Keeping Promises:
Delivering SDGs through shared accountability

28 April, 12.30 - 1.45 EDT
Event Moderator

Peter Chowla

Economic Affairs Officer

UN-Department of Economic and Social Affairs
Agenda

1. Ioanna Sahas Martin, Global Affairs Canada  5 minutes
2. Natalia Winder-Rossi, UNICEF  5 minutes
3. Sally Torbert, International Budget Partnership  10 minutes
4. Moritz Piatti, World Bank  7 minutes
5. Dr. Osei Oteng-Asante, Ministry of Finance – Ghana  10 minutes
6. Dr. Charles Nyaaba, Peasant Farmers Association of Ghana  7 minutes
7. Panel Discussion and Q&A  22 minutes
Ioanna Sahas Martin
Director, Natural Resources and Governance Division

Global Affairs Canada
Natalia Winder Rossi
Director, Social Policy and Social Protection
UNICEF Headquarters
Sally Torbert
Senior Program Officer
International Budget Partnership
Budget Credibility and the SDGs
Evidence and Lessons from Civil Society Engagement
What do we know about the impact of budget credibility on resources for the SDGs?

- National budgets are often underspent, by an average of almost 10 percent, with the challenge greater in low-income countries, where underspending can reach 14 percent.
- Some sectors see cuts, while others have overspending, year after year, suggesting systematic challenges in budget implementation.
- Levels of underspending can be higher in critical sectors, such as health and agriculture.
Budget Credibility in Seven Sectors Related to the SDGs: 2018-2020

Governments often reduce the share of spending in social sectors during implementation, as compared to the aggregate budget.
What can be done?

1. Prioritize improved spending in SDG programs by removing bottlenecks
2. Improve Reporting for Budget Implementation and Explanations
3. Analyze data for 16.6.1 in Voluntary National Reviews (VNRs)
4. Strengthen oversight on SDG programs by SAIs
More Information


Moritz Piatti
Senior Economist
World Bank
BUDGET EXECUTION IN HEALTH
CROSS COUNTRY EVIDENCE AND POLICY APPROACHES

Fedja Pivodic, joint work with Moritz Piatti-Fünfkirchen, Hélène Barroy, and Federica Margini

World Bank, Health, Nutrition, and Population Global Practice
WHO, Health Systems Governance and Financing Department
WHAT DATA IS THERE AND WHAT’S IN IT?
How and what you execute matters; Health deprioritized during budget execution

Legend: Budget [●] Execution [●]
Source: PEFA annex data

Budget execution rate (%)

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<th>Country</th>
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STRENGTHENING BUDGET CREDIBILITY
How can partners work together to strengthen budget credibility? A few elements to consider…

1. **Identify issues**
   - Don’t jump to conclusions or solutions, identify the underlying budget execution *issues, causes, major players* and their *roles*, first.

2. **Use more data**
   - Depending on availability, sensitivity and quality of data it may be necessary to *collect additional data*.

3. **Check causalities**
   - Check how *individual* issue, and their *interactions*, affect service delivery. Pay attention to causalities.

4. **Tailor solution to system**
   - Not the other way around. e.g., system of *provider/purchaser* split, fiscally *decentralized*, NGO-driven, etc.
Dr. Osei Oteng-Asante
Principal Economic Policy Analyst
Ministry of Finance – Government of Ghana
BUDGET CREDIBILITY FOR SDG IMPLEMENTATION IN GHANA
PRESENTATION OUTLINE

- INTRODUCTION
- NATURE OF THE ISSUE
- WHAT ARE WE DOING
NATURE OF THE ISSUE

• Deviations in Budget execution are broadly related to:
  ❑ Low revenue mobilization (8% of 18million pay direct taxes; 14% of GDP)
  ❑ Budget Rigidities (75% of Budget Expenditure is encumbered):
    ❖ Compensation (27%); Interest Payment (32%) Statutory & Earmarked 16%
    ❖ Compensation, Interest Payments & Statutory Funds comprised 141.3% of Tax Revenue (2022)
  ❑ Limited Discretionary Space and Competing needs: (security versus key Sectors) constraints ability to adequately resource key service delivery on time.
  ❑ Emergencies (Flood, disease outbreaks, Security)
  ❑ External Pressures (Global/ regional pressures on National economy)
  ❑ Operational Challenges: Delays in accessing budget by MDAs/MMDAs
WHAT ARE WE DOING

❑ Sustain economy recovery by implementing the GhanaCARES programme
❑ Linked the SDGs to the National Budget System
❑ Strengthening and integrating PFM systems (Implementing the PFM Strategy: 2022-2026) to, amongst others:
  ❖ Improve and Sustain External & Domestic Revenue Mobilization (to 18%-20% of GDP);
  ❖ Enhance Commitment Control (to reduce expenditure arrears);
  ❖ Strengthen cash, treasury and debt Management;
  ❖ Enforcing Accounting and Reporting (integrating GIFMIS, DCMIS, CS-DRM + NTR);
  ❖ Adopting SDGs budget tracking tool and establishing Data quality assurance framework;
❑ Managing partnerships between Government, private sector, academia, philanthropy, CSOs for progress
Dr. Charles Nyaaba
Executive Director
Peasant Farmers Association of Ghana
Budget Credibility and Service Delivery: The case of Peasant Farmers Association of Ghana

Dr. Charles Nyaaba
Executive Director-Peasant Farmers Association of Ghana (PFAG)
28th April 2022
Why PFAG is interested in budget issues

• Ghana's performance on SDG 2, Zero Hunger has stagnated
• Urgent need to improve food security
  • More spending needed: Currently less than 1 percent of total public expenditure
  • Better quality spending to get agricultural inputs to farmers
  • Address underspending issues, including arrears to input suppliers
Recent Trends in Government Financing of the Sector

Ghana's Agriculture budget and spending data (2018-2020)

- **2018**
  - Approved budget: 470
  - Actual spending: 343
  - Deviation: 27%

- **2019**
  - Approved budget: 1,187
  - Actual spending: 973
  - Deviation: 18%

- **2020**
  - Approved budget: 1,379
  - Actual spending: 857
  - Deviation: 38%

Source: Ministry of Finance, End-Year Reports (2018-2019)
PFAG's advice for other civil society groups

• Understand **how fiscal policy impacts service delivery**, including with technical analysis

• Build **coalitions** for advocacy and get government to make commitments

• Engage with government at **key points in the budget cycle**

• Lobby for attention to get government to **meet their commitments** – involve international organizations who engage with policy actors
Panel discussion | Please submit your questions for panelists in the Q&A box

Natalia Winder Rossi
Director, Social Policy and Social Protection
UNICEF Headquarters

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Stay connected with our work on budget credibility:

On Twitter:

@OpenBudgets
@UNICEFSocPolicy

With further research and country case studies available at:

https://internationalbudget.org/issues-lab/budget-credibility/