Session 4:
Strategic Planning, Budgeting, and Resource Mobilization

Dr. Willene Johnson
Lomé, Togo
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Overview

• Challenges to Security and Development
• Governance Responses to the Security Challenge
• The Budget Cycle:
  • Principles and Practice
  • Linking Resource Mobilization with Budget Execution
• An African Guide to Governance Reform
Sources of External Finance for Sub-Saharan Africa

(Percent of regional GDP)


Note: ODA = Official Development Aid.
Comparing Global Sources of Finance

![Bar chart: Investing in Development Beyond Aid]

- Official Development Assistance
- Remittances
- International Private Investment
- Domestic Private Sector
- Domestic Government Resources

Source: European Report on Development and World Bank
West Africa: Climate and Conflict

Note: The ND-GAIN Country Index uses climate vulnerability and adaptation readiness indicators to develop a score from 1 (most vulnerable) to 100 (least vulnerable)
Sources: World Bank (boundaries), Notre Dame Global Adaptation Initiative, Armed Conflict Location and Event Data Project

*Security & Rule of Law*-- the only Ibrahim Index of African Governance (IIAG) category to follow a trajectory of increasing deterioration in the latest five years.
IIAG Security and Rule of Law

- Security and Safety
- Rule of Law and Justice
- Accountability and Transparency
  - Institutional and Civic Checks and Balances
  - Absence of Undue Influence on Government
  - Disclosure and Accessibility of Public Records
- Anti-Corruption
  - Anti-Corruption Mechanisms
  - Absence of Corruption in the Public and Private Sectors
  - Public Procurement Procedures
Guiding Principles of Public Expenditure Management

- Comprehensiveness
- Discipline
- Legitimacy
- Flexibility
- Predictability
- Contestability
- Honesty
- Information
- Transparency
- Accountability

The Budget Cycle: Planning and Process

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. NSSD drafting

4. NSSD implementation

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

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

7. Annual government process

8. Annual security sector process

Source: Adapted from Ball and Holmes 2002.
Mobilizing and Economizing Domestic Resources

• Tax reforms
• Subsidy reforms
• Customs reforms
• Procurement reforms
Lessons Learned

• Key Role of the National Strategy Strategy
• Principled policies and sound practices
• National and regional information sharing & coordination
• Integrating domestic and external resources
• Audit and enforcement
• An African Guide to Institutional Reform