



BUILDING PUBLIC FINANCE CAPABILITIES IN AFRICA

A problem-driven iterative adaptation approach to PFM reform



CABRI's Building Public Finance Capabilities (BPFC) Programme 2023

The BPFC programme is a 12-month action-learning programme aimed to solve local public finance problems.

It takes the view that Public Financial Management (PFM) does not lend itself to a one-size-fits-all approach and that beyond the technical fixes, sustainable PFM reforms require the careful management of political and administrative constraints, together with a deep understanding of the local context.

The BPFC programme emphasises principles, such as country ownership, by relying on local solutions to local problems, experimentation by promoting an iterative and adaptive approach, and multi-stakeholder engagement by supporting diffusion and coordination within administrations.



The BPFC programme is unique as it puts teams of government practitioners at the centre stage of PFM reforms - as solutions are best developed by officials who have a deep understanding of their local context.

*- Soonsyra Lowe Nicolas
Acting Executive Secretary,
CABRI*

The Problem-Driven Iterative Adaptation (PDIA) Approach

The BPFIC programme applies the PDIA approach, which is based on the following principles:



Local solutions for local problems

Locally nominated problems draw attention to the need for change and facilitate the development of context-appropriate reforms.



Local teams take ownership of reforms

Government officials are best placed to carry out reforms as they understand their local context and are able to mobilise support.



Try, learn, iterate, adapt

Reforms require constant review of what is and isn't working and adaptation of plans as new non-technical aspects are uncovered.



Pushing positive deviance

Create environments across organisations that encourage experimentation and positive deviance.



Scale through diffusion

Engage stakeholders across sectors and organisations who ensure reforms are viable, legitimate and relevant.

Structure of the programme :

The programme structure facilitates officials' practical and experimental learning to solve complex public finance problems. Throughout the programme, a dedicated CABRI coach provides support and expertise to the team.

1

Application process [5 weeks]

Officials from finance and other ministries in Africa are invited to apply to the programme and identify a pressing country-specific public finance problem and the team members that will work on solving the problem.

2

Online course [5 weeks]

The online training course introduces teams to the PDIA approach using video lectures, readings, assignments, reflection exercises and peer interactions.

3

Framing Workshop [5 days]

Teams come together at the framing workshop to: (i) frame the public finance problem; (ii) identify its causes and sub-causes using and (iii) identify the immediate steps that they will take to start solving the problem.

4

Action-learning period [About 30 weeks]

Country teams engage in regular learning iterations focused on practically solving the problem. This includes: (i) gathering and analysing data; (ii) consulting key stakeholders to gain new perspectives on the problem and political and administrative support for the team's work and (iii) holding regular team meetings to share progress, challenges, insights, clarify objectives and agree on next steps.

5

Review Workshops [2-3 days]

Throughout the programme, teams attend two Review Workshops to share progress, new learnings, relevant case studies and determine objectives and steps. At the end of the programme, participants receive a certificate of completion and remain connected to a network of BPFIC fellows.

6

Continued engagement

Teams continue working towards solving their problems and determine the extent of further CABRI support going forward.

Programme requirements

The BPFC programme is designed for public officials who are committed to driving change within their - ministries and beyond.

Countries join the programme by:

- Completing the BPFC application form signed by an authoriser (a Minister(s) or Permanent Secretary)
- Nominating a pressing public finance problem that requires action (see problem areas on P.5)
- Nominating a team of six officials to tackle the problem.

Country teams are composed of six public officials who:

- Have knowledge and expertise about the problem and can contribute its resolution.
- Are from directorates relevant to the problem (in the ministry of finance and/or a sector ministry or government agency).
- Can dedicate an average of five hours a week to the programme, through the 12 months period.



Problem areas

Debt, cash and liquidity management

The war in Ukraine, rising interest rates and lockdowns in China, are all weighing on global growth. This has resulted in higher budget deficits and interest costs and the further depreciation of local currencies in many African economies, already crippled with high debt levels.

The effective management of debt and cash will be critical to ensure governments are able to meet their extended debt obligations and deal with the heightened volatility in revenue and expenditure.

Target audience: ministries of finance (treasury and debt offices)

Capital spending

Capital spending is a key means for governments to fulfil social and economic development objectives. Yet, across Africa, weak integration of capital spending in the budget and systemically low execution rates are common. As a result, countries often face significant delays in the completion of projects, which comes at an increased cost to the fiscus.

The capabilities of ministries of finance to execute capital spending effectively and efficiently will be key to achieving sustainable economic growth in the long run.

Target audience: ministries of finance, planning, public works, other sector ministries.

Some highlights from the programme

Problem

Achievements



BENIN

Local government spending compared to local revenue is unsustainable and inefficient.

The regulatory framework for municipalities was strengthened with the adoption of new texts aimed at improving local resources.



GHANA

Inefficient implementation of budget programmes affecting quality service delivery.

The team developed an application to track budget implementation to facilitate faster budgetary decision-making.



MALI

Taxpayers do not meet their tax obligations.

The team developed a communication strategy that included the production of a video by a Malian hip-hop star to promote tax compliance.



RWANDA

Low citizen participation in planning and budgeting leads to limited accountability for results.

The team initiated new tools to foster better budgetary consultation with citizens, such as a district-level citizen's guide and is enhancing budget literacy in learning institutions through university lectures.



SOUTH AFRICA

Poor allocative decisions to public entities through the budget process, which lead to poor service delivery and crowding out of priority spending.

Three teams in the National Treasury worked together to improve communication and the relationships between public entities and National Treasury, and developed an analytical tool for better analysis of the data submissions by public entities.

What BPFM participants say ...

Geoffrey Asimwe

**Budget Policy Formulation and Reform Officer
(Rwanda)**

This programme has equipped me with critical skills relating to how to diagnose serious PFM problems affecting our economies and devise solutions considering our local context but also learning from others and customizing their ways and solutions in our local context.

Bona Ouorou

Deputy Head, Service of Decentralised Financial Cooperation and State Operations (Benin)

This programme gave me an opportunity to reflect on local solutions based on an in-depth diagnosis of our problems. It made me feel useful to my country by contributing to the resolution of important problems for local communities in Benin.

Ndey Anta Taal

**Principal Economist
(The Gambia)**

With the support of the CABRI coaches, our team was guided to adopt home-grown solutions to address real problems affecting our country's PFM. This has been a unique experience, enriching and engaging us as public servants.

Mahamadou N'Diaye

Senior official (Mali)

Through this programme, I have learnt that the solutions to our public finance problems are in our hands and that a small push can work miracles.

Tinelle Zoro

Head of Office, Territorial Collectivities, Department of Centralised Accounting for Local Authorities and Public Agencies (CAR)

This programme has not only strengthened my competences in PFM, it has also changed the way I act and my understanding of the PFM decisions our authorities make.



The BPFC 2023 timeline (Tentative)

Activity	Tentative dates
Deadline for countries to apply to the programme	7 April 2023
Official launch [virtual]	24 April 2023
Online course [virtual]	8 May – 9 June 2023
Framing workshop [in-person]	20-24 of June 2023
Action-learning & country visits	June 2023 – April 2024
Mid-term review workshop [online]	30-31 August 2023
Progress review workshop [in-person]	6-7 March 2024



Web page: <https://www.cabri-sbo.org/en/bpfmc-programme>
Email: building.capabilities@cabri-sbo.org

The BPFMC programme is funded with the kind support of the African Development Bank



AFRICAN DEVELOPMENT BANK GROUP