Session 4: Introduction to Public Expenditure Management in the Security Sector

Dr. Willene Johnson
Session 4: Introduction to Public Expenditure Management in the Security Sector

Africa Center for Strategic Studies
Managing Security Resources in Africa
Abidjan, December 12, 2019

Dr. Willene A. Johnson
Overview

• Key Definitions
• Strategic Frameworks
• Managing Resources
• Managing Budget Processes
• Public Expenditure Reviews
Key Definitions

- Public Expenditure Policy
- Public Financial Management
- Public Expenditure Management
- Public Expenditure Review
Strategic Frameworks

- The National Security Strategy
  - Identifying Drivers of Conflict
  - Assessing Risk of Disasters
- Instruments of Security
- The National Budget
  - Open Budgeting
  - Parliamentary Oversight
- Integrating the Security Sector Budget into the National Budget
Figure O.2 The Security Sector in the Budget Cycle

1. Setting macrofiscal objectives
   Determine the resource envelope, levels of spending and borrowing, and national development objectives.

2. Budget preparation and resource allocation
   Ministries prepare and negotiate budget, mobilize and allocate resources against clear strategies, policies, and targets. Approval by legislature.

3. Budget execution
   Implement planned activities. Collect revenues and release funds to line ministries in a timely manner.

4. Oversight and reporting
   Account for expenditures through functional internal control systems. Perform external audit.

5. Performance evaluation
   Report on effectiveness and efficiency. Use findings to inform policy and strategy.

Security sector strategic planning

Monitor activities and account for expenditures

Annual government process

Annual security sector process

Source: Adapted from Ball and Holmes 2002.
The Inter-Agency Process

- How is transparency central to this process?
- What is the objective of inter-agency coordination?
- Who are the essential actors?
- Why are these concepts so important?
  - Influence
  - Constructive criticism
  - Functional interdependence
- What challenges emerge when “inter-agency” becomes international?
  - Regional collaborations
  - External partnerships
Managing Budget Processes

- Guiding Principles of Public Expenditure Management
- Principles of Open Budgets
  - Transparency, Participation, and Accountability
- Principles of Inter-agency Cooperation
  - Legitimacy, Contestability, and Honesty
- Developing Systems, Expertise, and Norms
Public Expenditure Reviews

- What motivates a review?
- What is the scope of the review?
- What is the context (political, economic/fiscal)?
- How do you formulate and implement recommendations?
- Is there synergy with the national security strategy?
Questions?
Comments?