West Africa Regional CAADP Nutrition Programme Development Workshop:

Roadmap for Action Planning: Efficiency-Based and Results-Focused Concepts and Tools to Enhance Nutrition Mainstreaming

By

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I. Framework for Fostering Efficient Nutrition Programs/Expenditures

I. PBIG Cycle: A Tool to Promote Enhanced Expenditure Performance

II. ABC’s of the Budgetary Process

III. Model of a Results-Focused Approach to Capacity Development: Key Elements and Linkages
Efficient and results-focused nutrition programmes require coherence and alignment between sound NAFS policies/strategies and investment plan allocations and implementation.

**Scenario 1: Misaligned & Disconnected**

**Scenario 2: Aligned & Connected**
<table>
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<tr>
<th>Budget Cycle</th>
<th>Public Spending Analysis Scope/Key Questions</th>
<th>Data Requirements</th>
<th>Types of Analysis</th>
<th>Areas of Recommendations</th>
<th>Potential Entry Points</th>
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<tr>
<td>1) Sector Objectives and Strategy (Budget Planning Phase)</td>
<td><strong>Intended Focus of Public Spending:</strong> Question: What are the Govt. national and sector objectives &amp; strategies? Is the policy environment conducive to investment returns?</td>
<td>Govt. targets (eg.: ag. growth; food security; poverty reduction; strategy components; policies; fiscal</td>
<td>- Desk Review</td>
<td>- Strategy alignment</td>
<td>- Sector Reviews</td>
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<td>- Performance Comparisons</td>
<td>- Potential gains from policy improvements vs. public spending</td>
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<td>2) Budget Allocation</td>
<td><strong>Allocative Efficiency of Public Spending:</strong> <strong>Scope:</strong> The broader the coverage, the greater the scope for analysis of allocative efficiency <strong>Question:</strong> How can allocative efficiency of public spending be improved? <strong>IS MONEY ALLOCATED TO THE RIGHT THINGS?</strong>. What aspects of the budget process have led the current levels of efficiency?</td>
<td>Budget Allocations:</td>
<td>- Simple inductive analysis</td>
<td>Changes in spending allocations across spending categories</td>
<td>- Ministry/local Govt. budget guidelines</td>
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<td></td>
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<td>- Levels</td>
<td>- Simple congruence analysis</td>
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<td>- Formulas used in allocation decisions</td>
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<td>- Functional composition</td>
<td>- Estimating marginal returns</td>
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<td>- Sector review linkages</td>
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<td>- capital vs. rec.</td>
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<td>- Wage vs. non-wage</td>
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<td>- public vs. private</td>
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<td>- National vs. subnational</td>
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<td>3) Budget Execution</td>
<td><strong>Technical Efficiency of Public Spending:</strong> <strong>Scope:</strong> The deeper the coverage the greater the scope for analysis of technical efficiency <strong>Question:</strong> How can technical efficiency of public spending be improved? (is implementation effective?). What aspects of the budget process have led to current levels of efficiency?</td>
<td>Budget execution:</td>
<td>- Public expenditure tracking</td>
<td>- Budget releases</td>
<td>- Ministry of Finance budget mgt.</td>
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<td>- Technical Design</td>
<td>- Reviews of subprograms</td>
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<td>- Budgeted vs. Actual</td>
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<td>- Procurement and Fiduciary capacity and performance</td>
<td>- Ministry of Agric. /Local Govt. guidelines for project appraisal</td>
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<td>- Timing of releases</td>
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<td>- Training and HR plans</td>
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<td>- Indicators on quality of services</td>
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<td>4) Monitoring and Evaluation</td>
<td><strong>Governance/Accountability of Public Spending:</strong> <strong>Question:</strong> What indicators are used to measure performance? Who is accountable for public spending outcomes, and to whom are they accountable?</td>
<td>- Coverage of Services</td>
<td>- Incidence Analysis</td>
<td>- Program Targeting</td>
<td>- Ministry/local govt. budget guidelines</td>
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<td>- Formal channels of accountability to stakeholders</td>
<td>- Impact Evaluation</td>
<td>- Implementation</td>
<td>- Ministry reviews</td>
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<td>- Public Expenditure Tracking</td>
<td>- Accountability mechanisms</td>
<td>- Ministry M&amp;E system</td>
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2) PBIG Cycle:

a framework/tool used to conduct an institutional diagnosis of public expenditure mgt. and to formulate priority actions which will enhance public expenditure performance, management & efficiencies.

**Sectoral Plans: Programs/Projects**

“PBIG” Cycle: (Planning, Budgeting, Implementation and Governance)

**Orientation Frameworks:**

(Regional (e.g. NAFS); National and Sectoral policies, strategies and plans)

**Frameworks of Prioritization Criteria** (established by Ministry of Finance, Econ. Devt., MOAs)

**Framework Procedures** (financial mgt., procurement, audits, in line with strengthened national and sectoral legislation and related procedures)
3) ABC’s of the Budgetary Process: Key Elements

- Ministry of Finance/MOF issues a “budget call/circular” each fiscal year to initiate the annual budgetary cycle
- Good practice MOFs uses 3 complementary budgetary instruments, which are to be applied by each sectoral ministry:
  - Medium Term Expenditure Framework (MTEF/SMTEF)
  - Annual Budget
  - Operational Action Plan (OAP)
- Activity-based vs. Results-focused approach to budgeting
- Results Chain: Inputs ➔ Outputs ➔ Outcomes/IO ➔ Impacts
### Six Stages of MTEF

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<th>STAGE</th>
<th>CHARACTERISTICS</th>
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<td>I. Development of Macroeconomic/Fiscal Framework</td>
<td>• Macroeconomic model that projects revenues and expenditure in the medium term (multi-year)</td>
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| II. Development of Sectoral Programs | • Agreement on sector objectives, outputs, and activities  
 • Review and development of programs and sub-programs  
 • Program cost estimation  |
| III. Development of Sectoral Expenditure Frameworks | • Analysis of inter- and intra-sectoral trade-offs  
 • Consensus-building on strategic resource allocation |
| IV. Definition of Sector Resource Allocations | • Setting medium term sector budget ceilings (cabinet approval) |
| V. Preparation of Sectoral Budgets | • Medium term sectoral programs based on budget ceilings |
| VI. Final Political Approval | • Presentation of budget estimates to cabinet and parliament for approval |

4) Model of Results-Focused Capacity Development: Key Elements and Linkages

**Development Goal: Nutritional Outcomes and Impacts**

**Development Actions**
- Raised awareness
- Enhanced knowledge & skills
- Improved consensus & teamwork
- Strengthened coalitions
- Enhanced networks
- Increased implementation know-how

**Resource inputs**
- Financial
- Human
- Technology
- Infrastructure

**Supply Institutions**
- Increase Efficiency of Policy Instruments
- Improve Effectiveness of Organizational Arrangements

**Demand Institutions**
- Strengthen Stakeholder Ownership

**Agents of Change**

**Intermediate Capacity Outcomes**

**Knowledge Services**
THANK YOU!

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