Integration of structural reforms into budgets: overview of challenges

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OBSTACLES TO INTEGRATION OF STRUCTURAL REFORMS INTO BUDGET(S)

TECHNICAL

HUMAN

LEGAL

COORDINATION

MF(s)

LM(s)

Other
CAPACITY DEVELOPMENT PROPOSALS (SHORT-TERM PERSPECTIVE)

Technical capacities
- Diagnostics and analysis
- Costing techniques

Human resources
- Financial analysis
- Risk management capacities

Ownership and accountability
- Value for money (3E) considerations in PFM
- Involvement of line management in financial management
CAPACITY DEVELOPMENT PROPOSALS (MEDIUM-TERM PERSPECTIVE)

**Technical capacities**
- Evaluation
- Improved statistics

**Human resources**
- Strategic planning capacities
- Fiscal impact analysis

**Ownership and accountability**
- Ownership and decision making
- Active gatekeeping

Funded by the European Union.
SEQUENCING OF PLANNING AND BUDGETING

IN THE COURSE OF PREPARATION
- Alignment of ERP calendar and budget calendar
- Linking of structural reforms with priority spending proposals in the medium-term budget framework (timely consideration of reform implications)

IN THE COURSE OF IMPLEMENTATION
- Visibility of policies (and measures) in support of structural reforms in the program budget
- Implementation monitoring (financial and non-financial)
CONCLUSIONS

- Recovery and future reform should go hand-in-hand
- Important to institutionalize capacity development needed for development of structural reforms, integrated with PAR and PFM reforms
- Strengthening the medium-term perspective in planning and budgeting is imperative
Thank you for your attention