

Senegal: Budget Credibility and the Sustainable Development Goals



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Table of Contents

1. Overview	4
2. Government Engagement with the SDGs in Setting National Priorities	6
3. Background on Budget Credibility in Senegal	8
4. Data Sources, SDG Progress and Budget Credibility in Senegal	9
5. Analysis Approach	10
6. Analysis of Sectoral Spending by Ministry	12
7. The Pandemic's Impact on Spending Patterns	15
8. Gender-related Expenditures in the Budget	17
9. Conclusions and Recommendations	19
10. Annexes	21

1. Overview

This brief reviews Senegal's central government budget allocations and expenditure in six sectors that relate to the Sustainable Development Goals (SDGs) and examines budget credibility trends in each sector. The six sectors analyzed are agriculture (SDG 2), education (SDG 4), environment (SDGs 13, 14 and 15), health (SDG 3), gender (SDG 5) and social protection (SDGs 1 and 10).

For governments, a credible budget means there are limited deviations from the approved budget during budget implementation. Budget credibility, therefore, is defined as the difference between the approved budget and actual expenditures. In Senegal, this is similar to the principle of sincerity¹ on the aspects of a realistic and affordable budget;² however, budget credibility as defined by the International Budget Partnership (IBP) is a relatively new concept in Senegal. Therefore, budget credibility is not yet commonly referenced in public discussions.³

This brief finds that SDG trends in Senegal are improving although the country remains below the minimum progress required to achieve the SDGs by 2030. In fact, in all the above-mentioned sectors, major challenges remain, with sanitation facing the most significant challenges. Significant underspending occurred in all sectors except

education, which had overspending of 4 percent against the approved budget in 2018. This raises the question of budget credibility, as the country consistently deviates from its approved budget and, often, deviations are greater than the 10 percent limit for individual ministry line items.

Considering the reference range established by the West African Economic and Monetary Union (WAEMU) legal framework,⁴ five of the six ministries reviewed for this brief (Agriculture, Social Protection, Water and Sanitation, Environment, Gender Equity) are close to, or exceed the 10 percent limits that should be set on budget deviations. This *de facto* puts Senegal above the international standard set in the Public Expenditure and Financial Accountability (PEFA) framework, which sets the best practice standard as having budget deviations less than 5 percent.⁵ The sector with the largest budget gap remains sanitation, which is consistent with the low access to services observed in recent years.⁶ However, it is worth noting that budget gaps in the relevant areas showed a negative trend between 2018 and 2019. Indeed, these have generally decreased or remained constant (in the ⁷ and Afro-barometer ⁸ reports, Senegal has made progress on SDGs 3 (health) and 6 (sanitation). However, this is not enough to achieve all SDGs.

1 Budgetary sincerity requires the relevance of the assumptions used to prepare the budget law and the accurate presentation in the budget law of all government resources and expenditures. In the same sense, budgetary sincerity requires a commitment to present amending finance acts in the event of significant changes in the priorities and assumptions of the finance act. <https://www.senreforme.org/la-reforme-des-finances-publiques/les-3-piliers-de-la-reforme/transparence/>.

2 The execution of the budget constitutes an essential stage in the budget cycle. In its most simplified form, a budget needs to be (i) formulated and approved; (ii) executed; and (iii) evaluated to inform the next budget cycle. During the first stage, a budget proposal is developed and submitted to the legislature for approval.

3 The public debate around budgets in Senegal is largely focused on the issues of accountability, good governance, budget transparency and access to information.

4 This law stipulates that the cumulative annual amount of transfers and expenditures affecting a program cannot exceed 10 percent of the voted budget.

5 The PEFA program sets the budget deviation at less than five percent in at least two of the last three years as the standard for best practice on indicator PI-2 on compositional budget credibility. www.pefa.org, p.28.

6 Access to safely managed sanitation services is out of reach for many Senegalese, especially in rural areas. <https://www.unicef.org/senegal/en/press-releases/greater-investment-needed-sanitation-senegal>

7 The primary function of the United Nations is the preservation of international peace and security. Chapter VI of the Charter provides for the peaceful resolution of disputes through the intervention of the Security Council, by negotiation, mediation, arbitration and judicial settlement.

8 The SDG Center for Africa, 2019. Afro-barometer, "Indice des ODD pour l'Afrique 2019," <https://sdgcafrica.org/wp-content/uploads/2019/07/Africa-SDG19-Sum-FRENCH.pdf>

The ability of countries to meet their spending plans for the SDGs makes budget credibility an important *de facto* consideration in aligning country-level development goals with the SDGs. As Annex 1 shows for all sectors, except for education, the larger the budget gap in a sector, the less likely it is that development goals and access to services will be met for that sector.

To shed light on Senegal's alignment to the SDGs and the credibility of its budgets, this brief discusses allocations, actual expenditures and deviations in the mentioned sectors. Below we provide an overview of our findings in each of the six sections of this brief:

An overview of the Senegalese government's commitment to SDGs in setting national priorities:

Through the Plan Senegal Emergent (PSE), Senegal has made significant efforts over the past eight years, not only in terms of SDG monitoring and evaluation mechanisms, but also in terms of budget planning documentation.

Budget credibility in Senegal: There is good legislative infrastructure in place that draws on the Constitution and Senegal's ratification of WAEMU documents.⁹ Despite government commitment to transparent and accountable public financial management (PFM), two issues remain: (i) there is a lack of consistency in the presentation of data and (ii) the reports of audit institutions and parliament are neither available in a timely manner nor accessible to the public.

Budget analysis: Our analysis of the six sectors shows that the budgets of all six sectors are subject to change during the year. However, significant

budget deviations between the initial budget and the allocated budget are noted in the following sectors: agriculture (SDG 2), sanitation (SDG 6), gender (SDG 5) and environment (SDGs 13, 14, 15). Moreover, Senegal faces underspending in critical sectors such as sanitation.¹⁰

Pandemic's impact on the 2020 national budget and the achievement of the SDGs:

As in most COVID-19 government responses,¹¹ while the allocated budget increased for the health, gender and sanitation sectors, it decreased for all other sectors. This shows that in 2020, health, gender and sanitation remained a priority for the government.

Gender equity and the public budget:

The Senegalese government has made a great deal of effort to rehabilitate the status of women with the introduction of a gender component in the allocation of ministerial budgets, as well as an increase of 16 billion FCFA in the 2020 gender budget compared to 2018 and 2019.

Recommendations: To improve performance on SDG achievement and budget credibility, we recommend (i) government undertake capacity building for public service managers on the country's program budget, (ii) better study budget execution rates, (iii) encourage greater involvement of local authorities, (iv) implement gender responsive budgeting and (v) ensure access to timely budget information and data. Better access to information could help actors with a direct stake in SDG achievement make informed decisions and shift strategies towards improved services.

⁹ Created on January 10, 1994 in Dakar, the main objective of the West African Economic and Monetary Union (WAEMU) is to build a harmonized and integrated economic space in West Africa, within which the free movement of persons, capital, goods, services and factors of production is ensured, as well as the effective enjoyment of the right of exercise and establishment for the professions, and the right of residence for citizens throughout the community territory.

¹⁰ The budget is approved when there is a decrease in the initial budget, while budget deviation means the difference between the approved budget and the actual spending of the state. Under-spending implies that actual spending is lower than the approved budget.

¹¹ According to the Covid-19 Industry Impact Report, November 2020 (27/11/2020), 92 percent of the companies surveyed said they have been impacted by the pandemic by a shortage of raw materials, employees and production.

2. Government Engagement with the SDGs in Setting National Priorities

The SDGs, also known as the Global Goals, are a global call to action to eradicate poverty, protect the planet and ensure that all people live in peace and prosperity. These 17 goals build on the successes of the Millennium Development Goals (MDGs) while incorporating new concerns such as climate change and peace and justice.

Senegal's political commitment to poverty eradication is evidenced by implementation of the 17 SDGs. Indeed, the government embarked early on a participatory and inclusive approach with the PSE program. The PSE constitutes the reference framework for economic and social policy in the medium and long term. Through the implementation of the PSE,¹² Senegal prioritizes investments with high economic and social impact, thus integrating all the SDGs' priorities. This alignment with the SDGs is reflected in the 2018 Voluntary National Review (VNR).¹³ The VNR highlights the PSE's three main orientations for inclusive development:

Axis 1: "Structural transformation of the economy and growth," which is in line with SDGs 1, 2, 5, 8 and 9 and has the aims of sustainable wealth creation and poverty eradication in all its forms.

Axis 2: "Human capital, social protection and sustainable development," which includes SDGs 3 (health), 4 (education), 5, 6, 11, 12, 13, 14 and 15, aims to significantly improve the supply of and demand for social services and social coverage.

Axis 3: "Governance, institutions, peace and security," which encompasses SDGs 10, 16 and 17, responds to the requirements of good governance, local development, the promotion of peace and security, and African integration.

PSE alignment with the SDGs shows that its priority actions largely cover SDG targets. The PSE allows the country to embark on a new development trajectory, with the objective of raising its growth potential in a sustainable manner. At the operational level, the Multi-Year Budget and Economic Programming Document (DPBEP) defines the budgetary orientations adopted to achieve the country's economic and social development objectives. The DPBEP is based on the PSE, which represents the budget guidelines for achieving the country's economic and social development objectives.

On the process of achieving the SDGs, Senegal is supported by many development organizations.

¹² The PSE is a 10-year strategy for the period 2014-2023, based on a vision of an emerging Senegal by 2035 through three strategic axes: (i) structural transformation of the economy and growth, (ii) human capital, social protection and sustainable development and (iii) governance, institutions, peace and security. The PSE is supported by a Priority Action Plan (PAP), itself divided into two phases. Phase 1 (2014-2018) achieved satisfactory results in all sectors and phase 2 (2019-2023), which was intended to be a continuation but with greater involvement of the private sector, has been reviewed and adapted to the new priorities arising from the global health crisis.

¹³ Voluntary National Review (VNR) is a process through which countries assess and present progress made in achieving the global goals and the pledge to leave no one behind. The preparation of the report takes place in two phases: (i) preparation of the VNR process through the collection, processing and analysis of information; (ii) drafting and validation of the report. It makes possible to mobilize stakeholders in sustainable development such as the administration, civil society, local authorities, private sector, institutions that are involved in the monitoring and implementation of SDGs.

For instance, the UN has three strategic priorities concerning its support to Senegal, namely: (i) inclusive and sustainable economic growth, (ii) access to quality basic social services and social protection and (iii) governance, peace and security. In addition, the government has allied with various partners, such as Initiative Prospective Agricole et Rural (IPAR)¹⁴ and UNICEF,¹⁵ to align and integrate international commitments into the implementation of the PSE and the monitoring of SDGs. Some of the activities IPAR and UNICEF support include awareness raising sessions, particularly for civil society actors; capacity building for ministerial actors; and programs contributing to the reduction of poverty, vulnerability and inequalities in access to social services.

In addition, an institutional mechanism for monitoring the SDGs has been put in place. The Harmonized Monitoring and Evaluation Framework (CASE) of public policies was created by decree in May 2015 to ensure better coordination of monitoring and evaluation mechanisms and systems.¹⁶ It also allows the sharing of results to make the necessary corrections and adjustments. Further, it facilitates a good link between sectoral objectives and the general orientations of the PSE. Through CASE, the aim is to contribute to the consolidation of results-based management in the administration. In addition, the Joint Annual Review (RAC)¹⁷ of economic and social policy

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is produced on the basis of sectoral, regional and thematic reports. The establishment of this monitoring and evaluation system has made it possible to ensure and facilitate the monitoring of the SDGs as well as provide a good level of information on the SDG indicators.

Together, these institutional mechanisms contribute to the High-Level Political Forum (HLPF) on Sustainable Development and “transformation towards sustainable and resilient societies.”¹⁸ The HLPF provides political leadership, advice and recommendations for sustainable development. It reviews progress in the implementation of the 2030 Agenda and the SDGs, with the aim of integrating the economic, social and environmental dimensions of sustainable development.

¹⁴ The Initiative Prospective Agricole et Rural (IPAR) is a space for reflection, dialogue, and proposals for concerted agricultural and rural policies in Senegal and the West African region. The initiative was initiated by specialists in agriculture and the rural world who were already supporting farmers' organizations and who were interested in creating permanent spaces for prospective and strategic reflection.

¹⁵ United Nations International Children's Emergency Fund (UNICEF) works upstream to create a national policy and legislative environment conducive to children's rights, and downstream, focusing on those parts of the country and population groups that are most vulnerable and underserved by essential social services.

¹⁶ The CASE is chaired by the Head of State and supported by a Technical Secretariat that prepares all the reports of the RAC. To ensure the proper preparation of the reviews, a Review Preparation Committee is created within CASE to ensure the quality and objectivity of the monitoring and evaluation work. It is composed as follows: two representatives of the Presidency of the Republic; two representatives of the Prime Minister's Office; the Director General of the Organization and Methods Office (BOM); the Director General of the Operational Monitoring Office of the Emerging Senegalese Plan (BOS); the Director General of Planning and Economic Policies; the Director General of Finance; and the Director General of the ANSD.

¹⁷ The RAC is a document produced by the General Directorate of Planning and Economic Policies (DGPPE). This direction was established by Decree No. 2014-1171 of September 16, 2014, on the organization of the Ministry of Economy, Finance and Planning (MEFP) amended by Decree No. 2017-480 of April 03, 2017.

¹⁸ The High-Level Political Forum on Sustainable Development (FPNH) is the main United Nations platform for the follow-up and review of the 2030 Agenda for Sustainable Development. Since 2015, FPNH has met annually under the auspices of the United Nations Economic and Social Council (CESNU), and every four years under the auspices of the General Assembly, when Heads of State or Government take part in the Forum.

3. Background on Budget Credibility in Senegal

The legal framework that regulates the Senegalese budget is Directive No. 06/2009 within the WAEMU finance laws. These laws stipulate that the cumulative annual amount for transfers and expenditures affecting a program cannot exceed 10 percent of the approved budget. However, as compared to international standards, Senegal responds to the PEFA standards, which set the budget deviation range at less than 5 percent. Unfortunately, budget deviations in Senegal have exceeded 10 percent in recent years in many sectors although this has not been consistent. For the Ministry of Water and Sanitation, for instance, analysis of budget reports from 2018 to 2020 revealed a budget deviation from the initial budget of -75 percent in 2018, -80 percent in 2019 and -64 percent in 2020. For the Ministry of Health and Social Action, Senegal recorded a budget deviation of -31 percent in 2018, -50 percent in 2019 and -34 percent in 2020.

Despite the direct effects of poor budget credibility on public service delivery in Senegal, public discussion of budget credibility is not as popular as debates on accountability, good governance, budget transparency and access to information. However, SDG achievement is part of the political discourse by Senegalese public authorities, the Council of Ministers, the President's speeches, the budget debate in the National Assembly and inaugural speeches for public infrastructure projects. In addition, documents such as the voluntary national

assessment report (2018 editions) make it possible to review the integration of the SDGs into public policies. For instance, the VNR mentioned in 2018 that the SDG indicator 16.6.1, which measures primary public expenditure as a percentage of the initial approved budget, decreased slightly from 28.3% in 2015 to 28.1% in 2016.¹⁹

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¹⁹Ministry of Enomy and Cooperation (2018), Voluntary National Review, Senegal.

4. Data Sources, SDG Progress and Budget Credibility in Senegal

To review Senegal's progress on the SDGs and analyze the credibility of its budget, we reviewed Senegal's budget and actual expenditures for three years: 2018, 2019 and 2020. Our data sources consist of the following documents.

The initial finance law, which refers to the law providing and authorizing, for each calendar year, all the resources and expenditures of the state. This law is proposed by the Ministry of Finance and Budget and is approved by the Parliament. In 2001, new budget rules stemming from the Organic Budget Law (LOLF)²⁰ have made it possible to move from a logic of means to a logic of results centered on performance. The credits of all the ministerial departments are presented in the form of "missions" (i.e., a set of programs contributing to a defined public policy). This change has materialized in the 2020 budget documents, explaining the difference in the data outline compared to the previous years. The initial finance law gave us all the needed information regarding the initial budget.

The revised finance law modifies during the financial year the provisions of the initial finance law. At least one amending finance law is voted by the parliament at the end of the year to authorize credit movements or budget cuts or reassess the level of revenue. The revised finance law gave us all the necessary information regarding the revised

budget. This law also provides an explanation of in-year budget changes. Explanation for budget gaps is usually found in the Annual Performance Report (RAP) produced by each ministry.

Open credits (crédits de paiement, in French) represent the upper limit of expenditure that may be authorized or paid during the year to cover commitments. They are the means of settling the expenditure committed in advance. In the case of a legal commitment to be executed over several financial years, the consumption of the payment appropriations is staggered over several financial years until the total of the initial commitment authorizations is reached.

The settlement finance law notes the financial results of each calendar year and approves the differences between the expenditures made and the forecasts of the budget laws for the financial year. This law is also voted on by the Parliament. The settlement finance law gave us all the necessary information regarding actual spending. All the documents were accessed from the Ministry of Finance and Budget website.

This brief uses administrative units (ministries) to track sectoral spending. This is because there is no system from the government accurately and exhaustively tracking specific spending on SDGs.

²⁰The organic law establishes the rules relating to the content, presentation, preparation, adoption, execution and control of the finance laws. It determines the conditions under which medium-term budget policy is adopted regarding the public finances of the state and other public bodies.

5. Analysis Approach

In this paper, deviations are derived from the difference between the initial budget and actual spending for key ministries that relate to the seven sectors analyzed in this paper.²¹ The purpose of this approach is to highlight the significant budget deviations and cuts that occur during the budget year. In fact, the sectoral budgets are consistently reduced by the Ministry of Finance during the implementation phase.

Budget credibility, or budget reliability, is also measured in PEFA reports under PI-I and PI-II. However, when reviewing the most recent PEFA report from Senegal, which uses data only as of the 2015 budget year,²² the report does not specify which data from the budget approval and execution cycle is used to assess the initial budget and executed budget, and their data presented shows lower variations than are found in this brief.

As such, our approach also identifies budget credibility issues at different stages in the expenditure chain. The first level concerns shifts in expenditure commitment amounts made by the Ministry of Finance, which can vary dramatically from the expenditure commitments approved by the National Assembly. The second level of credibility concerns deviations between expenditure commitment ceilings given to the sectors (payment appropriations) and their actual

expenditures. According to surveys of sectoral ministries and the Ministry of Finance led by the International Budget Partnership, the budget gaps stem from several difficulties, ranging from: (i) economic shocks, (ii) the State's inability to mobilize revenues as planned and (iii) the budget execution challenges for sectoral ministries.

Senegal's progress on the SDGs is analyzed through the UN SDG index for 2021, which builds on data produced by international organizations, civil society organizations and research centers.

21 Agriculture and Food, Education, Environment, Gender, Health, Social Protection, Water and Sanitation. See the Annex for details on which ministries are selected as proxies for spending in these seven sectors.

22 PEFA (2020), Evaluation de la Performance de la Gestion des Finances Publiques au Sénégal selon la méthodologie PEFA 2016

Table 1: Senegal Budget Deviations, 2018-20 as Compared to the 2021 SDG Index for Related Sectors

Sector	Related SDG Goal(s)	SDG Index Performance	SDG Index Trend	Share of Initial Approved Budget (Average)	Share of Total Actual Spending (Average)	Budget Deviation (Average)
Agriculture and Food	Goal 2: Zero Hunger	Challenges remain	Moderately improving	4.9%	2.0%	-52%
Education	Goal 4: Quality Education	Challenges remain	Decreasing	12.9%	11.5%	-2%
Environment	Goal 13: Climate Action	SDG achieved	On track or maintaining SDG achievement	0.4%	0.3%	-13%
	Goal 14: Life Below Water	Challenges remain	Moderately improving			
	Goal 15: Life on Land	Significant challenges remain	Moderately improving			
Gender	Goal 5: Gender Equity	Challenges remain	Moderately improving	0.4%	0.1%	-59%
Health	Goal 3: Good Health and Wellbeing	Challenges remain	Moderately improving	5.1%	2.1%	-39%
Social Protection	Goal 1: No Poverty	Challenges remain	Stagnating	1.0%	0.7%	-22%
	Goal 10: Reduced Inequalities	Challenges remain	Trend information unavailable			
Water and Sanitation	Goal 6: Clean Water and Sanitation	Challenges remain	Moderately improving	3.0%	0.8%	-73%
Total Budget						9%

6. Analysis of Sectoral Spending by Ministry

Ministry of Agriculture and Rural Equipment

The Senegalese economy relies mainly on the agriculture sector, which employs more than 60 percent²³ of the active population. The main mission of this sector (SDG 2) is to eliminate hunger, improve nutrition and promote sustainable agriculture. According to the Sustainable Development Report,²⁴ the Senegalese government has put much effort into achieving this particular goal, which ensures food security. The set objectives regarding obesity (people with a BMI greater than or equal to 30), human trophic level, exports of dangerous pesticides and undernourishment have been achieved. Nevertheless, major challenges remain, such as cereal yield, sustainable nitrogen management and stunting in children under five. The SDG 2 level of achievement reflects the reduced allocations. For the three years studied, the budget allocated to this sector has been reduced by an average of 52 percent per year due to allocated budgets seeing consistent cuts. Beyond this, the state allocated small percentages of the national budget to the agriculture sector: 2 percent in 2018 and 2019, and 1 percent in 2020. This is not enough of

a contribution to achieve the SDGs as reported by the UN SDG index.²⁵ In addition, Senegal's commitment²⁶ in the Maputo Protocol of July 2013 to allocate at least 10 percent of its national budget to agricultural and rural development and food security is not being met. Nevertheless, in terms of budget deviation, the sector has experienced underspending during the three reviewed years: by 9 percent in 2018, 1 percent in 2019 and 4 percent in 2020.

Ministry of Water and Sanitation

This sector corresponds to SDG 6 and aims at ensuring the availability and sustainability of water and sanitation for all people. Through the implementation of sanitation programs, freshwater collection has improved due to agricultural development and the growing number of actors. However, intersectionality makes sanitation a problematic area. It affects several sectors, including health and the environment. The sanitation sector suffers from budget deviations and drawdowns. Budget implementation for this sector shows an average decrease of 73 percent from initial budget to actual spending from

²³<https://investinsenegal.com/secteursporteurs/agriculture-et-agrobusiness/>

²⁴The Sustainable Development Report summarizes the national situation with respect to sustainable development. In fact, it constitutes a framework for evaluating the progress made and the difficulties encountered. It also highlights the perspectives and the new and emerging challenges in this field as well as the vision of the different categories of actors (Administration, local authorities, private sector, NGOs, etc.) on the issues related to the economy and governance of sustainable development.

²⁵<https://dashboards.sdgindex.org/profiles/senegal>

²⁶African Heads of State at the African Union Summit on Agriculture and Food Security in Maputo in July 2003 made an urgent commitment to implement the Comprehensive Africa Agriculture Development Programme (CAADP), to adopt sound agricultural development policies, and to allocate at least 10 percent of their national budgets to the sector.

2018 to 2020. This makes it the sector with the largest budget cuts out of the six sectors studied. Even though sanitation is a high-stakes sector, its budget deviation was -75 percent in 2018, -80 percent in 2019 and -64 percent in 2020. In addition, these significant budget cuts mean water and sanitation spending ends up deprioritized in actual spending as compared to the initial budget: while the initial budget allocated an average of 3 percent of total spending from 2018 to 2020, actual spending on the sector only amounted to 0.8 percent of total spending during those years. This constitutes significant under-expenditure, reflected in persistent service delivery gaps.²⁷ Furthermore, spending lines in budget reports show that most of the budget execution is in operational expenses, not capital expenditures, which require the heaviest financing. Thus, a large portion of the population (especially in rural areas) does not have access to necessary water services and the quality of basic sanitation services is poor. Development progress, measured by UN SDG index indicators related to SDG 6, is showing moderate improvement that is insufficient to achieve this SDG.

Ministry of the Environment and Sustainable Development

The environment sector is related to SDGs 13, 14 and 15. From a budget perspective, the sector has received a minimal share of the total budget—less than half a percent—below most of the other sectors reviewed in this brief for 2018, 2019 and 2020. With regard to the period under review, the

environment sector also shows deviations as follows: -24 percent in 2018, -44 percent in 2019 and 28 percent in 2020. It is important to note that in 2020, the initial budget is much lower than previous years,²⁸ but the ministry executed a higher budget than planned, thus the overspending observed in 2020. As per the PSE evaluation of the economic, social and environmental policy through the period 2014-18, there are significant results on programs performance, and the implementation of reforms²⁹. In addition, the state has taken urgent measures to fight against climate change. This has led to a significant reduction in CO2 emissions from the combustion, import and export of fossil fuels. As a result, the UN index reports that improvement in the sector is moderate but insufficient for the achievement of the SDGs. Major challenges such as land and marine waste eradication persist.

Ministry of National Education

SDG 4 aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. This sector most reflects the commitments made by Senegal in its regional agreements. Indeed, on average, 12 percent of the initial total budget is allocated to this sector, which then during implementation was increased by the Ministry of Finance to 15 percent of total credits opened. Nevertheless, it should be noted that the preponderance of expenditures is operating expenses and not investment. Thus, in 2018, 79 percent of the allocated budget was devoted to salaries, 17 percent to operating expenses and 2.6 percent to investments. This explains why

²⁷ According to the National Agency for Statistics and Demography (ANSD), one-third of the Senegalese population does not have access to improved sanitation facilities (34 percent), and 14 percent of them practice open defecation in 2017. The overall sanitation rate in Senegal is 53.79 percent and 67.4 percent in urban areas in 2017. The sewerage facility is not well developed. Toilets connected to a sewage facility are used by only about nine percent of households.

²⁸ (2 billion CFA vs 25 billion in 2019)

²⁹ <https://www.tresor.economie.gouv.fr/Pays/SN/cadrage-economique>

spending increased in 2020 when the country was responding to the COVID-19 crisis. It appears that only the Ministry of Education had 4 percent overspending in 2018. This means that the expenditures made were in favor of this sector. It should be noted that Senegal generally devotes more resources to education than other WAEMU countries but remains below the international norm.³⁰ However, despite the efforts made by the state in terms of allocation, investments, programs and awareness campaigns, this sector is in constant decline. As the UN SDG index shows, the objectives set are not achieved, and problems related to literacy, schooling and the completion of the first secondary cycle remain.

show that the incidence of individual poverty in Senegal is 37.8 percent, according to the approach based on the national poverty line. While data on this sector is not available for 2018 because of a change in the structure of ministries in Senegal, in 2019 this sector experienced underspending of -10 percent and in 2020 an even lower implementation rate of -35 percent. Thus, the major challenges related to this sector remain as reported by the UN SDG index.

Ministry of Community Development, Social and Territorial Equity

This sector corresponds to SDGs 1 and 10, the main objective of which is to end poverty in all its forms and everywhere. In 2020, the budget allocated to the social protection sector decreased by 1 percent compared to 2019. An Emergency Community Development Program (PUDC)³¹ has been instituted to help improve rural populations' access to basic social services through the establishment of socio-economic infrastructure. Nevertheless, indicators show that the social protection sector is stagnating and growing at less than 50 percent of the required rate. Initial poverty results from the Harmonized Survey on Living Conditions of Households (EHCVM 2018/2019)³²

³⁰In 2018, Senegal allocated 4.9 percent of its GDP (US\$23.12 billion) to the education sector while it had committed as a WAEMU member country to allocate six percent. https://www.economie.gouv.sn/sites/default/files/2021-04/OSBS_Analyse_percent20Budget_percent20de_percent20I_percent27Education_SN.pdf

³¹The Emergency Community Development Program (PUDC) aims to contribute to improving rural populations access to basic social services through the establishment of socio-economic infrastructures. <https://pudc.sec.gouv.sn/>

³²On the initiative of the WAEMU Commission, Senegal conducted a Harmonized Survey on Household Living conditions (EHCVM) financed by the World Bank. The survey provides data for the monitoring/evaluation of poverty and household living conditions. For example, data collection for 2018-2019 was conducted in two waves of three months each. The establishment of a monitoring team and the use of electronic media allowed for the control of data consistency throughout the process.

7. The Pandemic's Impact on Spending Patterns

In 2020, the COVID-19 pandemic disrupted societies and economies. Senegal's economic growth was limited to only 0.7 percent in 2020, whereas the projections—in the initial 2020 budget law—were 6.8 percent. To mitigate the effects of the crisis, the government put in place several measures, including the adoption of an Economic and Social Resilience Program (PRES) with a budget of CFA1,000 billion called the Force Covid-19 Fund. The objective of this program was to (i) strengthen the health system, (ii) build the social resilience of the population, (iii) ensure macroeconomic and financial stability to support the private sector and maintain jobs and (iv) ensure a steady supply of hydrocarbons, medical products, pharmaceuticals and essential foodstuffs. Budget allocations for all sectors studied were affected by COVID-19 in positive or negative ways. The two sectors where the budget was increased were health and gender. The prioritization of these sectors in 2020 was strategic for two reasons: i) the crisis in 2020 was a health crisis requiring additional investment to improve health services; ii) studies have shown that women were predominantly impacted (both economically and socially) by the pandemic as they are more concentrated in the informal sector.³³

Ministry of Health and Social Action

This sector relates to SDG 3. It aims to guarantee good health to the entire Senegalese population and to promote the well-being of all people at all ages, especially newborns. The state's desire to protect infants has been demonstrated by a positive trend in vaccination. Indeed, infants in urban and rural areas have received at least two doses of vaccine recommended by the World Health Organization (WHO). In addition, the state has committed itself to the fight against new HIV infections. Spectrum estimates report approximately 1,442 new infections in 2018 (UNAIDS, 2018). The trend of new infections has been declining since 2005. Moreover, the basic data and statistics published by the National Agency for Statistics and Demography (ANSD)³⁴, which can be used as a reference for monitoring and measuring the impact of COVID-19, suggest that Senegal has deployed all means at its disposal to improve access to health. In fact, the budget allocated to this sector in 2020 is higher than those in 2018 and 2019.³⁵ Although the share of spending in the health sector was lower in 2020 than in previous years, the decrease is relative to a higher national budget. It is also important to

³³As part of its SPARK program, IBP conducted an assessment of the impact of COVID-19 on the incomes of vulnerable households and their access to state assistance in the department of Pikine. The results of the study showed that 66 percent of the respondents claimed to have benefited from the state's assumption of responsibility for the costs of water and electricity in the form of subsidies, food support for 13.7 percent and the provision of hygiene kits for 65 percent.

³⁴Created in 2005, the ANSD is the portal par excellence for official statistics on Senegal.

³⁵Initial settlement law, budget allocated to the Ministry of Health and Social Action: 42,018,548,900 FCFA; and Amending settlement law: 59,304,827,607 FCFA

note that a significant amount was assigned to health from the PRES envelope. This addition was extra-budgetary and does not reflect in the data in Annex 1. Nevertheless, the commitment made by Senegal (as a member of the African Union) in the 2001 Abuja Declaration to allocate 15 percent of its public budget to the health sector has not been met. This itself is a real obstacle to achieving the SDGs. As mentioned by the SDG Center of Africa through the Afro-barometer,³⁶ Senegal is making progress in the health sector, but its investment is below the minimum required to achieve the SDGs by 2030. Thus, as the UN index shows, the improvement in the health sector is moderate and insufficient to achieve the relevant SDGs. Key challenges such as maternal mortality, neonatal mortality and under-five mortality persist.

³⁶The SDG Center for Africa, 2019. Afro barometer, "Indice des ODD pour l'Afrique 2019," <https://sdgcafrica.org/wp-content/uploads/2019/07/Africa-SDG19-Sum-FRENCH.pdf>

8. Gender-related Expenditures in the Budget

Senegal's population is estimated at 15,256,346 inhabitants (ANSD projection, 2017), of which 50.1 percent are women and 49.9 percent are men. This demographic structure reflects the potential significance of women as human resources at the national level. However, the formal employment rate remains low at 31.1 percent compared to that of men, which is 56.2 percent. Unemployment affects 26.3 percent of the female population compared to 9.3 percent of the male population³⁷ Though the number of women parliamentarians has risen, and the SDG index shows good progress on this indicator, women are largely absent from accountability spaces and when they are present, they are not effectively exercising their power.³⁸

By definition, the budget is a political instrument that allows the social and economic priorities of a state to be taken into account. This is why a gender analysis of the budget is necessary to integrate the gender perspective into the entire budget cycle. It leads to a redefinition of priorities to allocate resources equitably among the needs of all segments of the population, but also to measure the progress made to reduce the gender gap.

To address this inequality, the government has made several efforts, including the introduction of a Gender Budget Document in the Finance Bill.³⁹ It is a further step toward gender inclusion in the

state budget. Its purpose is to promote timely changes in the definition of national priorities and in the budgetary programming of public spending. In 2016, with the Support Project to the National Strategy for Gender Equity and Equality (PASNEEG), financed by the Italian Cooperation, a pilot exercise of gender mainstreaming in the Budget and Economic Programming Document was conducted in four ministries, at the end of which a gender budget document was available and accompanied the 2017 Finance Law.

In this research, only the budget from the Gender Ministry has been reviewed. The allocated budget for that Ministry is scant compared to the total national budget (less than 1%). Yet, we must note that, there are several spendings from other ministries toward gendered programs. Unfortunately, the gender budget document accompanying the yearly Finance Bill does not track spending across all ministries. There is a major effort summarizing the allocated budget for all programs with gender components but not the specific allocations to gender activities. Furthermore, the government has not yet published a budget report that evaluates the actual allocated budget and spendings for specific gender services across sectors. This situation makes it difficult to assess the budget prioritization of gender issues in Senegal.

³⁷Senegal National Employment Survey, fourth quarter 2020, www.ands.sn

³⁸International Budget Partnership, SPARK Program (2023), INVESTING IN THE REAL DRIVERS OF TRANSFORMATIVE CHANGE : lessons learned from supporting women's movements in Senegal.

³⁹The 2020 budget is a budget of continuity, in that it is consistent with the strategic orientations of the PSE. But it also constitutes a breakthrough budget, insofar as it profoundly renews the state's toolbox for public finance management, in favor of the implementation of WAEMU directives: <https://www.sentresor.org/publication/projet-de-loi-de-finances-2020/>

Regarding the COVID-19 pandemic, although impacted, Senegal has achieved notable performance⁴⁰ in gender equity and equality in the economic, social and political dimensions during 2018, 2019 and 2020.⁴¹ The Senegalese Government's strong commitment to improving women's conditions materialized into higher budget allocations in 2020 compared to 2018 and 2019.

In addition, the Gender Responsive Planning and Budgeting (PBSG) approach was continued in 2021 with the targeting of 11 ministries considered as priority sectors representing vectors of major change in: (i) the recognition and exercise of fundamental equal rights, (ii) the construction of the social identity of women and men, (iii) the fight against sexist stereotypes, (iv) the protection of women's integrity and dignity, (v) the development of human capital and (vi) the allocation of resources in favor of fair and equitable economic development.

⁴⁰Senegal, through its Voice and Leadership of Women in Senegal project, has put in place a plan to respond to COVID-19, taking into account the rights of women and girls. Awareness campaigns, advocacy actions and initiatives have been carried out. In the regions of Kolda, Tambacounda and Sedhiou, women have received grants from partners for their agricultural activities. See www.ceci.ca.

⁴¹National Report on Human Development, Structural Transformation, Digital and Gender Challenges

9. Conclusions and Recommendations

1. Senegal has a good legal infrastructure that could allow a credible budget.

Through its Constitution, Senegal guarantees the right of citizens' participation and transparency in PFM. Through WAEMU legislations, Senegal has implemented many directives towards good PFM practices. Senegal's willingness to ensure budget credibility is manifested in the national strategy (PSE) and legal, political frameworks. As noted above, many tools such as the CASE, RAP and RAC that could allow for good monitoring and evaluation of programs were also put in place. However, the main challenge remains in budget implementation and policy processes. This is reflected in the discrepancies between budget execution and budget provisions. Moreover, ministries lack the capacity to use the newly implemented program budget and results-based management tools. Thus, despite legal frameworks, the government needs to build the capacity of public officials to achieve policy and budget objectives. The government should invest more in building the capacity of public officials on results-based management. Furthermore, Senegal should work more on identifying the causes behind budget credibility issues, as they undermine the country's overall efforts in achieving the SDGs.

2. Senegal faces underspending in many sectors; its overall deviation rates exceed international standards for best practice and the WAEMU limit.

The Senegalese government faces two major problems: significant and recurrent in-year budget cuts, and budget deviations (mainly underspending). The first challenge raises the question of how the state determines a realistic budget and strategic spending priorities. In that regard, the 2018 PEFA report⁴² argues that, in Senegal, the recurrent costs of investments are not estimated and considered in multi-annual budget programming. Also, data is often unreliable due to a lack of information on payment arrears. Therefore, it is crucial for the government to work toward rigorous bookkeeping of commitments to keep its budget estimates accurate and reliable.

Budget underspending in Senegal can be attributed to causes such as administrative slowness in the procurement system, coordination problems between several stakeholders, low ownership of programs by the population, unavailability of funds and lack of involvement of local authorities. These problems slow the implementation of programs, especially those

⁴²PEFA (2016), Evaluation de la performance de la gestion des finances publiques au Sénégal selon la méthodologie, www.pefa.org

related to local collectivities. This is the case for the sanitation sector, which is experiencing the greatest budget deviations.

Senegal would benefit from putting local authorities and the local population at the heart of public policies. All SDG targets are directly linked to the responsibilities of local and regional authorities, in particular their role in providing basic services. The government could better engage these constituencies to help identify strategic priorities but also better execute budgets by enhancing the openness and responsiveness of its national budget process. Furthermore, the government would benefit from an effective action plan to mitigate the budget risks (economic shocks, low revenue mobilization, etc.) during the implementation phase.

3. As data is vital to the full implementation of SDGs by 2030, Senegal needs to make great efforts in facilitating access to data.

The government faces a problem of consistency in budget data. Official budget data figures are often disproportionate from one official document to another. For instance, the sum of the budget allocations in the in-year reports are often different from those in the settlement finance law.

In addition, budget reports are not always usable. The government should ensure that the budget reports' format (including the citizen budget⁴³) is accessible to the public. Moreover, the reports are not available on time. For example, the 2020 settlement finance law was made public in the third quarter of 2021, even though, according to legislation, it should have been published at the end of the budget year. Furthermore,

because Senegal does not report on a functional classification of expenditures, nor is there a system to track specific spending on SDGs across ministries, researchers must rely on administrative units (ministries) as a proxy for sector spending; even though some spending towards these sectors, and related SDGs, may take place in other ministries. To benefit from the population's support, to execute its budget as planned and achieve the SDGs, the government should invest real efforts in collecting budget and spending data for sectors and publishing data in an accessible, comprehensive and timely manner.

4. Senegal must embed gender in budgeting and policymaking processes.

Senegal has demonstrated its willingness to develop and implement gender-responsive public policies by creating a gender unit in each government ministry. However, official documents do not include a monitoring line to track Senegal's investments in gender. This makes it difficult to assess budget allocations from a gender equity perspective. The government should make efforts to collect gender-disaggregated data for each sector to help policymakers assess and develop appropriate, evidence-based responses and policies. Also, sectoral ministries should conduct impact studies to facilitate discussions on the impacts of programs and services towards women and gender equality. The government could consider reintroducing the gender-responsive budget circular by requiring that spending units' budget proposals include information on the impacts of budget policies on gender equality.

⁴³The citizen budget is a simplified summary of the finance law for the year 2020.

9. Annexes

Annex 1: Detailed Budget Tables for Budget Allocations and Expenditures from 2018 to 2020

Sector	Administrative Classification	Initial Approved Budget (CFA, Billions)			Open Credits (CFA, Billions)			Actual Spending (CFA, Billions)		
		2018	2019	2020	2018	2019	2020	2018	2019	2020
Agriculture and Food	Ministry of Agriculture and Rural Equipment	195.5	203.2	152.0	95.3	98.1	82.3	86.6	97.2	79.0
Education	Ministry of Education	413.0	476.9	526.3	419.4	438.1	493.5	431.0	451.9	500.6
Environment	Ministry of Environment and Sustainable Development	21.6	25.8	2.3	18.5	15.1	3.0	16.5	14.5	2.9
Gender Equity	Ministry of Women, Family, Gender and Child Protection	12.1	12.7	21.6	6.2	6.7	8.4	4.9	6.4	7.2
Health	Ministry of Health and Social Action	169.5	198.9	191.7	128.1	106.6	130.5	116.3	99.3	126.4
Social Protection	Ministry of Community Development of Social and Territorial Equity	-	61.0	47.0	-	60.4	33.1	-	55.0	30.8
Water and Sanitation	Ministry of Water and Sanitation	105.2	106.9	113.3	42.6	24.0	50.1	26.1	21.3	40.2
Total Budget		3774.7	4071.0	3258.5	3582.0	4092.7	3144.0	3694.0	4141.0	4017.0

Sector	Administrative Classification	Deviation (CFA, Billions)			Deviation, by Sector (%)			Sector Share of Total Spending (%)		
		2018	2019	2020	2018	2019	2020	2018	2019	2020
Agriculture and Food	Ministry of Agriculture and Rural Equipment	-108.9	-105.9	-73.1	-56%	-52%	-48%	2%	2%	1%
Education	Ministry of Education	17.9	-25.0	-25.7	4%	-5%	-5%	12%	11%	12%
Environment	Ministry of Environment and Sustainable Development	-5.1	-11.3	0.6	-24%	-44%	28%	0%	0%	0%
Gender Equity	Ministry of Women, Family, Gender and Child Protection	-7.2	-6.3	-14.4	-59%	-50%	-67%	0%	0%	0%
Health	Ministry of Health and Social Action	-53.2	-99.5	-65.3	-31%	-50%	-34%	3%	2%	1%
Social Protection	Ministry of Community Development of Social and Territorial Equity	0.0	-6.0	-16.2	-	-10%	-35%	-	1%	1%
Water and Sanitation	Ministry of Water and Sanitation	-79.1	-85.6	-73.1	-75%	-80%	-64%	1%	1%	1%
Total Budget		112.0	48.3	873.0	3%	1%	28%	-	-	-

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