlement is comprehensive but lack of a "comptabilité patrimoniale"

Presented to the National Assembly within 10 months

In line with IPSAS nomenclature

PEFA 2010****

Effectiveness & cover. of controls A
Reports B
Implementation of recom. C

2007: creation of the Autorité supérieure de controle de l'état, covering former IGE, HACLC and fight against fraud. Reports to be made public.
 Doubling of the number of IGF inspectors. ASCE monitors implementation of IGF recommendations.
 Increased number of IGT controls
 IGB (budget) created in 2007
 Cadre de concertation des structures de controle created in 2009

Coverage of reports A
Periodicity of reports A
Reliability of information A

Data on budget execution available in real time, one month late for salaries, and the following month for revenue collection.
 Monthly reports are now available within 30 days.

Comprehensiveness B
Timeliness B
Nomenclature A

No major change but progress toward the establishment of a "comptabilité patrimoniale"

	Indicators	HIPC 2001*	HIPC 2004**
Control, Oversight and Accountability (6)	Timeliness of audited financial information HIPC 15; PEFA PI-26	C	C Creation of the Cour des Comptes in 2002 establishes the necessary conditions for an independent evaluation of the lois de règlement but the status of judges does not allow full independence yet Progress on the preparation and submission of public accounts by DGTCP should lead to better timeliness from 2004
	Discussion of the budget law in Parliament PEFA PI-27	<p>The National Assembly has a significant role in the budget process. This role is structured into five main phases. First, the National Assembly receives technical reports from line ministries explaining their sector programs and financing requests for the upcoming budget year. After these reports have been received, conversations are held between members of the assembly and technicians at the various ministries. These interviews are followed by the elaboration of studies by various committees on issues of their concern. An overall report on the draft budget law is elaborated for National Assembly's public finance committee. Finally, the National Assembly amends and approves the draft budget law.</p> <p>Halfway through the year, the National Assembly may intervene again by amending and endorsing the supplementary budget law.</p> <p>To analyze the budget, the Assembly organizes itself in the form of thematic and sectoral committees that prepare reports based on the draft budget received and responses to the budget questionnaire that ask each department to provide additional information on: (a) the status of past budget execution; (b) sector priorities; and (c) the ministry's chief concerns. Budget proceedings then take place in three stages: subcommittee proceedings that involve ministry technicians; hearings with department heads, ...; and finally the proceedings of the arbitration committee. The Assembly does not analyze sector performance based on the budget received. World Bank (2005a)</p>	
Control, Oversight and Accountability (7)	Analysis of SAI report by Parliament PEFA PI-28		

PEFA 2007*****Comprehensiveness D
Timeliness C
Follow up on recommendations C**

The Cour des Comptes is composed of 18 magistrats, nominated by the executive. Accounts of the State, EPE and CL transmitted to the CdC since 2001.
Need to sort out state accounts (1984–2000) and CL accounts (1963–2000)
One report published so far: 2003–2004.
So far less than 50% of expenditure analysed – mainly backlog.
Long delay in production of reports, except for analysis of loi de règlement, produced within 4 months.
Recommendations monitored mainly on the loi de règlement. Not enough evidence yet.

**Extensiveness A
Process A
Timing A
Reallocations C [initially B]**

Discussions in plenary and in Commission des Finances et Budget (COMFIB).
Parliamentary control extensive, includes global analysis and medium term priorities as well as detail.
Process well established and debate in specialised commissions
More than three months allowed for Parliamentary debate
Clear rules for in-year transfers, but quite wide reallocations allowed.
[rules for reallocations not respected according to CdC reports so grade for (iv) revised downward]

**Timeliness B
Discussion in Parliament A
Recommendations C**

CdC report on loi de règlement examined 6 months after reception.
President of the CdC and Minister of Finance auditioned.
Some recommendations are made but weakly followed, and limited coverage of reports analysed.

PEFA 2010******Comprehensiveness D
Timeliness C
Follow up on recommendations B**

The CdC became a member of INTOSAI in 2007
There is a project to reform the CdC to increase its independence – finished in July 2009
New recruitments since 2007 (assistants de vérification), but 1 magistrat less. Improved functioning and communication.
Reports show weak respect of procedures, in particular for procurement, and impunity of civil servants.
Reports published so far 2003–2008.
Delay in production of reports on loi de règlement increased.
Since 2007, systematic monitoring of implementation of recommendations.

**Extensiveness A
Process A
Timing A
Reallocations C**

No major change since 2007.
Grade for in-year transfer and reallocations decreased to C for 2007&2010 because CdC reports show weak respect of rules.

**Timeliness C
Discussion in Parliament C
Recommendations C**

Since 2007, CdC reports produced.
Report on loi de règlement examined 6 months after reception, but none of the other CdC reports analysed.
Similarly, no audits on other CdC reports.

	Indicators	HIPC 2001*	HIPC 2004**
Budget credibility / final outcomes	Reliability of expenditure forecasting HIPC:3; PEFA: PI-1; PI-2	B	B In-year adjustment of expenditure mainly on non-priority expenditure 2000–2002: 91 to 96% overall budget execution rate (except debt and foreign-finance investment). Difference <5% in one year out of three. High disparity – more than 10% in some votes.
	Reliability of revenue forecasting PI-3		Increased reliability of revenue forecast

* Source: De Renzio and Dorotinsky (2007),

** Source: World Bank(2004e),

*** Source: GoBF(2007b),

**** Source: GoBF(2010a)

Note: paragraphs in italic are of a different source, specified in each case

PEFA 2007***

budget execution: A
composition of expenditure: C

2004–2006 **budget execution** (except debt and foreign-financed investment): -1.40%; 0.37%; -4.96%

2004–2006 Variation in the **composition of expenditure** / total budget execution ratio: 10%; 5%; 15%. Strong variations between ministries

D

2004–2006 execution of **revenue** forecasts: 95.6%; 88%; 85.6%. Weak forecasting mainly due to cotton and Ivory Coast crisis, and to over-estimating by MFB and National Assembly

PEFA 2010****

budget execution: B
composition of expenditure: C

2007–09 **budget execution** ratio: +0.99%, -1.15% (feb budget law) and +10.5%. Degradation in 2009 due to inundations and financial crisis (DGB).

2007–09 dispersion ratio: 9,6%, 9,7% and 4,5%

C

2007–09 execution of revenue forecasts: 0,85%, 0,94%, 0,93%. Strong improvement

Table G.4 Burkina Faso scores: 2007 and 2010 PEFA per PFM cluster

PFM clusters		Indicators	2007	2010
Strategic budgeting		12.i	C	B
12.ii		A	A	
12.iii		B	B	
12.iv		C	B	
Budget preparation	Budget preparation	11.i	B	B
		11.ii	B	B
		11.iii	A	A
		5	A	A
		6	A	A
		8.i	A	A
		8.ii	A	A
	10	C	C	
	D2.i	B	B	
	Legislative budget deliberation	27.i	A	A
		27.ii	A	A
		27.iii	A	A
		27.iv	C	C
		11.iii	A	A
Resource management	Inflows – taxes	13.i	D	B
		13.ii	C	B
		13.iii	C	C
		14.i	C	C
		14.ii	C	C
		14.iii	C	C
		15.i	D	C
		15.ii	D	B
	15.iii	D	D	
	Inflows – debt	17.i	B	B
		17.ii	C	B
		17.iii	B	A
	Donors	D1.i	A	A
		D1.ii	A	D
		D2.i	B	B
		D2.ii	C	C
		D3	C	C

PFM clusters		Indicators	2007	2010
	Outflows (cash)	16.i	A	A
		16.ii	D	B
		16.iii	A	A
		27.iv	C	C
		17.i	B	B
		20.i	C	B
		5	A	A
		D1.i	A	A
	Procurement	19.i	D	C
		19.ii	C	B
		19.iii	A	A
	HR/Payroll	18.i	A	A
		18.ii	D	C
		18.iii	A	A
18.iv		C	B	
Internal control, audit and monitoring	Internal control	20.i	C	B
		20.ii	B	B
		20.iii	C	C
	Internal audit	21.i	C	A
		21.ii	D	B
		21.iii	D	B
	Monitoring	4.i	C	A
		9.i	B	B
		9.ii	A	A
Accounting and reporting	Accounts reconciliation	22.i	B	A
		22.ii	D	D
	In year reporting	24.i	A	A
		24.ii	B	A
		24.iii	A	A
	Annual reporting	25.i	B	B
		25.ii	B	B
		25.iii	A	A
	Special reporting	4.ii	B	B
		7.i	B	B
7.ii		A	A	
8.iii		A	A	

PFM clusters		Indicators	2007	2010
		9.i	B	B
		9.ii	A	A
		10	C	C
		23	D	D
External accountability	External audit	26.i	D	D
		26.ii	C	C
		26.iii	C	B
	Legislative audit analysis	28.i	B	C
		28.ii	A	C
		28.iii	C	C

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Annex I: List of Persons Met

Table I.1 Government Staff

Nom	Prénom	Institutions
PARE	Souleymane	DG/COOP
ZAGRE	Rimtounda Léa	SP/PPF
MILLOGO	Francois	SP/PPF
OUEDRAOGO	W. Sylvain	SP/PPF
DIPAMA	G. Toussaint	SP/PPF
TRAORE	Karim	SP/PPF
BAKO	Jonas	SP-PPF/MEF
ZIDA	Jacques	MEF
BAMBARA	Amina BILLA	MEF
GOUNGOUNGA	Dieudonne	MEF
SEBGO	Léné	MEF
KABORE	Alimata Nadege	MEF
SANOUE	Boris	MEF/DEA/SEP
OUATTARA	Didier	MEF/DEA/PI
SOME	Méric	MEF/DEA/CID
COMPAORE	Maxime	Direction générale du Budget
KIEMDREBEOGO	Frugerie	Direction Générale du Budget
KONE	Dramane	Direction Générale du Budget
OUEDRAOGO	Aissata	Direction Générale du Budget
OUILMA/TRA- ORE	Sénébou	Cours des Comptes
NIKIEMA	Justin	Direction Générale du Contrôle Finan- cier
DAN	Amidou	Inspection Générale des Finances
KOALA	Felix	Inspection Générale des Finances
TRAORE	Noumoutié Herbert	Inspection générale des finances
SANWIDI	Bruno	Inspection Générale des Finances
SOME	Abdon	Inspection Générale des Finances
LOUARI	Justin Yendifimba	Direction Générale des Impots

Nom	Prénom	Institutions
GUIRO	Ousmane	Direction Générale des Douanes
SAM	K. Jean Sylveste	Direction Générale des Douanes
GNANKAMBARY	Moumounou	Direction Générale du Trésor et de la Comptabilité Publique
BORO	Issa	Direction Générale des Services Informatiques
TRAORE	Aly	Ministère de l'Agriculture de l'Hydraulique et des Ressources Humaines
MAIGA	Musa	Ministère de l'Agriculture
KABORE	Tibila	Premier Ministère
COMPAORE	Issa	Ministère de l'Administration et de la Décentralisation
NIKIEMA	T. Frédéric	Centre pour la Gouvernance Démocratique
YAAMEOGO	Patrice	
TRAORE	Bénéfou	MENA
BOUDA	Albert	Commune de Manga
CONGO	Sanata	DREBA (Manga)
GUANSANE	Patrice	Trésor de Manga
IBOUDO	Clément	Direction de la Sante (Manga)
VALIAN	K. Ghislain	Direction de la Sante (Manga)
DAO	Abdoulaye	Direction de la Sante (Manga)
YAMEOGO	Aboubacar	Commune de Toécé
KOME	Hamadou	Commune de Toécé

Table I.2 Development Agency Staff

Nom	Prénom	Institution
BORCHARD	Arnaud	Union Européenne
SEBRE	Dramane	Union Européenne
PERROT	Minnot Jean-Benoît	Agence Française de Développement
GUIGMA	Gilbert	Ambassade du Danemark
KINDE	Bakary	Coopération Allemande
SANOU	Aboudoulaye	Ambassade de Suède
DIRM	Jan Wierenga	Pays bas
DAYO	Tankien	BAD
OUEDRAOGO	Moïse	Confédération Suisse
PALENFO	Simisso Celestin	UEMOA
VALLEUR	Sébastien	Ambassade de France

Table I.3 Civil Society Organisations

Nom	Prénom	Institution
OUEDRAOGO	Boureïma	Le reporteur
SEOGO	Issaka	CIFOEB
BONTOGO	Siméon	CIFOEB
NAMA	Germain	l'Évènement
KABORE	T. Samuel	Université de Ouagadougou
YUGO	Omar	International Business Company

Annex J: Consultant Terms of Reference

1. Introduction

These Terms of Reference are for case studies to be carried out in Burkina Faso, Ghana and Malawi on the reform of public financial management (PFM) systems, the results achieved, the role played by donors and other institutional and contextual factors that may contribute to or hinder PFM reform outcomes. The case studies will build on empirical analysis that investigates where and why PFM reform has delivered results and, conversely, where and why it has not. The main focus of the case studies will be to investigate whether and how donor behaviour and the design and implementation of PFM reform makes a difference to the achievement of results, or whether other domestic contextual factors carry more weight.

2. Background

The Paris Declaration on Aid Effectiveness and the associated emphasis on the use of country systems, budget support, and governance and anti-corruption have triggered increased attention on the reform of PFM. Strong PFM systems are a key element of the institutional and governance framework needed for building peaceful and stable societies and successful economic and social development, essential to improved service delivery and to the achievement of the Millennium Development Goals.

Nevertheless, PFM systems in many developing countries remain weak and there is lack of certainty or consensus on the role of donors and the context under which external support can best assist the process of PFM reform.

To address this, the evaluation departments of DANIDA (Denmark), Sida (Sweden) and the AfDB (African Development Bank) have agreed, in consultation with the OECD-DAC Evaluation Network, to manage a joint evaluation of PFM reforms in developing countries. This and other planned joint evaluations, including the joint evaluation of the impact of budget support, public sector governance reform, support to anti-corruption programmes, and the implementation of the Paris Declaration, will feed into discussions prior to the next High Level Forum on Aid Effectiveness (HLF-4) in Busan (29 November – 1 December 2011).

The PFM evaluation is interested in finding answers to two related questions:

- (a) Where and why do PFM reforms deliver results (i.e. improvement in the quality of budget systems); and
- (b) Where and how does donor support to PFM reform efforts contribute most effectively to results?

To answer these questions the evaluation design is made up of several components outlined in summary below.

- First, **analytical background work** has been undertaken both to:
 - define what is meant by PFM reform results; and
 - consider how results can be measured across countries and over time to assess the degree to which change in the quality of PFM systems has occurred (see Lawson/De Renzio Approach and Methodology for the Evaluation of Donor Support to PFM in Developing Countries Part A July 2009 and Part B September 2009).
- Second a **literature review** has been completed looking at the range of approaches to PFM reform, donor support and existing evidence on success/failure of PFM reform approaches³⁰.
- Third, a **quantitative analysis** has been undertaken to identify countries where PFM reform has delivered results in the quality of PFM systems; where it hasn't, and the contextual factors that might explain these differences as well as the correlation with donor support³¹.
- Fourth, **country case studies** will follow up the findings from the quantitative analysis and explore why, in some cases, donor support appears correlated with results, and why in others it does not. The case studies will explore whether and how donor behaviour and the approach to PFM reform design and implementation makes a difference to results. Five case studies are planned in Sub-Saharan Africa starting with Burkina Faso, Ghana and Malawi.
- **Finally, a regional Africa synthesis report** will be compiled that will bring together findings from each of the evaluation products outlined above.

Country case studies have been selected on the basis of data availability (see below) and because they provide examples where budget institutions improved with: (i) high donor effort; (ii) low donor effort; and where regardless of donor effort, budget institutions did not improve.

3. Purpose

The purpose of the evaluation is to identify what factors – institutional and contextual – contribute to successful PFM reform and how donors can best support PFM reform processes given the influence of contextual factors on the process of change. Conversely, the case studies will also identify where PFM reform has not worked, and whether the application of aid effectiveness principles to PFM reform is important to results. The evaluation findings are intended for Governments, donors and PFM practitioners. The intention is to improve the design of external support for country led PFM reform efforts.

30 Pretorius, C and Pretorius, N. (2008) Review of the Public Financial Management Literature. London: DFID

31 de Renzio, P., M. Andrews and Z. Mills (2010) Evaluation of Donor Support to Public Financial Management (PFM) Reform in Developing Countries. Analytical study of quantitative cross-country evidence. London: Overseas Development Institute.

4. Scope and Limitations

Country case studies cover the period from 2001–2009.³² The period represents a time in which donors became increasingly interested in PFM and agreed to increase the effectiveness of aid expenditure, including by using country systems to channel and deliver aid finance.

As PFM performance information is only widely available for central government, the scope of the case studies is restricted to central government organisations. Nevertheless, country visits may provide an opportunity to gather information (in addition to that contained in PEFA) on the extent to which PFM reforms are beginning to extend beyond central government institutions to local government and to service providers. The extent to which the government is taking a lead in this may indicate ownership and reform sustainability.

The quantitative analysis found a positive and significant, albeit weak, correlation between donor support to PFM reforms and improvements in PFM systems. It also found some positive correlations between the way aid is provided and the strength of PFM systems. However, these average effects cannot be taken as causal and universal, and need to be further investigated. Therefore the main purpose of the country case studies is to unpack the nature of PFM reform in different cases where there is found to be: (i) a positive correlation with donor support; (ii) a negative correlation with donor support; and (iii) no correlation between PFM results and donor support. As such, case studies will focus on the history of PFM reform inputs; what has been provided, for what purpose, in what sequence, for how long and at what cost that might help to explain the correlation (positive or negative) with PFM results or lack of them. The case studies will therefore not investigate the impact of PFM reform (particularly on service delivery) but will instead focus on inputs in the evaluation framework; how they have been identified, designed and delivered and the significance of this for the delivery of intermediate outcomes (explained in detail below). In countries where there has been high donor support to PFM, a key line of enquiry is the extent to which the application of aid effectiveness principles is found to make a difference to results.

However, given the range of factors that contribute to PFM results, it may be difficult to directly attribute results to donor support.³³ PFM reform interventions are treated as inputs in the evaluation framework and the case study methodology is centred on the ability to assess the institutional and contextual factors that helped to support success and/or failure of these inputs at each stage of the evaluation framework. It may also be possible to link intermediate outcomes to outputs and donor inputs. For example, one dimension of PFM reform – linking policy to planning and budget (an intermediate outcome in the evaluation framework) – may receive substantial donor support because while it is difficult from a technical perspective it may be relatively easier from

32 Or the date of the second PEFA report, which might be earlier than 2009.

33 In fact, the quantitative analysis highlights how economic factors in particular explain a large part of variation in the successful implementation of PFM reforms.

a political perspective. Donor support for the achievement of the other intermediary outcomes – greater transparency and comprehensiveness and control, oversight and accountability – may not be as strong because the political costs of these reforms may be higher despite their relative technical ease. It will therefore be important for the evaluation case studies to explore the wider context of reform intervention and whether certain reforms are pursued because they are politically more palatable than others. In other words, the case studies would examine the extent to which donor support is concentrated at particular phases of the budget cycle.

While the evaluation framework identifies final outcomes including the operational efficiency of public spending, it may be too soon to draw conclusions about the impact and sustainability of results. This is largely due to the fact that the evaluation period is relatively short and while quality PFM is necessary for the quantity and quality of service delivery, it is not sufficient. Nevertheless, it may be useful to consider what factors help to support on going reform and what factors risk sustainability e.g. is PFM reform supported by civil society, the Parliament and the business community; implemented in a stable and growing economy; building and developing the capacity of the Ministry of Finance as a key central government body; and spreading further than the centre to include sector Ministries, local government and service delivery units; and supported by on going donor support and technical assistance?

5. Methodology for the Selection of Case Studies

Case study countries have been selected on the basis of data availability. All case studies have at least two Public Expenditure and Financial Accountability (PEFA) assessments available (which covers a period of at least three years) plus World Bank and IMF HIPC assessments which extends the evaluation period by at least another four years (or more depending on the date of the HIPC assessments) which may be sufficient to observe changes in the quality of PFM systems.

The table below separates the 14 countries in Sub-Saharan Africa that meet the data requirements, into countries where reforms have delivered results (i.e. an increase in HIPC/PEFA scores between 2001 and 2007 – or the date of the second PEFA assessment – and countries where reforms did not bring about any improvement or where the quality of PFM systems deteriorated.

PEFA Performance in 14 African Countries 2001–2007

Countries where budget institutions improved	Countries where budget institutions did not improve or deteriorated
Burkina Faso, Ethiopia, Ghana, Mali, Tanzania, Zambia	Benin, Guinea, Madagascar, Malawi, Mozambique, Rwanda, Sao Tome and Principe, Uganda

Source: PFM Evaluation Approach Paper Part A: Assessing Budget Institutions and Budget Reforms in Developing Countries

Of these countries, case studies will be selected so that three types of situation can be examined:

- One in which donor support appears to be positively correlated with PFM improvement;
- One in which donor support appears to be negatively correlated with PFM improvement; and
- One in which significant PFM improvements appear to have occurred despite relatively low levels of donor support.

This suggests that countries are selected from across the following table.

Relative Impact of Donor Support to PFM reforms in SSA (1998–2007)

PFM Reform	Countries where Budget Institutions Improved	Budget Institutions did not improve
High donor support	Burkina Faso, Tanzania, Zambia	Benin, Malawi, Mozambique, Rwanda, Sao Tome and Principe, Uganda
Low donor support	Ethiopia, Ghana, Mali	

Source: As above

However, as stated above, donor support is not the only factor influencing the design and implementation of PFM reform measures and their results. Other factors, notably a range of domestic economic, political and institutional factors, are likely to determine the dynamic of the reform process as well as the results achieved. Hence, country case studies have been specifically selected to include cases where budget performance has improved with little or no donor support for PFM reform to highlight what specific factors contributed to reform outcomes and to provide a relevant counterfactual.

6. Analytical Approach

The first step in answering the related questions of where and why do PFM reforms deliver results and where and how does donor support contribute most effectively to results, is to build a common definition of what is meant by results. The second step is to identify empirical information that might help to measure results and compare them across countries and over time (see *Assessing Budget Institutions and Budget Reforms in Developing Countries: Overview of theoretical approaches and empirical evidence*. Paolo de Renzio July 2009).

For the purpose of this evaluation, the following three dimensions of budget institutions provide a basis for assessing their overall quality:

- **Transparency and comprehensiveness:** looks at issues related to the quality of budget information, from the classification system to the coverage and clarity of budget documents; accessibility to budget information by the Legislature, the general public, media and civil society

- **Linking budgeting, planning and policy:** assesses the extent to which the budget is effective in converting policy objectives into relevant taxation and spending actions; budgets are derived from accurate medium term forecasts and contain a policy perspective
- **Control, oversight and accountability:** considers whether adequate mechanisms are in place to promote overall accountability for the use of public resources

Quality budget institutions are defined as those that exhibit higher degrees of transparency; policy orientation and control/accountability (see Table 1 below). At the opposite end, weak budget institutions are identified by their opacity, their lack of linkages with planning and policy, and the absence or weakness of mechanisms for monitoring and accounting for the use of public funds.

These dimensions are consistent with parts of the PEFA assessment as well as with indicators developed for HIPC assessments (Table 1).

Table 1 PEFA Indicators of Budget Performance

Intermediate Outcome	Definition	PEFA Indicators
Transparency and Comprehensive-ness	The quality of budget information, from the classification system to the coverage and clarity of budget documents; accessibility to budget information by the Legislature, the general public, media and civil society	HIPC 1, 2, 4, 5 PEFA 5, 6, 7, 8, 9, 10, 13, 14, 15
Links between planning, policy and budget	Budget is effective in converting policy objectives into relevant taxation and spending actions; budgets are derived from accurate medium term forecasts and contain a policy perspective	HIPC 7, 10 PEFA 11, 12, 16, 23
Control oversight and accountability	Adequate mechanisms are in place to promote overall accountability for the use of public resources	HIPC 8, 9, 11, 15 PEFA 17, 18, 19, 20, 21, 22, 24, 25, 26, 27, 28

Unsurprisingly, there are limited sources of information and cross-country data which can be relied on to assess and compare the quality of budget institutions. The most comprehensive attempt at constructing a framework to assess the quality of budget institutions is the PEFA PFM Performance Measurement Framework (PEFA 2005) based on 31 indicators, which cover institutional arrangements at all phases of the budget cycle. Moreover, the framework contains all the information needed to measure the quality of budget institutions long the three dimensions identified above.

The country case studies will explore the extent to which PFM reform is more likely to produce results when there is an enabling environment for

reform, when donor behaviour follows the principles of aid effectiveness, and when PFM reform interventions follow certain principles.³⁴ This suggests that PFM reform is more likely to produce results in the following circumstances:

- **Economic Growth and Political Stability:** PFM reforms take place in a stable environment that allows for the time, policy space and flexibility needed to implement complex governance reforms, and the additional public funds generated by growth.
- **Reform Planning and Design:** PFM reform inputs consider the local context taking into account the strength of existing institutions. Reform plans have been prioritized and sequenced to implement basics first and do not overwhelm existing administrative capacity.
- **Strengthened Approach:** reforms are country owned and managed through existing processes; with donor support harmonized and aligned behind country led reform programmes and aid is channeled through country PFM systems³⁵.
- **Political Economy:** PFM reforms have sustained high level political support for governance reforms in general (including civil service reform) and reflect political priorities and feasibility; political economy factors (such as patronage networks) are less powerful.
- **Demand side governance:** PFM reforms build on existing public demand for improved PFM through strengthening transparency of decision making and financial information, and there is greater accountability to the public and users of public services. Countries where these processes exist are more likely to deliver results in PFM reform, but this could also be a necessary pre-condition to more difficult or politically sensitive PFM reforms.

The relevance of these factors to the PFM change process has been incorporated into an evaluation framework. The purpose of the pilot country case studies is to test the evaluation framework and to elaborate further on where and why PFM reforms deliver results and how donor support can more effectively support the PFM change processes.

7. Evaluation Questions

Detailed questions for each country case study regarding PFM reforms are listed below against the OECD DAC evaluation criteria of relevance, efficiency and effectiveness of PFM reform. The questions have been structured to reflect the theory of change set out in the evaluation framework in Annex 1. At each level of the evaluation framework (inputs, outputs, intermediate and

34 See Paolo de Renzio (July 2009): PFM Evaluation Approach Paper, Part A chapter 6: “Explaining success in budget reforms: lessons from the political economy of government reforms.” The theory of change largely draws on the lessons learnt from first generation structural adjustment reforms, rather than second generation governance reforms. However, the theory closely suggests that the principles of aid effectiveness also apply to PFM reform.

35 While this may appear tautological, there can often be several PFM reform project interventions and TA initiatives (World Bank, IMF, ADB and so on) operating within one institution, usually the Ministry of Finance with no single agreed strategy for PFM reform,

final outcomes) the evaluation will consider the institutional and contextual factors that influenced the design and implementation of PFM reform and their significance in delivering reform success.³⁶ It is important to note that these questions refer to all PFM reform inputs whether or not they are financed by external donors.

- **How relevant is PFM reform to local context and existing systems?**
 - Is there a government led PFM reform programme that has high level political support?
 - Does PFM reform respond to domestic priorities, e.g. politically driven public sector reform agendas, macroeconomic and fiscal needs, political priorities for improved service delivery?
 - Is donor support designed and structured to support government led and government managed initiatives?
 - Do PFM reform programmes include a component aimed at strengthening budget reporting e.g. to the public. Or do PFM reform programmes include components to include the public in resource allocation decisions?
 - Is external support to PFM reform designed to fit with the nature of political support for reform, to the institutional strengths and weaknesses of the existing PFM system, and to the organisational capability of the lead agencies (e.g. finance ministry) in PFM reform? Are international models of PFM reform transplanted on a “one-size fits all” basis or is PFM reform developed incrementally to fit with existing administrative capacity?³⁷
 - Are PFM reforms consistent with on-going public administration reforms?
 - Is donor support based on building existing PFM systems rather than creating new ones?
 - Is there evidence that donor supported reforms have overwhelmed existing institutional capacity?
 - What is the role of technical assistance in PFM reform design?
 - Are PFM reform and management processes supported by or include active consultation and communication with a wide range of stakeholders involved in the reforms, as well as active measures to broaden support for reform?
- **How efficient and cost effective is PFM reform?**
 - Efficiency should look at the ratio between costs and output or outcomes. It will be important to estimate what PFM reform costs? How much has been spent by Government initiatives and

36 These questions are a summary of a much longer list of questions taken from Lawson/ de Renzio

37 Assessing political support is not straightforward but evidence could be gathered through interviews (TA, donor, government officials, and civil society) and through the ability of the Ministry of Finance (and the Minister of Finance) to lead and implement PFM reforms across government with strong support from Cabinet and Parliament.

- by donors e.g. on personnel and equipment, to achieve particular PFM objectives?
- Is donor support for PFM reform coordinated around a single PFM reform plan or strategy or is support fragmented across several initiatives?
 - Have donor efforts been slow at getting started or taken longer than expected, requiring on-going TA support?
 - Is donor support reliant on specifically designed PFM reform management units (project implementation units)?
 - **How effective is PFM reform?**
 - Is there any additional evidence of PFM reform that is not captured in the PEFA framework e.g. reforms extending beyond central government institutions?
 - Have PFM reforms (including donor support to reforms) moved beyond de jure reform aspects, such as approving laws and regulations, to de facto aspects, such as changes in actual budget practices, and have these elements of PFM systems improved?
 - Have PFM reforms extended beyond the centre (e.g. Central Finance Agencies) to include, for example, sector Ministries, local government and service delivery units and what explains this spread? Have reforms been effective in improving PFM performance beyond central finance agencies?
 - In aid dependent countries, to what extent has the use of general budget support, PFM-related conditionality, and efforts to reduce aid fragmentation contributed to strengthening PFM performance? Have these efforts impacted across all aspects of PFM, or on specific areas such as de jure and concentrated PFM processes?
 - Are country systems for financial reporting and accountability utilised by donors?
 - To what extent is aid expenditure included in different stages of the budget process³⁸?

8. Tasks

The consultants will conduct country case studies in Burkina Faso, Ghana and Malawi.

Task 1: Inception Phase

- Organise consultation workshop (in Tunis) as part of the inception phase involving key users and stakeholders of the evaluation.

Prepare an Inception Report that would:

- Further develop the evaluation questions, evaluation framework, analytical tools and overall work plan for the country case studies that builds on the

original approach papers and the literature review to ensure complementarities and the best possible synthesis report³⁹.

- Incorporate an approach to test the findings and hypotheses emerging from the quantitative study.

Task 2: Desk Review

- Review existing PEFA/HIPC assessments and performance data (for the three case study countries) – what does the evidence tell us about PFM reform progress over the evaluation period? What specific reforms have been followed and is it possible to track them over time?
- Gather information on donor support to PFM reform over the evaluation period (including project documents where these are available). While 2001 is the date of the first HIPC assessment, it might also make sense to extend that period backwards to capture earlier donor PFM support, and initial reforms that took place in the mid to late 1990s.
- Identify the level and character of government initiatives, and (changes in) the level of political will to undertake PFM reforms during the evaluation period, classifying it according to the following categories:
 - Stage of the budget cycle (e.g. preparation, approval, execution, audit)
 - Budgeting time horizon (e.g. annual budget, MTEF)
 - Involved stakeholders (e.g. Parliament, CSOs, DPs)
 - Type of input (e.g. legislative, human capital, infrastructure)
 - Cost (direct and indirect) and time
- Identify donor support (inputs in the evaluation framework) to PFM reform during the evaluation period in each country case study and classify it according to the three dimensions of quality PFM (described above) and the following:
 - its phase in the budget cycle e.g. preparation, approval, execution, audit
 - type e.g. technical assistance, training, capacity building, software and computer installation, budget support, dialogue on PFM reform;
 - process of delivery e.g. project management unit, or through Government systems;
 - donor providing the support e.g. World Bank, IMF, AFDB, and bilaterals and whether it is joined up or implemented through separate project agreements;
 - cost and time;
- Using project documents, identify the outputs that support interventions are intended to deliver e.g. people, skills and organizational capacity; changes in laws, rules and procedures; improved information systems and business processes; and changes in incentives and controls (see evaluation framework);
- Compile a timeline of support showing the sequencing of donor supported reform activities (plus investments). Can results in PEFA assessments be linked to specific reforms that have been supported by donors?

39 Lawson/De Renzio Approach and Methodology for the Evaluation of Donor Support to Public Financial Management (PFM) in Development Countries Part A July 2009 and Part B September 2009

Task 3: Undertake country visits

The purpose of the country visits is to assess the relevance, efficiency, effectiveness and sustainability aspects of the theory of change framework and how donor support has been designed and implemented.

The evaluation team would be expected to carry out structured and semi structured interviews with Ministry of Finance officials, other officials in government, sector ministries, local government, politicians, civil society and a range of donors both those involved in PFM reform and those that are not. The consultants could consider sending a limited number of questions in advance of the country visit to both donors and government officials. If a joint donor/government budget support or PFM group exists detailed discussion should be held with these groups to review experience over time.

Task 4: Report drafting

The consultants will be expected to produce stand alone reports for each country case study. Reports should be no longer than 30 pages with additional information included as annexes as necessary. Reports should be succinct as it is important to produce written information which is accessible to a wide audience and to readers whose first language may not be English (or conversely French). As far as possible, the initial findings of the evaluation should be discussed with the participating government, with donor partners and other stakeholders in country for comment and feedback before the evaluation team departs. Draft reports would be presented to the Management Group and Evaluation Reference group for comments and feedback before the final report is produced.

9. Budget

The total cost (fees and reimbursables) for the evaluation must not exceed SEK 3,500,000.

10. Deliverables⁴⁰ and timetable

The consultant will undertake the following tasks within the timeline set out below:

Deliverable	Submit by
Inception phase consultation workshop in Tunis	March 2011
Prepare an Inception Report setting out the approach to the case studies. Undertake in country consultations during the inception stage	31 st March 2011
Undertake a desk based review of PEFA reports and other available evidence about PFM reforms in the case study countries. The objective is to develop a preliminary overview of and hypotheses about how the reforms have been undertaken, partner government initiatives and the level and character of the external support.	30 th April 2011

Deliverable	Submit by
Visit case study countries and undertake a range of interviews, workshops, and a de-briefing workshops at the end of the field visit (following a common evaluation approach)	May–June 2011
Briefing report with preliminary findings from country visits	30 th June 2011
Country case study reports submitted (following a common format)	31 st August 2011
Final Synthesis Submitted	30 th September 2011

11. Consultant qualifications and skills

The work will require a small team of consultants who have experience in PFM reform, with part of that experience being in the evaluation of development policy, programs or project operations. Support may be required to gather information on donor support in both case studies including project documents, PEFA reports and HIPC data and to provide support with the desk study. Two consultants will be required for each case study and it will be important that the team leader is fluent in both English and French (in reading and writing) and involved in all three case studies. Consultants would be expected to be familiar with reform approaches, partner government initiatives and interventions of donor agencies in African countries particularly in the area of PFM. Familiarity with PEFA assessment systems will be important.

Compulsory requirements for personnel are specified in section 4.2.1 for team leader and 4.2.2 for other personnel. Evaluation criteria for qualification and competence are specified in 7.2.1 for the team leader and 7.2.2 for other team members.

Final reports should be submitted in both English and French. All reports submitted should be professionally edited.

12. Management and Administration

The consultant will report to the evaluation task manager for methodological guidance, preparation and drafting of the report. Draft reports will be submitted to the Management Committee made up of Sida, DANIDA and AFDB evaluation departments. Drafts may be circulated to PFM professional staff in these institutions including country specialists for comments. Final drafts will also be circulated to a wider group of stakeholders mainly including bilateral and multilateral donors and PFM experts who may submit further comments. In country support would be provided by donor country offices.

Joint Evaluations

- 1996:1 The international response to conflict and genocide: lessons from the Rwanda experience: Synthesis Report**
- John Eriksson, Howard Adelman, John Borton, Krishna Kumar, Hanne Christensen, Astri Suhrke, David Tardif-Douglin, Stein Villumstad, Lennart Wohlgemuth
- Steering Committee of the Joint Evaluation of Emergency Assistance to Rwanda, 1996.
- 1997:1 Searching for Impact and Methods: NGO Evaluation Synthesis Study.**
- Stein-Erik Kruse, Timo Kyllönen, Satu Ojanperä, Roger C. Riddell, Jean-Louis Vielajus
- Min of Foreign Affairs Finland, OECD-DAC, Sida, 1997.
- 1997:2 Measuring and Managing Results: Lessons for Development Cooperation: Performance Management**
- Derek Poate
- UNDP/OESP Sida, 1997.
- 2003:1 Local Solutions to Global Challenges: Towards Effective Partnership in Basic Education. Final Report. Joint Evaluation of External Support to Basic Education in Developing Countries.**
- Ted Freeman, Sheila Dohoo Faure
- Netherlands Ministry of Foreign Affairs, CIDA, DFID, Department for Foreign Affairs Ireland, EU, BMZ, JICA, Ministry of Basic Education and Literacy Burkina Faso, Danida, Norad, Sida, UNESCO, UNICEF, World Bank. 2003.
- 2003:2 Toward Country-led Development : a Multi-Partner Evaluation of the Comprehensive Development Framework : Synthesis report**
- Carol Lancaster, Alison Scott, Laura Kullenberg, Paul Collier, Charles Soludo, Mirafe Marcos, John Eriksson, Alison Scott; Ibrahim Elbadawi; John Randa,
- World Bank, OED, CIDA, Danida, Norad, ODI, JICA, Sida, 2003.

- 2005:1 Support to Internally Displaced Persons: Learning from Evaluation. Synthesis Report of a Joint Evaluation Programme.**
John Borton, Margie Buchanan Smith, Ralf Otto
Sida, 2005.
- 2005:2 Support to Internally Displaced Persons: Learning from Evaluation. Synthesis Report of a Joint Evaluation Programme: Summary Version**
John Borton, Margie Buchanan Smith, Ralf Otto
Sida, 2005.
- 2005:3 Humanitarian and Reconstruction Assistance to Afghanistan 2001–2005: From Denmark, Ireland, the Netherlands, Sweden and the United Kingdom; A Joint Evaluation. Main report**
Danida, Sida, Chr. Michelsen Institute, Copenhagen, DFID, Development Cooperation Ireland, BMZ, 2005.
- 2005:4 Humanitarian and Reconstruction Assistance to Afghanistan 2001–2005: From Denmark, Ireland, the Netherlands, Sweden and the United Kingdom; A Joint Evaluation. Summary**
Danida, Sida, Chr. Michelsen Institute, Copenhagen, DFID, Development Cooperation Ireland, BMZ, 2005.
- 2005:5 An Independent External Evaluation of the International Fund or Agricultural Development**
Derek Poate, team leader, Charles Parker, Margaret Slettevold ...
IFAD, Sida, CIDA, 2005.
- 2006:1 Joint Evaluation of the International response to the Indian Ocean tsunami: Synthesis Report**
John Telford, John Cosgrave, contribution Rachel Houghton
Tsunami Evaluation Coalition (TEC) Action aid, AusAID, BMZ CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

2006:2 Impact of the tsunami response on local and national capacities

Elisabeth Scheper, Arjuna Parakrama, Smruti Patel, contribution Tony Vaux

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

2006:3 Coordination of International Humanitarian Assistance in Tsunami-affected countries

Jon Bennett, William Bertrand, Clare Harkin, Stanley Samarasinghe, Hemantha Wickramatillake

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

2006:4 Funding the Tsunami Response: A synthesis of findings

Michael Flint, Hugh Goyder

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

2006:5 Links between relief, rehabilitation and development in the Tsunami response: A synthesis of initial findings

Ian Christoplos

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:6 The role of needs assessment in the Tsunami response
– Executive summary**

Claude de Ville de Goyet, Lezlie C Morinière

Tsunami Evaluation Coalition (TEC) Actionaid, AusAID, BMZ, CIDA, Cordaid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, Federal Min for Economic Cooperation and Development Germany, JICA, Min des Affaires Étrangères France, Min des Affaires Étrangères

Luxembourg, Norad, NZAID, DEZA, Sida, UN, UNDP, UNFPA, Unicef, Usaid, WFP, WHO, World Vision, 2006.

**2006:7 Evaluation of Coordination and Complementarity of
European Assistance to Local Development: with Reference
to the 3C Principles of the Maastricht Treaty**

Robert N. LeBlanc and Paul Beaulieu

Sida, Ministry for Foreign Affairs, Austria, Ministry for Foreign Affairs, Department for International Development Cooperation. Belgium, Min. des Affaires étrangères/Direction General de la Cooperation International, France, Department of Foreign Affairs Development Co-operation Division, Ireland and Ministry of Foreign Affairs/Directorate-General for International Cooperation, the Netherlands, 2006.

**2007:1 Evaluation of General Budget Support – Note on
Approach and Methods. Joint Evaluation of
General Budget Support 1994–2004**

AFD, DFID, MOFA, NZAID, USAID, AusAID, BMZ, JBIC, NORAD, Danida, SECO, CIDA, JICA, Min of Foreign Affairs Spain, Portuguese Development Cooperation, Sida, 2007.

**2007:2 Evaluating Co-ordination, Complementarity and
Coherence in EU development policy:
a synthesis**

Evaluation Services of the European Union, Sida, Ministry for Foreign Affairs, Austria,

Ministry for Foreign Affairs, Department for International Development Cooperation. Belgium, Min. des Affaires étrangères/Direction General de la Cooperation International, France, Department of Foreign Affairs Development Co-operation Division, Ireland and Ministry of Foreign Affairs/Directorate-General for International Cooperation, Netherlands, 2007.

- 2007:3 Evaluating Democracy Support: Methods and Experiences.**
Sida, Department for Evaluation and Internal Audit and International Institute for Democracy and Electoral Assistance (IDEA), 2007.
- 2007:4 Peer Review Evaluation Function at the World Food Programme (WFP). Peer Panel Members: Jock Baker, Stefan Dahlgren, Susanne Frueh, Ted Kliet, Zenda Ofir. Advisors to the Panel: Ian Christoplos, Peta Sandison Sida, BMZ, UNEG, WFP, 2007.**
- 2008:1 Managing Aid Exit and Transformation: Lessons from Botswana, Eritrea, India, Malawi and South Africa: Synthesis Report**
Anneke Slob, Alf Morten Jerve
Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.
- 2008:1:1 Managing Aid Exit and Transformation: Summary of a Joint Donor Evaluation**
Jesper Heldgaar
Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.
- 2008:1:2 Managing Aid Exit and Transformation: India Country Case Study**
Albert de Groot, CK Ramachandran, Anneke Slob, Anja Willemssen, Alf Morten Jerve
Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.
- 2008:1:3 Managing Aid Exit and Transformation: South Africa Country Case Study**
Elling N Tjønneland, Pundy Pillay, Anneke Slob, Anje Willemssen, Alf Morten Jerve
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- 2008:1:4 Managing Aid Exit and Transformation: Eritrea Country Case Study**
Teferi Michael, Rudy Ooijen, Anneke Slob, Alf Morten Jerve
Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.

- 2008:1:5 Managing Aid Exit and Transformation: Malawi Country Case Study**
- Esther van der Meer, Arne Tostensen, Anneke Slob, Alf Morten Jerve
- Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.
- 2008:1:6 Managing Aid Exit and Transformation: Botswana Country Case Study**
- Sida, Netherland's Ministry of Foreign Affairs, Danida and Norad, 2008.
- Charity Kerapeletswe, Jan Isaksen, Anneke Slob, Alf Morten Jerve
- 2008:2 Evaluation of the Implementation of the Paris Declaration: Phase One Synthesis Report**
- Bernard Wood, Dorte Kabell, Nansozi Muwanda, Francisco Sagasti
- International Reference Group comprising members of the DAC Network on Development Evaluation, 2008.
- 2008:3 Joint Evaluation of Citizen's Voice and Accountability: Synthesis Report**
- Alina Rocha Menocal, Bhavna Sharma
- Commissioned by Directorate-General for Development Cooperation (Belgium) – DGCD, Danish International Development Assistance – Danida, Federal Ministry for Economic Cooperation and Development (Germany) – BMZ, Norwegian Agency for Development Cooperation – Norad, Swedish International Development Cooperation Agency – Sida, Swiss Agency for Development and Cooperation – SDC, Department for International Development – DFID, 2008.
- 2009:1 Anti-Corruption Approaches: A Literature Review**
- Arne Disch, Endre Vigeland, Geir Sundet
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Evaluation of Public Financial Management Reform in Burkina Faso, 2001–2010

Final Country Case Study Report

Where and why do Public Financial Management (PFM) reforms succeed? Where and how does donor support to PFM reform contribute most effectively to results? To answer these questions, an evaluation of PFM reforms has been carried out, primarily based on country studies of Burkina Faso, Ghana and Malawi. An international quantitative study and a literature review were also undertaken. This report presents the findings of the study in Burkina Faso

The findings from the three country studies are summarised in a separate synthesis report, concluding that results tend to be good when there is a strong commitment at both political and technical levels, when reform designs and implementation models are well tailored to the context and when strong, government-led coordination arrangements are in place to monitor and guide reforms.

Donor funding for PFM reform has been effective in those countries where the context and mechanisms were right for success, and where external funding was focused on the Government's own reform programme. The willingness of some Governments to fund PFM reforms directly shows that external funding may not be the deciding factor, however. Donor pressure to develop comprehensive PFM reform plans has been a positive influence in countries receiving Budget Support, but attempts to overtly influence either the pace or the content of PFM reforms were found to be ineffective and often counter-productive. Key lessons for donor agencies are thus to focus on where the right preconditions exist, to align to government programmes and, under all circumstances, to ensure that aid works in favour of the PFM system and not against it.

The evaluation has been commissioned jointly by the African Development Bank (AfDB), the Swedish International Development Cooperation Agency (Sida) and the Danish International Development Assistance (DANIDA).



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